

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
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Statement of
DEAN MINAKAMI

Hawaii Housing Finance and Development Corporation
Before the

HOUSE COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS

February 29, 2024 at 2:00 p.m.
State Capitol, Room 325

In consideration of
H.B. 2007 HD2
RELATING TO HOUSING.

HHFDC **supports** HB 2007 HD2, which allows religious, educational, and medical institutions to build residential units on lands zoned within the Urban State Land Use District, under certain conditions.

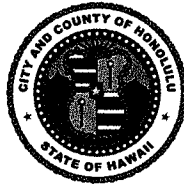
HHFDC appreciates the willingness of some of the institutions in the medical, educational, and religious community to use portions of their lands to provide housing. This bill provides those institutions with the flexibility to use portions of their lands for that purpose and will help to address the statewide shortage of affordable housing.

Thank you for the opportunity to testify on this bill.

DEPARTMENT OF PLANNING AND PERMITTING
KA 'OIHANA HO'OLĀLĀ A ME NĀ PALAPALA 'AE
CITY AND COUNTY OF HONOLULU

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RICK BLANGIARDI
MAYOR
MEIA



DAWN TAKEUCHI APUNA
DIRECTOR
PO'O

JIRO A. SUMADA
DEPUTY DIRECTOR
HOPE PO'O

February 29, 2024

The Honorable David A. Tarnas, Chair
and Members of the Committee on Judiciary
and Hawaiian Affairs
Hawaii House of Representatives
Hawaii State Capitol
415 South Beretania Street
Honolulu, Hawaii 96813

Subject: House Bill No. 2007, HD 2
Relating to Housing

Dear Chair Tarnas and Committee Members:

The Department of Planning and Permitting (DPP) **opposes** House Bill No. 2007, HD 2, formerly known as House Bill No. 2212, which would allow religious, educational, and medical institutions to build residential units on lands within the state urban land use district, under certain conditions.

We agree that there is a severe shortage of affordable housing across the state, but this Bill calls into question why these groups are being singled-out for the development of residential units. This Bill appears to provide certain groups preference over others to develop any type of housing they desire. It's the government's duty to provide fair and equal treatment.

The Bill would limit development to land under 15 acres, with no more than 50 percent of the lot used for residential units. But the Bill states that the counties "shall allow for at least 10 dwelling units per acre." With no limit on height or density in this measure, there is the possibility of multiple high-rise buildings or "monster homes" being built on these lots.

The SD 2 also requires these units be used for "long-term rental or homeless services," but it doesn't provide a percentage of how many units should be set aside in either category. It appears that this Bill could allow 100 percent of the units to be long-term rentals, but there is no mention of whether these will be affordable units, which are our greatest need.

The Honorable David A. Tarnas, Chair
and Members of the Committee on Judiciary
and Hawaiian Affairs
Hawai'i House of Representatives
House Bill No. 2007, HD 2
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Page 2

We believe this Bill unconstitutionally gives preference to certain groups over others, and it requires the counties to draft development standards based on ownership, rather than land use zoning. For these reasons, we ask that this Bill be held in committee.

Very truly yours,

A handwritten signature in black ink, consisting of a large, stylized 'D' followed by a horizontal line extending to the right.

Dawn Takeuchi Apuna
Director



HAWAII APPLESEED

CENTER FOR LAW & ECONOMIC JUSTICE

Testimony of the Hawai'i Appleseed Center for Law and Economic Justice
Support for H.B. 2007, HD1 – Relating to Housing
House Committee on Judiciary & Hawaiian Affairs
Wednesady, February 29, 2024, at 2:00 AM, Conf. Rm. 415 and via Videoconference

Dear Chair Tarnas, Vice Chair Takayama, and fellow committee members:

Thank you for the opportunity to express our **STRONG SUPPORT for HB2007HD2**, which would allow for Yes In God's Back Yard (YIGBY+) action for non profit religious, educational, and medical institutions to construct residential housing on their lands.

Our local community is facing negative impacts due to a lack of housing options. Despite the willingness of religious, educational, and non-profit institutions to utilize their land for housing, restrictive zoning practices across the state of Hawai'i are blocking their efforts. HB2007 would empower these institutions to respond to the housing needs of their communities without being subjected to discretionary and often punishing permitting processes.

The limited diversity in housing options is driving up prices and forcing many locals out of Hawai'i. Current practices in the counties make it difficult to obtain approval for adding additional homes within existing communities. With the cost of urban developable land in Hawai'i being prohibitively high, the entities outlined in HB2007 HD2 possess large tracts of developable land across the state, which they are eager to utilize for much-needed housing. By expanding options in our housing market, Hawai'i can alleviate price pressure on the private market, prevent the displacement of long-standing residents, and ensure that the state remains accessible across diverse housing prices and forms.

Other states have enacted similar YIGBY+ laws and are already seeing the benefits of affordable housing construction unfold. Governor Newsom of California signed into law California's YIGBY law in 2023, and churches have begun constructing affordable housing thanks to streamlined by-right process granted to them¹. Religious institutions are mission driven to serve their communities and many want to address homelessness and housing affordability by providing affordable housing to their communities². Virginia is currently moving a similar bill through their legislature on the prompting from religious leaders faced with congregations which area "shrinking and aging, [now] houses of worship are reactivating their property for the public good"³.

HB2007 HD2 would expand the range and diversity of housing options and offer greater opportunities for residents to remain in Hawai'i and within their communities. Currently, several churches in Hawai'i are navigating the challenging process of obtaining approval for housing, including Ke'anae and Wailuku churches on Maui and Pearl City on Oahu, all aiming to provide much-needed housing to their communities. To meet the pent-up housing demand and address the ongoing and often overwhelming

¹ <https://www.episcopalnewsservice.org/2023/10/18/los-angeles-diocese-set-to-develop-affordable-housing-on-25-of-church-owned-land/>

² <https://laist.com/news/housing-homelessness/los-angeles-churches-housing-sb4-religious-properties-yigby-whittier-compton-ikar>

³ <https://nextcity.org/urbanist-news/virginia-church-set-to-convert-parking-lot-into-housing>

housing crisis in Hawai'i, we must streamline the process for those committed to creating housing for their communities.

Mahalo for the opportunity to testify.

Feb. 29, 2024, 2 p.m.
Hawaii State Capitol
Conference Room 325 and Videoconference

To: House Committee on Judiciary & Hawaiian Affairs
Rep. David A. Tarnas, Chair
Rep. Gregg Takayama, Vice-Chair

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

COMMENTS IN SUPPORT OF HB2007 HD2 — RELATING TO HOUSING

Aloha Chair Tarnas, Vice-Chair Takayama and members of the Committees,

The Grassroot Institute of Hawaii would like to offer its support for [HB2007 HD2](#), which would allow religious institutions, medical facilities and schools to build housing on their land, subject to certain conditions.

We commend the Legislature for looking to increase Hawaii's housing supply through zoning reform. As we discussed in a recent report, "[How to facilitate more homebuilding in Hawaii](#)," zoning reform can play a pivotal role in lowering housing prices and providing certainty to builders.

Because many nonprofits have limited access to financing and little expertise in managing the development process, uncertainty in the approval process can stop charitable housing projects before they begin.¹

To help solve this problem, HB2007 HD2 proposes a creative approach pioneered last year by California. The Golden State's "Yes in God's backyard" law allowed certain religious and educational institutions to build housing on lands they own, subject to some affordability and density restrictions.

One way in which HB2007 might benefit from California's experience is in its density requirements. The California YIGBY law provides for two different levels of housing density.

¹ "[Hayashi on a mission to help Hawaii churches provide housing](#)," Grassroot Institute of Hawaii, Nov. 15, 2023.

In non-residential zones, it allows up to 40 dwelling units per acre (43,560 square feet). In residential zones, it allows for a density of 10 to 30 dwelling units per acre.

Currently, HB2007 HD2 allows for a minimum of 10 units per acre, which would create a minimum lot size of 4,300 square feet. However, the intent of this bill would be better met by a minimum of 20 units per acre, which would bring it closer to the split-lot and subdivision sizes raised in HB1630.

In addition, the Grassroot zoning report encourages the use of by-right approvals, which “refer to projects that can proceed automatically without discretionary approval from a neighborhood board, planning department, planning commission or county council.”²

By-right approvals do not allow unrestricted development; instead, they set up rules beforehand — such as on densities and uses — and let proceed any project that complies with those rules.

In order to fulfill the intent of this bill and encourage the speedy construction of nonprofit rental and homeless housing, we recommend that language allowing for by-right approvals be added to the bill.

With these amendments, the first paragraph of Section 46-4(d) would read:

(d) Notwithstanding any law, ordinance, or standard to the contrary, a religious institution, educational institution, or medical institution may build dwelling units on a parcel of land the institution has owned before January 1, 2024, and that is within the state urban land use district; provided that a county may impose development standards as authorized under this section; provided further that a county shall allow for at least twenty dwelling units per acre; provided further that a county shall not require a special use permit, conditional use permit, or other non-ministerial review for dwelling units developed under this subsection. This subsection shall not apply to industrial areas, hazardous areas, county powers within special management areas delineated pursuant to chapter 205A, or areas zoned for one primary dwelling unit or less per acre.

This minor change would not require nonprofit institutions to build 20 dwelling units per acre. However, it would provide them with greater flexibility in determining the type of units and density that would best meet the needs of the institution and the community.

Meanwhile, the addition of by-right approvals would help prevent charitable projects from getting stalled by the state’s notoriously burdensome regulatory approval process.

² Jonathan Helton, “[How to facilitate more homebuilding in Hawaii](#),” Grassroot Institute of Hawaii, p. 16.

In Hawaii, allowing schools, hospitals and religious institutions to create housing on their own properties would help them with their recruitment and retention issues³ by enabling them to more easily provide affordable rental housing for their employees. Nonprofit institutions that had been prevented from creating housing for their own staff would be able to offer a convenient on-campus housing benefit, thereby freeing up housing elsewhere throughout the islands for other renters.

Thank you for the opportunity to testify.

Ted Kefalas
Director of Strategic Campaigns
Grassroot Institute of Hawaii

³ Allyson Blair, "[On Hawaii Island, a desperate request to house traveling nurses key to patient care,](#)" Hawaii News Now, Feb. 21, 2023.



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

Thursday February 29, 2024

House Committee on Judiciary & Hawaiian Affairs
Hawai'i State Capitol
Honolulu, HI 96813

RE: SUPPORT with comments for HB 2007 HD2 - RELATING TO HOUSING

Aloha Chair Tarnas, Vice Chair Takayama, and Members of the Committee,

On behalf of Hawai'i YIMBY, we are writing to support HB 2007 HD2, which would allow religious, educational, and medical institutions to build residential units on land they own within the state urban land use district.

Our housing crisis demands we step up with creative and innovative solutions. This bill's core concept - allowing institutions to build housing on urban zoned land they own - is based on a proven model that is already delivering results in other states like California. We should adopt this idea as well - it's good for institutions, for our environment, and for housing affordability.

We would like to suggest the following amendment: to increase the number of units the county shall allow from at least 10 units to at least 20 units. (page 6, line 14-15)

Requiring only 10 units per acre could result in more of the same expensive and unsustainable land use that we see in our current single family home neighborhoods. We understand that some of these institutions may not have the resources to build at a higher density, however, we do believe that institutions who possess the resources should be obligated to a density that effects meaningful change on housing supply. Since



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institutions will be granted the ability to build housing on their land for those who work in critical sectors of the workforce and those most in need, they should be held to a density requirement that would promote lower building costs and more affordability. Requiring at least 20 units per acre would promote a balance of density and efficient land use within the urban districts of the state.

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 housing crisis. We urge your support for this bill, and thank you for the opportunity to testify.

Sincerely,

Damien Waikoloa

Co-Lead, Hawai'i YIMBY

HB-2007-HD-2

Submitted on: 2/27/2024 11:20:22 AM

Testimony for JHA on 2/29/2024 2:00:00 PM

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

Comments:

STRONG SUPPORT.

MAHALO!

HB-2007-HD-2

Submitted on: 2/27/2024 2:14:04 PM

Testimony for JHA on 2/29/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Joe Schneckenburger	Individual	Support	Written Testimony Only

Comments:

Please support this no cost bill to help make housing a little more affordable.

HB-2007-HD-2

Submitted on: 2/27/2024 2:41:40 PM

Testimony for JHA on 2/29/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Dede Heiman	Individual	Support	Written Testimony Only

Comments:

It is very important to allow religious institutions, schools and hospitals to create housong on their campuses to help them promote housing for the community. Lawful protection to build affordable housing must be allowed for these three entities. I wish to see affordable housing for employees of schools and hospitals, and to enable people of faith to be compassionate to others as well as house themselves in a denser housing model.

HB-2007-HD-2

Submitted on: 2/28/2024 10:23:52 PM

Testimony for JHA on 2/29/2024 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Nicholas Zehr	Individual	Support	Written Testimony Only

Comments:

Honorable Members of the Hawaii Legislature,

I write to you today as a dedicated advocate for solving the critical housing shortage that grips our beautiful state of Hawaii. The proposed bill to permit religious, educational, and medical institutions to develop dwelling units on their urban-zoned lands presents a transformative opportunity, one that promises not just to alleviate our housing crisis but also to uplift our disadvantaged communities in a manner both innovative and community-centric.

First and foremost, this legislation directly addresses our acute housing shortage by tapping into underutilized lands owned by institutions deeply embedded in our communities. By enabling these institutions to convert a portion of their lands into housing, we are not just creating homes; we are fostering safe, supportive communities for those in dire need. This approach is particularly effective as it leverages existing resources and infrastructures, ensuring that the transition from land to livable space is both swift and efficient.

Moreover, this initiative stands as a beacon of hope for our disadvantaged populations. The housing developed under this bill will undoubtedly prioritize those most in need, offering them not just a roof over their heads but a community that cares. Religious, educational, and medical institutions are already pillars of support for the marginalized. This bill empowers them to extend their reach further, providing holistic care that encompasses both spiritual and physical well-being.

Importantly, this approach champions a community-funded model over traditional government-funded housing projects. By mobilizing the resources and lands of non-profit institutions, we are advocating for a sustainable and self-sufficient method to combat the housing crisis. This model not only alleviates the financial burden on our state but also ensures that the projects are deeply rooted in community needs and values. It encourages local participation and investment, creating a sense of ownership and pride among community members.

Lastly, by enhancing the ability of churches and similar institutions to care for their communities through housing, we are recognizing and reinforcing their role as essential community caretakers. This legislation acknowledges the holistic nature of care—understanding that providing a home goes beyond the physical structure to encompass emotional and spiritual support. Churches and other institutions have long been sanctuaries for the soul; this bill allows them to extend that sanctuary to physical shelter, thus amplifying their impact and reach.

In conclusion, this legislation represents a forward-thinking, community-driven approach to solving our housing crisis. It recognizes the unique position of religious, educational, and medical institutions as centers of community life and leverages their resources for the greater good. I urge you to support this bill, not just as a solution to our housing shortage but as a testament to what we can achieve when we come together to support our most disadvantaged, guided by compassion and innovation.

Thank you for considering my testimony on this critical issue.