

JOSH GREEN, M.D.
GOVERNOR



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

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Statement of
DELMOND WON
Hawaii Housing Finance and Development Corporation
Before the

SENATE COMMITTEE ON WAYS AND MEANS

March 30, 2023 at 10:05 a.m.
State Capitol, Room 211

In consideration of
H.B. 1246 HD1 SD1
RELATING TO HOUSING.

HHFDC **strongly supports** H.B. 1246 HD1 SD1, which provides General Obligation bond funding for the Dwelling Unit Revolving Fund (DURF) for infrastructure projects and to finance the development of regional state infrastructure projects.

The cost of off-site infrastructure is a major barrier to the development of affordable housing, statewide. These costs are typically paid for by private housing developers, who in turn, pass them on to homebuyers in the form of higher prices.

The infusion of funds will help to offset some of the burdens on DURF, which is currently being depleted by the State's historical infrastructure obligations in Waiahole Valley and in the Villages of Kapolei, and to help advance housing projects such as the University of Hawaii West Oahu's 500-unit project.

We note that given the long lead time required to plan infrastructure projects and coordinate construction of infrastructure systems with the counties, it may be premature to provide a report to the legislature prior to the regular session of 2025. A report delivered prior to the regular session of 2026 may be more beneficial to the legislature.

Thank you for the opportunity to provide testimony.

March 30, 2023

Dear Chair Dela Cruz, Vice Chair Keith-Agaran, and Ways and Means Committee members,

On behalf of Housing Hawai'i's Future, I write in SUPPORT of HB 1246, authorizing the Hawai'i housing finance development corporation to issue bonds for infrastructure projects and to finance the development of regional state infrastructure projects.

Housing Hawai'i's Future is a movement led by young locals who will create opportunities for Hawai'i's next generation by ending the workforce housing shortage.

We believe that housing is an essential public good. Therefore, the state and counties are obligated to provide the public infrastructure which is fundamental to good housing development.

This bill equips the Hawai'i Housing Finance Development Corporation with the statutory and financial resources it needs to finance infrastructure development.

Please support HB 1246.

Thank you,



Sterling Higa
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Housing Hawai'i's Future

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March 30, 2023

The Honorable Donovan M. Dela Cruz, Chair

Senate Committee on Ways and Means

State Capitol, Conference Room 211 & Videoconference

RE: House Bill 1246, HD1, SD1, Relating to Housing

HEARING: Thursday, March 30, 2023, at 10:05 a.m.

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran, 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 1246, HD1, SD1, which authorizes the Hawai'i Housing Finance and Development Corporation to issue bonds for infrastructure projects for housing projects and to finance the development of regional state infrastructure projects. Authorizes the issuance of general obligation bonds with the funds to be deposited into the Dwelling Unit Revolving Fund. Appropriates funds into and out of the Dwelling Unit Revolving Fund. Requires a report to the Legislature on the housing units to be generated by the infrastructure projects. Effective 7/1/2050.

According to the Department of Business Economic Development and Tourism's 2019 report on Housing Demand in Hawai'i, the state needs up to 45,497, housing units to meet demand in Hawai'i by 2030.¹ Ultimately, we have a housing supply problem, and investment is needed to meet our State's housing challenges. Infrastructure is a critical aspect of housing and affordable housing development, and the issuance of bonds to the Hawai'i Housing Finance and Development Corporation and Dwelling Unit Revolving Fund for infrastructure projects may help to address our state's housing requirements.

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

¹ Department of Business, Economic Development & Tourism. (2019). *Hawaii Housing Demand 2020-2030*. <https://files.hawaii.gov/dbedt/economic/reports/housing-demand-2019.pdf>