

EXECUTIVE CHAMBERS
KE KE'ENA O KE KIA'ĀINA

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA

Testimony of **John Mizuno**
Governor's Coordinator on Homelessness
Before the
SENATE COMMITTEE ON HOUSING
Tuesday, March 12, 2024
1:00 p.m., Conference Room 225

In consideration of
House Bill No. 2328 HD2
RELATING TO AFFORDABLE HOUSING

Aloha Chair Chang, Vice Chair Hashimoto, and Committee Members,

I am writing in strong support of HB2328 HD2 which appropriates funds to the Hawai'i Public Housing Authority to acquire and renovate parcels and buildings located between Bethel Street, Pauahi Street, Fort Street, and Chaplain Lane for affordable housing purposes. I respectfully request that any appropriation does not reduce or replace priorities identified in the executive budget.

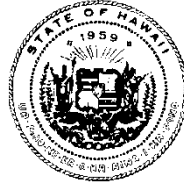
The average area median income is **30% and below** for individuals experiencing homelessness in Hawai'i. I recommend that the percentage specified in section 2(b) reflect this, to ensure that units are affordable to those experiencing homelessness or at risk.

This measure will allow our state to reduce and prevent homelessness by investing in and increasing our inventory of affordable housing. Thank you for the opportunity to testify in strong support of this bill.

Mahalo,

John Mizuno
Governor's Coordinator on Homelessness

JOSH GREEN, M.D.
GOVERNOR



HAKIM OUANSAFI
EXECUTIVE DIRECTOR

BARBARA E. ARASHIRO
EXECUTIVE ASSISTANT

STATE OF HAWAII
HAWAII PUBLIC HOUSING AUTHORITY
1002 NORTH SCHOOL STREET
POST OFFICE BOX 17907
HONOLULU, HAWAII 96817

IN REPLY, PLEASE REFER TO:

Statement of
Hakim Ouansafi, Executive Director
Hawaii Public Housing Authority

Before the
SENATE COMMITTEE ON HOUSING

Tuesday, March 12, 2024
1:00 PM – Room 225, Hawaii State Capitol

In consideration of
HB 2328, HD2
RELATING TO AFFORDABLE HOUSING

Honorable Chair Chang, and members of the Senate Committee on Housing, thank you for the opportunity to provide testimony on House Bill (HB) 2328, HD2, relating to affordable housing.

The Hawaii Public Housing Authority (HPHA) **supports** HB 2328, HD2, which appropriates funds to the Hawaii Public Housing Authority to acquire and renovate parcels and buildings located between Bethel Street, Pauahi Street, Fort Street, and Chaplain Lane in Honolulu, Oahu, for affordable housing purposes. Requires units to be affordable to households having an income that does not exceed a percentage of the area median income.

The HPHA believes in increasing affordable housing to combat our current housing crisis and we support measures that promote the adaptive reuse of existing, underutilized buildings for affordable housing purposes. Please be advised that should this measure becomes law, consultant services, legal services, and other costs will be incurred prior to the purchase to ensure that taxpayer dollars are spent wisely. The HPHA will perform the necessary due diligence, prior to finalizing the purchase, including making sure that:

- 1- These properties can be converted into affordable housing at a reasonable cost.
- 2- Appraisals, inspections and cost comp analysis will be conducted to determine the fair value.

Please know that the HPHA stands ready to assist the Legislature in this endeavor and looks at this measure as an opportunity to be part of the overall solution needed to address all housing related issues in Hawaii.

The HPHA appreciates the opportunity to provide the Committee with the HPHA's testimony. We thank you very much for your dedicated support.



DISABILITY AND COMMUNICATION ACCESS BOARD

1010 Richards Street, Rm. 118 • Honolulu, Hawai'i 96813
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March 12, 2024

TESTIMONY TO THE SENATE COMMITTEE ON HOUSING

House Bill 2328 HD2 – Relating to Affordable Housing

The Disability and Communication Access Board (DCAB) offers comments on House Bill 2328 HD2 – Relating to Affordable Housing.

This bill addresses the housing crisis by appropriating funds to the Hawaii Public Housing Authority to acquire and renovate parcels and buildings located between Bethel Street, Pauahi Street, Fort Street, and Chaplain Lane in Honolulu, Oahu, for affordable housing purposes. It requires units to be affordable to households having an income that does not exceed an unspecified percentage of the area median income.

The housing crisis is magnified for people with disabilities as many units are not designed to be accessible. In addition to addressing the 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 the opportunity to live independently:

- 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 housing would ensure that more residential units would be available for individuals with disabilities and their families.

Thank you for considering our position.

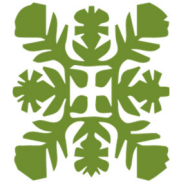
Respectfully submitted,



KIRBY L. SHAW
Executive Director



ROMAN CATHOLIC CHURCH IN THE STATE OF HAWAII
DIOCESE OF HONOLULU
Witness to Jesus



Senate Committee on Housing In Support of HB 2328 HD2
Tuesday, March 12th at 1:00 p.m.

Dear Chair Chang, Vice Chair Hashimoto, and Honorable Members,

Please consider the full support to HB 2328 HD2, a bill that would allow for fund appropriation to HPHA in the acquisition of a full block on the Fort Street Mall along with the buildings that occupy the block: the Ohia Building, the Whitlow Building and the famous Blaisdell Hotel Building. The sole purpose is to create affordable housing.

As the Director of Real Estate for the Roman Catholic Church in the State of Hawaii, I have had numerous conversations with other Fort Street Mall property owners, not only about the deteriorating condition of the Mall, but especially how the properties between Hotel and Beretania Streets could be used for either permanent or temporary affordable housing, especially the long neglected Blaisdell Hotel. If for temporary use, it could be used to provide housing to visiting nurses. This area is nearby to The Queen's Medical Center, Kuakini Hospital and Straub Medical Center.

The Roman Catholic Church in the State of Hawaii owns properties in direct proximity to these subject parcels, one which Our Lady of Peace Cathedral Basilica is situated, which has been in the same location since the early 1800's and more recently two parcels that are being considered for a 17-story mixed-use project for mission use and affordable senior housing.

Our diocese has long supported affordable housing where our property holdings can allow, the last on the Hawaii Island which is now the home to an affordable kupuna housing in Paho.

We offer our support for HB 2328 HD2 and welcome this type of use to the neighborhood.

Mahalo for listening.

Aloha,

Marlene De Costa
Real Estate Director
Roman Catholic Church in the State of Hawaii

HAWAII CATHOLIC CONFERENCE

(The public policy voice for the Roman Catholic Church in the State of Hawaii)

LATE

HB-2328-HD-2

Submitted on: 3/11/2024 1:38:03 PM

Testimony for HOU on 3/12/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
robert baldwin	Testifying for Scarlet Honolulu	Comments	Written Testimony Only

Comments:

Robbie Baldwin, Scarlet Honolulu

Give comment, HB 2328

The building looking to be acquired by the state include the whitlow building which houses Scarlet Honolulu as well as other building that house Proof Social Club and J Dolans. As for Scarlet, we've received no info on what happens when the state potentially acquires this property. The other tenants haven't received this information either.

Scarlet employs 50 lgbt employees. Its a safe space for marginalized persons, Scarlet offers its space for free for community fundraisers, brings traffic to Chinatown, and the existence of a large gay bar drives tourism.

For scarlet, our questions would be what happens to our space is this acquisition happens? Will the state assist us in moving? What would be the timeline for any construction?

We hope you can have this discussion in comittee so we can get some answers on whats being proposed.

Thank you for your time

HB-2328-HD-2

Submitted on: 3/11/2024 10:25:23 AM

Testimony for HOU on 3/12/2024 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
adele balderston	Individual	Oppose	Written Testimony Only

Comments:

Mahalo for the opportunity to **VEHEMENTLY OPPOSE** this bill.

I would like to reiterate all of the previous testimony expressing concern for the existing businesses that currently occupy these buildings, and remind committee members that the buildings targeted by this bill are all historic properties and will require Chapter 6E review and SHPD approval which will likely delay any major renovation for the foreseeable future.

In previous committees legislators received assurance from former Governor Abercrombie that the existing businesses will not be displaced, yet the text of the bill has not been updated to reflect this. What exactly is Abercrombie's role in this project and what authority does he actually have here? Does he stand to benefit financially from this project in some way or does he represent the Public Housing Authority now?

As many previous testifiers have pointed out, there are a plethora of nearby locations that would be infinitely more appropriate for an adaptive reuse project than this historically important and actively used block, so why target this location? What is really going on here?

This bill doesn't even indicate what percentage of the AMI the rents will be set at so in its current form it offers no assurance that any housing resulting from its passage will effectively be "affordable" in any sense of the word.

Please stop wasting time on this bill and kill it.

LATE

Testimony
RE: Relating to
Affordable Housing
HB2328

Dear Housing Committee Chairman Senator Stanley Chang,

1. The Hawaii Public Housing Authority has announced an ambitious and much needed program to acquire and/or renovate properties for the purpose of addressing the crisis over the lack of affordable, permanent rental units statewide with particular emphasis in the urban core of Honolulu.
2. Recently Governor Josh Green and Homeless Coordinator John Mizuno opened Ka Malu Koolau, the latest Kauhale in Kaneohe. As you are aware, Kauhale are communal living spaces with shared bathrooms and kitchens.

The Governor and Mr. Mizuno stated their intention of expanding the concept into existing apartment, commercial, or office buildings to create residential reuse of such assets – urban villages.

3. The Bethel Street Block described in HB2328 offers an exceptional opportunity to create literally dozens of such units at a fraction of the cost of a standard development. The existing Buildings will be converted from existing commercial space to residential use. Existing business activity at street level will be maintained and enhanced with expansion encouraged.
4. The result will be a rejuvenated community which will revitalize the Ft. St. Mall area and spark a rebirth of urban life in the Chinatown area.
5. Successfully coming to grips with cost factors in providing truly affordable units for the income disadvantaged was given vivid prominence recently when we learned a developer of affordable housing at the 80% AMI and above level has had to ask the State to provide subsidies in the millions of dollars to enable the project to succeed in the face of high interest rates and construction costs. Trying to crate affordable housing from scratch particularly for sale is a perilous challenge for any developer.
6. If we are to confront the cost realities of providing safe, practical rental spaces transposing existing commercial and retail assets is the key. We can stop storing people and actually house them.
7. The asking price of \$30m for the properties reflects the market value for commercial and retail usage. The State, of course, has other purposes in mind. The prospect of truly affordable permanent rental units is before you in HB2328.
8. I ask that the Finance Committee forward the bill to enable the Public Housing Authority, the State Homeless Coordinator and the Senate to explore the merits of the issue as the legislative process moves forward.

9. Fee simple purchase of this size and magnitude which creates the possibility for permanent affordable rental units is unprecedented in urban Honolulu and unlikely to be duplicated. The site begs for adaptive reuse.
10. It will be a crown jewel in the inventory of truly affordable rental housing so desperately needed today in Hawaii.

Neil Abercrombie
Governor 2010 - 2014