

**LATE**

**SB-763-SD-2**

Submitted on: 3/14/2023 3:49:29 PM

Testimony for HSG on 3/15/2023 9:00:00 AM

| <b>Submitted By</b> | <b>Organization</b>                              | <b>Testifier Position</b> | <b>Testify</b> |
|---------------------|--|---------------------------|----------------|
| Nani Medeiros       | Office of the Governor,<br>Chief Housing Officer | Support                   | In Person      |

Comments:

JOSH GREEN, M.D.  
GOVERNOR



DENISE ISERI-MATSUBARA  
EXECUTIVE DIRECTOR

**LATE**

IN REPLY PLEASE REFER TO:

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

March 15, 2023 at 9:00 a.m.  
State Capitol, Room 312

In consideration of  
**S.B. 763 SD2**  
**RELATING TO HOUSING.**

HHFDC **supports** S.B. 763 SD2, which, for a five-year period, exempts affordable housing projects developed under Section 201H-38, Hawaii Revised Statutes, from specific state and county fees and exactions related to discretionary approval or ministerial permitting, provided that the units are exclusively made available to certain qualified residents who are owner or renter occupants and own no other real property.

These actions would serve to reduce development costs and encourage more affordable housing units to be produced.

Thank you for the opportunity to provide testimony.

**LATE**



**HOUSE COMMITTEE ON HOUSING  
State Capitol, Room 312  
415 South Beretania Street  
9:00 AM**

**MARCH 15, 2023**

RE: SB 763 - RELATING TO AFFORDABLE HOUSING

Chair Hashimoto, Vice Chair Aiu, and members of the committee:

My name is Max Lindsey, 2023 Government Relations Committee Chair of the Building Industry Association of Hawaii (BIA-Hawaii). Chartered in 1955, the Building Industry Association of Hawaii is a professional trade organization affiliated with the National Association of Home Builders, representing the building industry and its associates. BIA-Hawaii takes a leadership role in unifying and promoting the interests of the industry to enhance the quality of life for the people of Hawaii. Our members build the communities we all call home.

**BIA Hawaii is in support of SB 763, Relating to Affordable Housing.** This bill temporarily exempts affordable housing projects from specific state and county fees and exactions related to discretionary approval or ministerial permitting, except application fees payable to the Hawai'i Housing Finance and Development Corporation and the rates and fees of the various boards of water supply; provided that the units are exclusively made available to certain qualified residents who are owner or renter occupants and own no other real property.

The bill properly recognizes the delays, exactions and additional costs that are layered onto housing projects subject to the County's permitting and entitlement process. Uncertainty in obtaining county approval increases risks and drives up the cost of housing in Hawaii. Exemptions from state and county fees and exactions will remove the uncertainty and risks that developers of affordable housing projects face on each project.

The state of Hawaii is in a dire housing crisis. As the Legislature is aware, the cost of housing in Hawaii is extremely high, with Oahu's median price of homes being currently over \$1 million. Approximately 153,967 U.S. households are priced out of buying a home for every \$1000 increase in price, according to the National Association of Home Builders (NAHB). We are in support of legislation that would allow for the building of much-needed housing at every price point in Hawaii.

Thank you for the opportunity to share our support.



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March 15, 2023

Representative Troy N, Hashimoto, Chair  
Representative Micah P.K. Aiu, Vice Chair  
House Committee on Housing

**Testimony in Support of SB 763, SD2, RELATING TO AFFORDABLE HOUSING (Temporarily exempts affordable housing projects from specific state and county fees and exactions related to discretionary approval or ministerial permitting, except application fees payable to the Hawai‘i Housing Finance and Development Corporation [HHFDC] and the rates and fees of the various boards of water supply; provided that the units are exclusively made available to certain qualified residents who are owner or renter occupants and own no other real property. Effective 3/22/2075. Repeals 6/30/2028. [SD2])**

**Wednesday, March 15, 2023, 9:00 A.M.  
State Capitol, Conference Room 312, Via Videoconference**

The Land Use Research Foundation of Hawaii (LURF) is a private, non-profit research and trade association whose members include major Hawaii landowners, developers, and utility companies. LURF’s mission is to advocate for reasonable, rational, and equitable land use planning, legislation and regulations that encourage well-planned economic growth and development, while safeguarding Hawaii’s significant natural and cultural resources, and public health and safety.

For over 150 years, LURF members have built homes for Hawaii’s working families and residents, and collectively have built the most affordable and market homes in Hawaii.

LURF appreciates the opportunity to provide testimony **in support of SB 763, SD2**, which temporarily exempts affordable housing projects from specific state and county fees and exactions related to discretionary approval or ministerial permitting, except application fees payable to the HHFDC and the rates and fees of the various boards of water supply; provided that the units are exclusively made available to certain qualified residents who are owner or renter occupants and own no other real property.

Today, Hawaii has a severe lack of housing supply. According to Department of Business Economic Development and Tourism (DBEDT), the State will need approximately 26,000 to 47,000 housing units to meet Hawaii's estimated demand in Hawaii by 2030.<sup>1</sup>

Part of the reason for the shortage of housing supply, are the high costs of fees and exactions related to government approvals and permits. This bill will reduce the costs of government fees and exactions for dwelling units that are exclusively made available to certain qualified residents who are owners or renter occupants and own no other real property. These cost savings should encourage the development of more affordable housing.

For the reasons set forth above, LURF is in **support of SB 763, SD2**, and respectfully requests your favorable consideration of this bill.

Thank you for the opportunity to present testimony in support of this measure.

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<sup>1</sup> DBEDT, *Housing Demand in Hawaii 2020-2030 (December 2019)* [housing-demand-2019.pdf \(hawaii.gov\)](#)

**SB-763-SD-2**

Submitted on: 3/14/2023 8:22:32 AM

Testimony for HSG on 3/15/2023 9:00:00 AM

| <b>Submitted By</b>   | <b>Organization</b> | <b>Testifier Position</b> | <b>Testify</b>            |
|-----------------------|---------------------|---------------------------|---------------------------|
| Regina Peterson(Nani) | Individual          | Oppose                    | Written Testimony<br>Only |

Comments:

In opposition