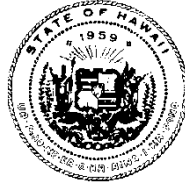


JOSH GREEN, M.D.
GOVERNOR

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 26, 2024 at 12:30 p.m.
State Capitol, Room 308

In consideration of
H.B. 2548 HD2
RELATING TO ACCESSORY DWELLING UNITS.

HHFDC **supports** HB 2548 HD2, which establishes the Accessory Dwelling Unit Loan Program under HHFDC to provide loans for the development of accessory dwelling units (ADUs) and establishes the Accessory Dwelling Unit Loan Revolving Fund to implement the program.

This bill promotes the development of ADUs, which will increase the inventory of below-market-rate rental units in the state.

Thank you for the opportunity to testify on this bill.

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

February 24, 2024

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

FROM: Alice L. Lee
Council Chair 

SUBJECT: **HEARING OF FEBRUARY 26, 2024; TESTIMONY IN SUPPORT OF
HB2548, HD2, RELATING TO ACCESSORY DWELLING UNITS**

I **support** this measure to establish the Accessory Dwelling Unit Loan Program under the Hawaii Housing Finance and Development Corporation.

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. Constructing accessory dwelling units is a critical part of addressing the housing shortage. Maui County has enacted legislation to promote the construction of ADUs, including by amending the Comprehensive Zoning Ordinance and launching the 'Ohana Assistance Program pilot project.
2. Loans of up to \$300,000 each, as proposed in this measure, will help to encourage residents to build ADUs on their properties.
3. At a proposed range of interest rates between 1% and 6%, an accessory dwelling loan would be a more affordable option for residents than traditional financing, which may be more difficult to secure.

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

ocs:proj:legis:24legis:24testimony:hb2548_hd2_paf24-002(71)_dmr



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facebook.com/AARPHawaii

**The State Legislature
House Committee on Finance
Monday, February 26, 2024
Conference Room 308, 12:30 p.m.**

TO: The Honorable Kyle Yamashita, Chair
FROM: Keali'i Lopez, State Director, AARP Hawaii
RE: Support for H.B. 2548 HD2 -Relating to Accessory Dwelling Units.

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. 2548, HD2 which is to promote affordable housing by establishing an accessory dwelling unit (ADU) loan program under the Hawaii Housing Finance and Development Corporation.

ADUs are a beneficial and needed option for people of all ages. ADUs can enable homeowners to provide needed housing for their parents, adult children, grandchildren or other loved ones. It also can allow older homeowners downsize on their own property while allowing a tenant or other family members to live in the primary residence. ADUs may be a welcomed source of supplemental income which may be essential for homeowners on fixed income; while also adding more rental units to the housing inventory for others. It is important that the State continues to support opportunities and avenues that will increase the housing inventory for Hawaii residents.

Thank you very much for the opportunity to testify in support **H.B 2548, HD2.**



Hawai'i YIMBY
Honolulu, HI 96814
hawaiiyimby.com
admin@hawaiiyimby.com

Monday February 26, 2024

House Committee on Finance
Hawai'i State Capitol
Honolulu, HI 96813

RE: SUPPORT for HB 2548 HD2 - RELATING TO ACCESSORY DWELLING UNITS

Aloha Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee,

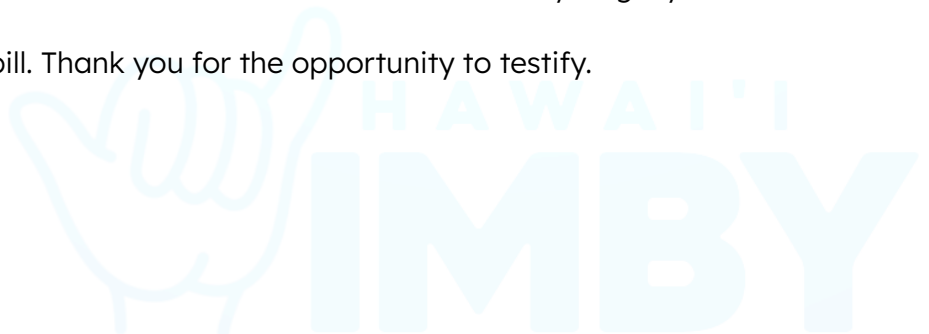
On behalf of Hawai'i YIMBY, I'm writing to support HB 2548 HD2, which could help address a barrier to the financing of ADUs. The financing aspect can be an insurmountable challenge when a borrower does not qualify through traditional financing. This may be especially burdensome on borrowers on a fixed income, or projects that require major upgrades, such as wastewater improvements.

Although not the only solution, ADUs can play a significant part in addressing the housing shortage. ADUs can help individual homeowners better utilize the land they already own, whether it be to grow their family or house and care for their kūpuna.

Hawai'i YIMBY (*Yes In My Backyard*) is a volunteer-led grassroots advocacy organization dedicated to supporting bold and effective solutions for Hawai'i's devastating housing crisis. Our members are deeply concerned about Hawai'i's chronic and worsening housing shortage, which has caused home prices to rise much faster than incomes and pushes thousands of kama'āina out to the mainland or into homelessness every single year.

We urge your support for this bill. Thank you for the opportunity to testify.

Sincerely,
Damien Waikoloa
Co-Lead, Hawai'i YIMBY



HB-2548-HD-2

Submitted on: 2/26/2024 9:45:34 AM

Testimony for FIN on 2/26/2024 12:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Jeff Gilbreath	Hawaii Community Lending	Support	Written Testimony Only

Comments:

Aloha Committee Members,

I am writing on behalf of Hawaii Community Lending (HCL), a US Treasury certified native community development financial institution, to support HB2548 HD2 which would establish the accessory dwelling unit (ADU) loan program under HHFDC to provide loans for the development of accessory dwelling units.

HCL has 22 years of experience providing loans to native Hawaiian beneficiaries of Hawaiian Homelands to support homeownership. Unfortunately, there are too few lenders in the mainstream marketplace offering loans to build ADUs. If passed, the legislation would provide the capital necessary for CDFIs like Hawaii Community Lending to finance accessory dwelling units - on and off Hawaiian Homelands - and for homeowners without the financial means to do so. In this way the State would increase lending activity that would allow our local homeowners to become part of the solution to our housing crisis by being responsible for building and managing ADUs as new housing units.

Please support HB2548 HD2. Mahalo for your consideration and leadership. Please contact me at jeff@hawaiiancommunity.net or 808.587.7653 should you have any questions.

Jeff Gilbreath
Executive Director

Hawaii Community Lending



February 25, 2024

FIN

Committee Meeting 2:30 p.m. - Monday February 26, 2024

HB 2548 HD2 – SUPPORT

Aloha committee chair, vice-chair and members,

I am submitting testimony in my capacity as Executive Director of Hawaii Habitat for Humanity Association (HHFHA). We are a nonprofit Community Development Financial Institution (CDFI) and Affiliate Support Organization for five direct service Habitat for Humanity Affiliates throughout the state, serving all four counties. Hawaii Habitat for Humanity Association **SUPPORTS HB 2548 HD2** which establishes an accessory dwelling unit loan program under the Hawaii Housing Finance Development Corporation.

Hawaii is in desperate need of affordable housing. This bill will provide a mechanism to allow for the creation of additional affordable homes that fill this space.

Community Development Financial Institutions in Hawaii have a history of managing assets and serving the needs of our Hawaiian and other underserved communities.

Hawaii Habitat for Humanity Association is part of the largest network of affordable homeownership developers in the nation. There has been a demonstrated history of success in other states with legislation geared at increasing the use of accessory dwelling units.

We urge you to **PASS HB 2548 HD2**, which will expand the opportunities for creating affordable housing that can be built in Hawaii.

Mahalo for your time, leadership and consideration. Please contact me at 808.847.7676 or emann@hawaiihabitat.org should you have any questions or need additional information.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Erik Mann', with a long horizontal flourish extending to the right.

Erik Mann
Executive Director

HB-2548-HD-2

Submitted on: 2/25/2024 6:17:08 AM

Testimony for FIN on 2/26/2024 12:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Glen Kagamida	Individual	Support	Written Testimony Only

Comments:

STRONG SUPPORT.

MAHALO!