

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
FAX: (808) 587-0600

Statement of
DENISE ISERI-MATSUBARA
Hawaii Housing Finance and Development Corporation
Before the

HOUSE COMMITTEE ON FINANCE

February 24, 2023 at 10:00 a.m.
State Capitol, Room 308

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

HHFDC **supports the intent** of HB 1054 HD1 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 up to forty-eight months to repay the loan. Appropriates funds for the program and positions.

HHFDC would like to note a timing aspect in 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, there is a time element involved that may impact the effectiveness of this 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.

COUNTY COUNCIL

Mel Rapozo, Chair
KipuKai Kualii, Vice Chair
Addison Bulosan
Bernard P. Carvalho, Jr.
Felicia Cowden
Bill DeCosta



OFFICE OF THE COUNTY CLERK

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Council Services Division
4396 Rice Street, Suite 209
Lihu'e, Kaua'i, Hawai'i 96766

February 22, 2023

**TESTIMONY OF FELICIA COWDEN
COUNCILMEMBER, KAUAI COUNTY COUNCIL
ON
HB 1054, HD 2, RELATING TO HOUSING
House Committee on Finance
Friday, February 24, 2023
10:00 a.m.
Conference Room 308
Via Videoconference**

Dear Chair Yamashita and Members of the Committee:

Thank you for this opportunity to provide testimony in strong SUPPORT of HB 1054, HD 2, Relating to the Housing. My testimony is submitted in my individual capacity as member of the Kaua'i County Council.

HB 1054, HD 2 seeks to support affordable housing by establishing the Rental Deposit Loan Program and Rental Deposit Revolving Fund. I wholeheartedly support this measure as the lack of affordable housing is the reason why many Hawai'i residents are moving off-island, and this measure would provide zero percent interest loans for security deposits up to \$2,500 and allow up to forty-eight (48) months to repay the loan.

Thank you again for this opportunity to provide testimony in strong support of HB 1054, HD 2. Should you have any questions, please feel free to contact me or Council Services Staff at (808) 241-4188 or via email to cokcouncil@kauai.gov.

Sincerely,

A handwritten signature in cursive script that reads "Felicia Cowden".

FELICIA COWDEN
Councilmember, Kaua'i County Council

AAO:ss

Council Chair
Alice L. Lee

Vice-Chair
Yuki Lei K. Sugimura

Presiding Officer Pro Tempore
Tasha Kama

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

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

February 23, 2023

TO: The Honorable Kyle T. Yamashita, Chair, and
Members of the House Committee on Finance

FROM: Alice L. Lee
Council Chair 

SUBJECT: **HEARING OF FEBRUARY 24, 2023; TESTIMONY IN SUPPORT OF
HB 1054, HD2, 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 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.

February 23, 2023

Representative Kyle Yamashita, Chair
Representative Lisa Kitagawa, Vice Chair
Members of the Committee on Water and Land

RE: **HB 1054 HD2 – RELATING TO HOUSING**
Hearing date – February 24, 2023 at 10:00 a.m.

Aloha Chair Yamashita, Vice Chair Kitagawa and members of the committees,

Thank you for allowing NAIOP Hawaii to submit testimony with **SUPPORT ON HB 1054 HD2 – 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 HD2 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,



Jennifer Camp, President
NAIOP Hawaii



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aarp.org/hi | aarphi@aarp.org | twitter.com/AARPHawaii
facebook.com/AARPHawaii

**The State Legislature
House Committee on Finance
Friday, February 24, 2023
Conference Room 308, 10:00 a.m.**

TO: The Honorable Kyle Yamashita, Chair

RE: Support for H.B. 1054, HD2 Relating to Housing

Aloha Chair Yamashita and Members of the Committee:

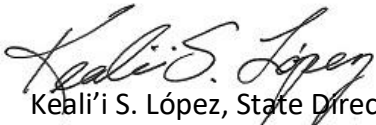
My name is Keali'i Lopez and I am the State Director for AARP Hawai'i. AARP is a nonpartisan, social impact organization that advocates for individuals age 50 and older. We have a membership of nearly 38 million nationwide and nearly 140,000 in Hawaii. We advocate at the state and federal level for the issues that matter most to older adults and their families.

AARP supports H.B 1054 HD2 which establishes the rental deposit loan program and appropriates funds for the rental deposit loan program revolving fund.

This proposed program will assist renters who do not have immediate capital to provide rental deposit with a loan that is interest free. With the high housing rental costs, this program will help especially those who are 80% below AMI (Area Median Income) with the needed security deposit to secure housing for themselves and their families. AARP Hawai'i supports initiatives that empower people of all ages and ability levels to access safe, decent, and affordable housing that enables them to continue to live safely in their homes and communities as they get older.

Thank you very much for the opportunity to testify in support **H.B. 1054, HD2.**

Sincerely,


Keali'i S. López, State Director

February 24, 2023

The Honorable Kyle T. Yamashita, Chair

House Committee on Finance

State Capitol, Conference Room 308 & Videoconference

RE: House Bill 1054, HD2, Relating to Housing

HEARING: Friday, February 24, 2023, at 10:00 a.m.

Aloha Chair Yamashita, Vice Chair Kitagawa 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, HD2, which establishes the rental deposit loan program and rental deposit loan program revolving fund. Appropriates funds for the rental deposit loan program and positions. Sunsets on 7/1/2026. Effective 7/1/3000.

Since 2017, Hawai'i has experienced a population decline. According to the latest United States Census¹ 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.

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



STANFORD CARR DEVELOPMENT, LLC

▪ February 22, 2023

The Honorable Kyle Yamashita, Chair
The Honorable Lisa Kitagawa, Vice Chair
and Members of the House Committee on Finance

Re: Testimony – HB 1054, HD2, Relating to Housing
Hearing: February 24, 2023 at 10:00 AM
House Conference Room 308

Dear Chair Yamashita, Vice Chair Kitagawa, and Committee Members:

Stanford Carr Development (SCD) is writing to offer **comments** to HB 1054, HD2, 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 (HHFDC) will divert attention from the agency's core functions of financing and development of affordable housing.

Despite the addition of another full-time equivalent position in HHFDC, we continue to recommend 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', written in a cursive style.

Stanford S. Carr

HB-1054-HD-2

Submitted on: 2/22/2023 8:05:06 PM

Testimony for FIN on 2/24/2023 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Will Caron	Individual	Support	Written Testimony Only

Comments:

Please support HB1054 HD2.