

JOSH GREEN, M.D.  
GOVERNOR



DENISE ISERI-MATSUBARA  
EXECUTIVE DIRECTOR

**STATE OF HAWAII**  
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM  
**HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION**

IN REPLY PLEASE REFER TO:

677 QUEEN STREET, SUITE 300  
HONOLULU, HAWAII 96813  
PHONE: (808) 587-0620  
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Statement of  
**DENISE ISERI-MATSUBARA**  
Hawaii Housing Finance and Development Corporation  
Before the

**HOUSE COMMITTEE ON WATER & LAND**

February 14, 2023 at 8:30 a.m.  
State Capitol, Room 430

In consideration of  
**H.B. 1054 HD1**  
**RELATING TO HOUSING.**

HHFDC **supports the intent** to help middle income individuals and families obtain rental housing by providing them with security deposits for their rent. This measure requires HHFDC to establish a new rental deposit loan program for local workforce renters with no-interest loans for security deposits up to \$2,500 and allow up to forty-eight months to repay the loan.

However, **concerns** related to implementation persist.

While HHFDC can enter into a memorandum of agreement with the counties or eligible nonprofits to implement the program, HHFDC lacks the staffing capacity to work on establishing this program. Once established, additional personnel will be needed to manage, monitor, and handle disbursement of funds to grantees.

HHFDC would need at least 2.0 additional full-time equivalent (FTE) positions at an estimated annual cost of \$275,000 for a single-family housing finance program specialist and for an accountant in our Fiscal Management Branch to administer this program. These figures represent salary plus fringe benefits. A general fund appropriation for these positions would be needed for each fiscal year of the biennium.

The other concern involves the practical application of this program given that the current rent market is very tight. There is a shortage of rental units in every county. When seeking a house to rent, renters are often competing with other prospective tenants for the same unit. Because of the uncertainty in the length of time it will take the county or nonprofit to

process a loan request, verify eligibility, and issue a check, consideration should be given to the time element involved and its impact on the effectiveness of the proposed program.

HHFDC remains committed to supporting this initiative and we look forward to working with the administration on addressing these concerns.

Thank you for the opportunity to provide testimony.

Council Chair  
Alice L. Lee



Director of Council Services  
Traci N. T. Fujita, Esq.

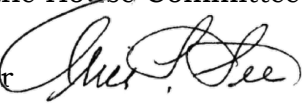
Councilmembers  
Tom Cook  
Gabe Johnson  
Tasha Kama  
Tamara Paltin  
Keani N.W. Rawlins-Fernandez  
Shane M. Sinenci  
Yuki Lei K. Sugimura  
Nohelani U'u-Hodgins

Deputy Director of Council Services  
David M. Raatz, Jr., Esq.

**COUNTY COUNCIL**  
COUNTY OF MAUI  
200 S. HIGH STREET  
WAILUKU, MAUI, HAWAII 96793  
[www.MauiCounty.us](http://www.MauiCounty.us)

February 11, 2023

TO: The Honorable Representative Linda Ichiyama, Chair, and  
Members of the House Committee on Water & Land

FROM: Alice L. Lee  
Council Chair 

SUBJECT: **HEARING OF FEBRUARY 14, 2023; TESTIMONY IN SUPPORT OF HB 1054, HD1, RELATING TO HOUSING**

Thank you for the opportunity to testify in **support** of this important measure. The purpose of this bill would establish the Rental Deposit Loan Program and the Rental Deposit Loan Program Revolving Fund.

The Maui County Council has not had the opportunity to take a formal position on this measure. Therefore, I am providing this testimony in my capacity as an individual member of the Maui County Council.

I **support** this measure for the following reasons:

1. Lack of affordable housing options is the biggest barrier for employers to recruit and retain skilled workers, and the reason many Hawaii residents are migrating to more affordable communities in the continental United States.
2. This measure will address the barrier by assisting those earning between 80 and 120% of the area median income attain housing through a rental deposit loan program, which would provide zero percent interest loans for security deposits up to \$2,500.

For the foregoing reasons, I **support** this measure.

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 808-733-7060  
 808-737-4977

 1259 A'ala Street, Suite 300  
Honolulu, HI 96817

February 14, 2023

**The Honorable Linda Ichiyama, Chair**

House Committee on Water and Land  
State Capitol, Conference Room 420 & Videoconference

**RE: House Bill 1054, Relating to Housing**

**HEARING: Tuesday, February 14, 2023, at 8:30 a.m.**

Aloha Chair Ichiyama, Vice Chair Poepoe and Members of the Committee:

My name is Lyndsey Garcia, Director of Advocacy, testifying on behalf of the Hawai'i Association of REALTORS® ("HAR"), the voice of real estate in Hawai'i and its over 11,000 members. HAR **supports** House Bill 1054 which establishes the rental deposit loan program and rental deposit loan program revolving fund. Appropriates funds. Sunsets on 7/1/2026. Effective 7/1/3000.

Since 2017, Hawai'i has experienced a population decline. According to the latest United States Census<sup>1</sup> data, between July 2021 to July 2022, Hawai'i lost 6,958 residents or 0.48% of the population. With Hawaii's high cost of housing and living, it can be a challenge for Hawai'i residents to afford to live here. In order to attract, recruit and retain a skilled workforce, it is key to have available workforce housing. As such, this measure helps our workforce by providing zero interest loans to renters between 80% and 120% of the area median income.

For the foregoing reasons, Hawai'i Association of REALTORS® supports this measure. Mahalo for the opportunity to testify.

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<sup>1</sup> United States Census Bureau. (2022). *2022 State Population Estimates*.  
<https://census.hawaii.gov/main/2022-state-pe>



*Expanding the range of opportunities for all by  
developing, managing and promoting quality  
affordable housing and diverse communities.*



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Testimony of EAH Housing | Hawaii Region  
RELATING TO HB1054 HD1

February 14, 2023 at 9:00 AM,  
Written Testimony Only

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**Committee on Water & Land**

Chair Linda Ichiyama, Vice Chair Mahina Poepoe,  
Members Cory Chun, Sonny Ganaden, Mark J. Hashem,  
Dee Morikawa, Gregg Takayama, and Kanani Souza

**Comments**

HB1054 HD1 will make rental housing more affordable and accessible for working individuals and families earning between 80% - 120% of the area median income (AMI). However, households in need of this financial support would be better served if the rental deposit loan program were administered by the counties, as they have the infrastructure, experience, and local knowledge to manage this type of program.

Thank you for the opportunity to provide input on HB1054 HD1.

A handwritten signature in black ink that reads "Karen Seddon". The signature is written in a cursive, flowing style.

Karen Seddon  
Regional Vice President  
EAH Housing



February 13, 2023

Representative Linda Ichiyama, Chair  
Representative Mahina Poepoe, Vice Chair  
Members of the Committee on Water and Land

RE: **HB 1054 – RELATING TO HOUSING**  
**Hearing date – February 14, 2023 at 8:30a.m.**

Aloha Chair Ichiyama, Vice Chair Poepoe and members of the committees,

Thank you for allowing NAIOP Hawaii to submit testimony with **SUPPORT ON HB 1054 – RELATING TO HOUSING**. NAIOP Hawaii is the Hawaii chapter of the nation's leading organization for office, industrial, retail, residential and mixed-use real estate. NAIOP Hawaii has over 200 members in the State including local developers, owners, investors, asset managers, lenders and other professionals.

HB 1054 establishes the rental deposit loan program and incentives to support development of affordable housing. The measure provides no-interest loans to eligible participants of the rental deposit loan program established under section 201H-A. These loans shall be repaid within a 2-year time period allowing for renters to pay off the loan over a longer duration of time.

NAIOP Hawaii is supportive of all policies which encourage the production of much needed housing stock for our local residents. Assisting individuals with security deposits up to \$2,500 will enable more residents to obtain housing. Hawaii residents are in need of housing and this measure will continue production of units.

Accordingly, NAIOP Hawaii supports all tools which actually get homes built for our residents. Thank you for the opportunity to testify on this measure.

Mahalo for your consideration,

A handwritten signature in black ink, appearing to read "Jennifer Camp". The signature is written in a cursive style and is positioned above the printed name.

Jennifer Camp, President  
NAIOP Hawaii



STANFORD CARR DEVELOPMENT, LLC

February 13, 2023

The Honorable Linda Ichiyama, Chair  
The Honorable Mahina Poepoe, Vice Chair  
and Members of the House Committee on Water and Land

Re: Testimony – HB 1054, HD1, Relating to Housing  
Hearing: February 14, 2023 at 8:30 AM  
House Conference Room 430

Dear Chair Ichiyama, Vice Chair Poepoe, and Committee Members:

Stanford Carr Development (SCD) is writing to offer **comments** to HB 1054, HD1, which proposes to establish and fund a rental deposit loan program and revolving fund.

We support the intent to provide the short-term gap financing that often makes the difference for a family to achieve permanent rental housing. However, we find that locating the program within the Hawaii Housing Finance and Development Corporation will divert attention from the agency's core functions of financing and development of affordable housing.

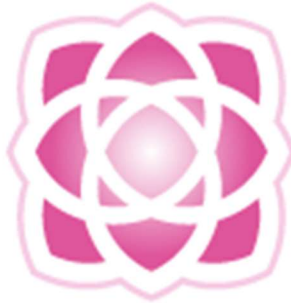
Rather, we suggest that the program aligns more appropriately with the resident programs of the Department of Human Services, Benefit, Employment and Support Services Division (BESSD). The division provides direct program support for general assistance, child care, employment and training, food assistance and low-income home energy assistance. The departmental infrastructure required to administer the rental deposit loan program is consistent with the existing resources of BESSD.

Thank you for the opportunity to offer comments on this measure.

Respectfully,

A handwritten signature in black ink, appearing to read 'Stanford S. Carr'.

Stanford S. Carr



# MAUI

CHAMBER OF COMMERCE

VOICE OF BUSINESS

**HEARING BEFORE THE HOUSE COMMITTEE ON  
WATER & LAND  
HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 430  
TUESDAY, FEBRUARY 14, 2023 AT 8:30 A.M.**

To The Honorable Linda Ichiyama, Chair  
The Honorable Mahina Poepoe, Vice Chair  
Members of the Committee on Water & Land

**SUPPORT HB1054 RELATING TO HOUSING**

The Maui Chamber of Commerce **SUPPORTS HB1054** which establishes the rental deposit loan program and rental deposit loan program revolving fund.

The Chamber notes that this measure would support workforce housing renters with direct loans for security deposits.

Lack of affordable housing options is the biggest barrier for employers to recruit and retain skilled workers, and the reason many Hawai'i residents are migrating to more affordable communities in the continental United States. This measure will address the barrier by assisting those earning between 80 and 120% of area median income attain housing through a rental deposit loan program, which would provide zero percent interest loans for security deposits up to \$2,500.

For these reasons, we **support HB1054**.

Sincerely,

A handwritten signature in cursive script that reads "Pamela Tumpap".

Pamela Tumpap  
President



**HB-1054-HD-1**

Submitted on: 2/12/2023 7:33:29 PM

Testimony for WAL on 2/14/2023 8:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Will Caron	Individual	Support	Written Testimony Only

Comments:

Please support HB1054 HD1.