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GOVERNOR



DENISE ISERI-MATSUBARA
EXECUTIVE DIRECTOR

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

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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. 1246 HD1
RELATING TO HOUSING.

HHFDC **strongly supports** H.B. 1246 HD1, which provides General Obligation (GO) 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 off-set some of the burden 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.

Thank you for the opportunity to provide testimony.

February 24, 2023

The Honorable Kyle T. Yamashita, Chair

House Committee on Finance

State Capitol, Conference Room 308 & Videoconference

RE: House Bill 1246, HD1, 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 1246, HD1, which authorizes the Hawai'i housing finance development corporation to issue bonds for infrastructure 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. Effective 6/30/3000.

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 we advocate for the issuance of bonds to the Hawai'i Housing Finance and Development Corporation and Dwelling Unit Revolving Fund for infrastructure projects 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>



Housing Hawaii's Future
PO Box 3043
Honolulu, HI 96802-3043

February 23, 2023

Dear Chair Yamashita, Vice Chair Kitagawa, and Finance 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,

A handwritten signature in black ink that reads "Sterling Higa".

Sterling Higa
Executive Director
Housing Hawai'i's Future

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