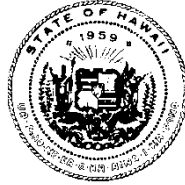


**JOSH GREEN, M.D.**  
GOVERNOR

**SYLVIA LUKE**  
LT. GOVERNOR



**DEAN MINAKAMI**  
EXECUTIVE DIRECTOR

## **STATE OF HAWAII**

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM  
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION  
677 QUEEN STREET, SUITE 300  
HONOLULU, HAWAII 96813  
FAX: (808) 587-0600

Statement of  
**DEAN MINAKAMI**  
Hawaii Housing Finance and Development Corporation  
Before the

### **HOUSE COMMITTEE ON FINANCE**

February 28, 2024 at 12:00 p.m.  
State Capitol, Room 308

In consideration of  
**H.B. 1988 HD1**  
**RELATING TO COUNTY HOUSING POWERS.**

HHFDC **supports** HB 1988 HD1, which expands the counties' authorization to exercise the same powers as HHFDC for the purposes of developing, constructing, financing, refinancing, or providing mixed-income projects and mixed-use developments. It also authorizes units in low- and moderate-income housing projects to be made available to households with higher incomes if there is an insufficient number of persons or families who meet income qualifying requirements. This applies to bond proceeds expended by a county after December 31, 2023.

This bill would allow the counties the power to plan and finance mixed-use housing projects, especially in transit-oriented development areas, which promotes efficient use of our limited urban lands and will help to address the statewide shortfall of affordable housing units.

Thank you for the opportunity to testify on this bill.



## DISABILITY AND COMMUNICATION ACCESS BOARD

1010 Richards Street, Room 118 • Honolulu, Hawaii 96813  
Ph. (808) 586-8121 (V) • TTY (808) 586-8162 • Fax (808) 586-8129

February 28, 2024

### TESTIMONY TO THE HOUSE COMMITTEE ON FINANCE

#### House Bill 1988 HD1 – Relating to County Housing Powers

The Disability and Communication Access Board (DCAB) offers comments on House Bill 1988 HD1 – Relating to County Housing Powers.

This bill would expand the counties' authorizations to exercise the same powers as the Hawaii Housing Finance and Development Corporation for purposes of developing, constructing, financing, refinancing, or providing mixed-use developments.

The housing crisis is magnified for people with disabilities. People with disabilities are twice as likely to live below the poverty level. Without action to address the affordable housing shortage, more people with disabilities are at risk of losing their independence or becoming homeless or institutionalized. This bill would assist people with disabilities who are facing housing insecurity.

In addition to addressing the affordable housing shortage, legislation should address the quantity of supportive housing units that are accessible to people with mobility and communication disabilities. The Americans with Disabilities Act Standards for Accessible Design (ADA Standards) specifies the minimum percentage of accessible housing units in public facilities. The ADA Standards only requires five percent of units to be accessible for mobility disabilities and two percent of units to be accessible for communication disabilities. The Fair Housing Act (FHA) design and construction requirements specifies the minimum number of adaptable housing units in public and private buildings containing four or more units. The FHA requires all dwelling units to be adaptable for mobility disabilities in buildings with an elevator, but only requires ground floor units to be adaptable for mobility disabilities in buildings without an elevator. The FHA does not require units to be adaptable for communication disabilities.

According to the U.S. Census Bureau's 2021 Disability Characteristics for the State of Hawaii, 19.1 percent of Hawaii's residents that are sixty five years and older have mobility difficulty, 12.6 percent have hearing difficulty, and 4.7 percent have vision difficulty. The following adjustments that exceed minimum accessibility and adaptability requirements would provide Hawaii residents with disabilities, especially kupuna with disabilities, the opportunity to live independently and give more residents without disabilities an option to continue to live in their home as they age in place:

- In public facilities with residential dwelling units, at least twenty percent, but no fewer than one unit, of the total number of residential dwelling units shall provide mobility features that comply with applicable technical requirements in the ADA Standards.

- In public facilities with residential dwelling units, at least thirteen percent, but no fewer than one unit, of the total number of residential dwelling units shall provide communication features that comply with applicable technical requirements in the ADA Standards.
- In multi-story buildings with four or more residential dwelling units, an elevator shall connect each story and all dwelling units shall comply with the FHA design and construction requirements.

Investing in accessible, affordable supportive housing would ensure that more residential units would be available for individuals with disabilities and their families.

Thank you for considering our comments.

Respectfully submitted,



KIRBY L. SHAW  
Executive Director

OFFICE OF HOUSING  
KE KE'ENA HO'OLĀLĀ KŪKULA HALE  
CITY AND COUNTY OF HONOLULU

530 SOUTH KING STREET, ROOM 306 • HONOLULU, HAWAII 96813  
PHONE: (808) 768-4675 • FAX: (808) 768-4242 • WEBSITE: www.honolulu.gov/housing

RICK BLANGIARDI  
MAYOR  
MEIA



DENISE ISERI-MATSUBARA  
EXECUTIVE DIRECTOR  
PO'O HO'OKO

KEVIN AUGER  
DEPUTY DIRECTOR  
HOPE PO'O

2024-HOU-013

February 26, 2024

The Honorable Kyle Yamashita, Chair  
The Honorable Lisa Kitagawa, Vice Chair  
and Members of the House Committee on Finance  
Hawaii'i State Capitol  
415 South Beretania Street  
Honolulu, Hawaii 96813

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

SUBJECT: Testimony in **Strong Support** of HB1988, HD1 – Relating to County  
Housing Powers

Hearing: Wed., Feb. 28, 2024, 12:00 p.m. at the State Capitol, Rm. 308

The City and County of Honolulu **strongly supports HB1988, HD1**, which seeks to expand the counties' authority to facilitate the development, construction, financing, or refinancing of affordable housing projects, including mixed-use development – similar to the authority currently provided to the Hawaii Housing Finance and Development Corporation (HHFDC).

Under §201H-12, Hawaii Revised Statutes (HRS), HHFDC has the ability to plan, develop, construct, and finance housing projects, including mixed-use developments. As currently written, §46-15.1(a), HRS, relating to county housing powers, provides the counties the ability to exercise the same powers as those granted to HHFDC pursuant to 201H, but only for the purpose of developing, constructing, and providing low- and moderate-income housing. Under existing law, the counties are not authorized to use affordable housing bonds to develop mixed-use affordable housing projects. The proposed bill remedies this inconsistency by providing the counties with the same authority as HHFDC with respect to mixed-use development.

With the commencement of operations of the city's new rail system in June 2023, the Blangiardi Administration is working to activate Transit-Oriented Development (TOD) plans that were adopted by the communities that surround the key rail stations. Good examples of this are the city's recently acquired properties in the Iwilei TOD area – the

The Honorable Kyle Yamashita, Chair  
The Honorable Lisa Kitagawa, Vice Chair  
and Members of the House Committee on Finance  
February 26, 2024  
Page 2

First Hawaiian Bank property and the Iwilei Center – which closed in December 2023 and January 2024, respectively. The two properties total nearly five acres of land and a combined purchase price of nearly \$60 million. These acquisitions will form the catalyst of the city's redevelopment and revitalization efforts around the Kuwili Rail Station consistent with the area's TOD Neighborhood Plan.

Given our substantial investment in this area, the ability to plan, design, and construct mixed-use development is essential to the city's efforts to develop iconic affordable housing projects in Iwilei, and in other TOD communities. As a policy principle, the City and County of Honolulu does not believe those purchasing affordable housing in city-facilitated projects on city land should be denied direct access to governmental, educational, commercial, cultural, institutional, or industrial uses on property, however, that is the limitation of the current law.

We respectfully ask for your support this session in passing this measure to allow the counties to have the ability to engage in mixed-use development as part of their overall housing and development plans. By including mixed-use development in their housing strategies, counties can implement their general plans and offer residents a choice of housing options that are in close proximity to schools, recreation, and commercial centers that are adequately served by multi-modal transportation networks.

Thank you for the opportunity to testify.

Sincerely,

  
for: Denise Iseri-Matsubara  
Executive Director

APPROVED:

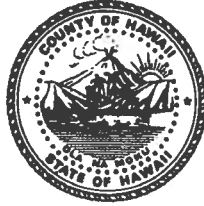
  
Michael D. Formby  
Managing Director



**Mitchell D. Roth**  
*Mayor*

**Deanna S. Sako**  
*Managing Director*

**Robert H. Command**  
*Deputy Managing Director*



**Susan K. Kunz**  
*Housing Administrator*

**Harry M. Yada**  
*Assistant Housing Administrator*

**County of Hawai'i**  
**Office of Housing and Community Development**

1990 Kino'ole Street, Suite 102 • Hilo, Hawai'i 96720 • (808) 961-8379 • Fax (808) 961-8685  
Existing Housing: (808) 959-4642 • Fax (808) 959-9308  
Kona: (808) 323-4300 • Fax (808) 323-4301

February 26, 2024

**TESTIMONY FOR COMMENT IN SUPPORT OF HOUSE BILL 1988, HD1**  
**A BILL FOR AN ACT RELATED TO COUNTY HOUSING POWERS**  
**JOINT COMMITTEE ON HOUSING & COMMITTEE ON WATER AND LAND**

Rep. Kyle T. Yamashita, Chair

Rep. Lisa Kitagawa, Vice Chair

Hearing Date: Wednesday, February 28, 2024, at 10:00 AM

Place of Hearing: Conference Room 430 & Videoconference

Aloha Honorable Chairs Yamashita and Kitagawa, and members of the Committees on Finance,

On behalf of the Office of Housing and Community Development of the County of Hawai'i, I am providing testimony in **support of House Bill 1988, HD1**, which expands the housing powers of the counties to include the planning, development, construction, financing, and providing of housing projects, including low- and moderate-income housing and mixed-use developments.

This measure provides the counties the same development potential as the Hawai'i Housing Finance and Development Corporation in that it would allow counties to build mixed-use developments to create more appealing and financially feasible projects as it works to address the critical housing shortage facing the State.

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

Mahalo,

  
\_\_\_\_\_  
Susan K. Kunz  
Housing Administrator



Council Chair  
Alice L. Lee

Vice-Chair  
Yuki Lei K. Sugimura

Presiding Officer Pro Tempore  
Tasha Kama

Councilmembers  
Tom Cook  
Gabe Johnson  
Tamara Paltin  
Keani N.W. Rawlins-Fernandez  
Shane M. Sinenci  
Nohelani U'u-Hodgins



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

Deputy Director of Council Services  
Richelle K. Kawasaki, Esq.

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

February 27, 2024

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

FROM: Alice L. Lee  
Council Chair

A handwritten signature in cursive script, appearing to read "Alice L. Lee".

SUBJECT: **HEARING OF FEBRUARY 28, 2024; TESTIMONY IN SUPPORT OF  
HB1988, HD1, RELATING TO COUNTY HOUSING POWERS**

Thank you for the opportunity to testify in **support** of this measure to allow counties to plan, develop, construct, finance, and provide mixed-use and other housing projects.

I provide this testimony in my capacity as an individual member of the Maui County Council.

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

1. Providing mixed-use and other housing projects supports the availability of affordable housing and benefits local residents and local businesses.
2. Allowing counties more authority throughout the housing process will allow them to be more effective. County councils are most familiar with their communities' needs and can make policy decisions that balance competing interests.
3. Affordable housing must be a priority if Maui County and the rest of the State are to maintain our residents, workforce, and quality of life. Finding ways to expand housing opportunities can be accomplished if we work together and put all of our available resources to use. This measure makes progress toward that goal.

Thank you for your consideration.

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Feb. 28, 2024, 12 p.m.  
Hawaii State Capitol  
Conference Room 308 and Videoconference

**To: House Committee on Finance**  
**Rep. Kyle T. Yamashita, Chair**  
**Rep. Lisa Kitagawa, Vice-Chair**

**From: Grassroot Institute of Hawaii**  
**Ted Kefalas, Director of Strategic Campaigns**

COMMENTS IN SUPPORT OF HB1988 HD1 — RELATING TO COUNTY HOUSING POWERS

Aloha Chair Yamashita, Vice-Chair Kitagawa and other members of the Committee,

The Grassroot Institute of Hawaii would like to offers its comments in support of [HB1988 HD1](#), which would allow the counties to finance, develop, refinance and construct mixed-use housing and mixed-income projects — just as the Hawaii Housing Finance and Development Corp. is allowed to do.

Grassroot doesn't necessarily support the idea that government agencies should be in the business of financing, developing, refinancing and constructing mixed-use housing projects. But since the state is already doing this, giving the counties the flexibility to finance these types of developments as well could nevertheless increase housing supply in urban areas and areas near public transit

More mixed-use neighborhoods also would increase businesses opportunities, help protect the environment and promote neighborhood walkability.

As the Grassroot Institute noted in its recent report "How to facilitate more homebuilding in Hawaii," "if neighborhoods were more walkable, fewer people would use their cars, which would mean less traffic, less air pollution and less wear and tear on city streets. Also, residents who give up on driving likely would save money on gas, repairs, insurance and other car-related expenses."<sup>1</sup>

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<sup>1</sup> Jonathan Helton, "[How to facilitate more homebuilding in Hawaii](#)," Grassroot Institute of Hawaii, December 2023, pp. 15-16.



In addition, research shows that walkable neighborhoods “yield positive health outcomes. People lose weight, cardiovascular disease declines, and people report being happier.”<sup>2</sup>

These are all positive outcomes that could result from enactment of this bill — which also shows, by the way, that when it comes to trying to promote more homebuilding, the state even manages to get in its own way by barring the counties from engaging in mixed-use development.

The existing situation is a great example of why Hawaii must reform its laws related to housing growth for the public sector as well as the private sector.

Thank you for the opportunity to testify.

Ted Kefalas  
Director of strategic campaigns  
Grassroot Institute of Hawaii

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<sup>2</sup> [Ibid.](#)



# OPERATING ENGINEERS LOCAL UNION No. 3

2181 LAUWILIWILI STREET, KAPOLEI, HI 96707 • (808) 845-7871 • FAX (808) 682-0906  
Jurisdiction: Northern California, Northern Nevada, Utah, Hawaii, and the Mid-Pacific Islands

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February 27, 2024

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

**RE: HB 1988 HD1- COUNTIES; COUNTY HOUSING POWERS; HHFDC; MIXED-USE DEVELOPMENT; MIXED-INCOME PROJECTS**

Chair Yamashita,

My name is Ana Tuiasosopo. I am the District Representative and Trustee for Operating Engineers Local 3. We are the largest Construction Trades Local in the United States. I and the members of **Operating Engineers Local 3 strongly support Bill HB 1988 HD1.**

This bill is key to allowing the counties to utilize bonds for mixed-used development and will greatly facilitate transit-oriented development (TOD) on O'ahu. This Bill's objectives support various City & County of Honolulu land use policies, including the O'ahu General Plan, regional development/sustainable communities plans, and neighborhood TOD plans, as well as its Housing Plan.

In addition to TOD, mixed-use developments can further contribute toward affordable housing. Proceeds from commercial uses that are applied to building maintenance can allow for reduced fees assessed on the residential units. At the same time, co-locating commercial and residential uses next to each other reduces residents' reliance on travel, saving them time and money that would otherwise go toward a transit fare or the myriad costs of automobile ownership.

We humbly ask for your support and approval of HB 1988 HD1.

Sincerely,

Ana Tuiasosopo  
Hawaii District Representative, Trustee  
Hawaii Operating Engineers Local 3