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

SENATE COMMITTEE ON JUDICIARY

February 27, 2025 at 10:01 a.m. State Capitol, Room 016

In consideration of S.B. 1170 SD1 RELATING TO THE EXPEDITIOUS REDEVELOPMENT AND DEVELOPMENT OF AFFORDABLE RENTAL HOUSING.

Chair Rhoads, Vice Chair Gabbard, and members of the Committee.

HHFDC **<u>supports</u>** SB 1170 SD1, which exempts certain affordable rental housing projects from the requirements for special management area use permits, clarifies the eligibility for affordable housing projects to receive an exemption, and requires administrative review of projects under the National Register or Hawaii Register for compliance.

HHFDC supports the Legislature's efforts to respond to disasters declared as states of emergency, such as the August 2023 Maui wildfires. In particular, redevelopment of the Front Street Apartments project, which HHFDC is leading, would benefit from this proposal.

Presently, special management area use permits in Maui County can require over a year for processing. Granting the planning director the discretion for the issuance of special management area use permits for these projects will greatly accelerate the development of these projects and aid Maui's recovery.

Thank you for the opportunity to testify on this bill.



STATE OF HAWAI'I OFFICE OF PLANNING & SUSTAINABLE DEVELOPMENT

JOSH GREEN, M.D. GOVERNOR

SYLVIA LUKE

MARY ALICE EVANS DIRECTOR

235 South Beretania Street, 6th Floor, Honolulu, Hawai'i 96813 Mailing Address: P.O. Box 2359, Honolulu, Hawai'i 96804

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Written Statement of MARY ALICE EVANS, Director

before the SENATE COMMITTEE ON JUDICIARY Thursday, February 27, 2025, 10:01 AM State Capitol, Conference Room 016 & Videoconference

in consideration of SB 1170 SD1 RELATING TO THE EXPEDITIOUS REDEVELOPMENT AND DEVELOPMENT OF AFFORDABLE RENTAL HOUSING.

Chair Rhoads, Vice Chair Gabbard, and Members of the Senate Committee on Judiciary:

SB 1170 SD1 proposes that a county planning department director may issue a special management area (SMA) use permit to redevelop permanent affordable multi-family rental housing that has been substantially destroyed as result of a disaster declared as state of emergency.

The Office of Planning and Sustainable Development (OPSD) offers **comments** on SB 1170 SD1 as follows:

Comment #1 - OPSD recommends the following **amendments** to the proposed language in subsection (a):

(a) Subject to terms and conditions <u>under section 205A-26</u>, <u>Hawaii Revised Statutes</u>, [as] the director <u>of a county</u> planning <u>department</u> [of each county deems appropriate, the director] may issue a special management area use permit to an applicant to redevelop permanent affordable multi-family rental housing that has been substantially destroyed as a result of a disaster <u>from</u> wildfire, hurricane, flooding, tsunami, or earthquake proclaimed by the governor to constitute [declared by the governor or a mayor as] a state of emergency [or local state of emergency] under chapter 127A, Hawaii Revised Statutes[, to develop mixed use permanent affordable multi-family rental housing on state-owned lands and lands related to the recovery of a disaster].

Comment #2 - OPSD notes that the proposed language in subsection (b), below, appears contradictory to subsection (a). The legislature may consider deleting subsection (b).

[(b) Except as otherwise provided in this Act or under federal law, the issuance of a special management area use permit under this section shall be exempt from all statutes, charter provisions, ordinances, and rules relating to the issuance of special management area use permits under chapter 205A, Hawaii Revised Statutes.]

SB 1170 SD1 RELATING TO THE EXPEDITIOUS REDEVELOPMENT AND DEVELOPMENT OF AFFORDABLE RENTAL HOUSING – COMMENT State Office of Planning and Sustainable Development February 27, 2025

Comment #3 - OPSD notes that the proposed language in subsection (e), below, is specific to Maui. The legislature may consider deleting subsection (e) to establish a general law.

[(e) Notwithstanding any other law to the contrary, land use entitlements described in Maui county Ordinance No. 2120 (1992), including waivers of state and county statutes, ordinances, and their administrative rules and regulations relating to planning, zoning, and construction standards, shall remain applicable to future housing developments.]

Thank you for the opportunity to testify on this measure.

February 24, 2025

LEGISLATIVE TESTIMONY – SB1170 SD1

A bill relating to the expeditious redevelopment and development of affordable rental housing. Senate Hearing of the Judiciary Committee Hearing Date: Thursday, February 27, 2025 10:01 AM State Capitol Conference Room 016 & Videoconference

To:The Senate Judiciary CommitteeThe Honorable Karl Rhoads, Chair, The Honorable Mike Gabbard, Vice-Chair, and the
Honorable Members of the Committee

From: Joe Blanco Joe Blanco Project Manager - KCOM Corp. For the Weinberg Court Apartments 615 Honoapiilani Highway, Lahaina Maui

Re: Testimony in Support of SB 1170 SD1 with amendments

My name is Joe Blanco, and I am here on behalf of the project manager assisting the operating general partner that owns the Weinberg Court Apartments (WCA), a 63-unit affordable rental complex located in Lahaina, Maui. The late Val Peroff and I developed this apartment project in the early 1990s. I support Senate Bill 1170 SD1 and respectfully request amendments to address the unique entitlement challenges multi-family apartment projects designed and built under the state's experimental and demonstration housing projects face when the improvements are abruptly destroyed.

All project entitlements were secured through HRS 46-15 and Maui County Code 16.28, which was explicitly enacted to promote the development of projects like the WCA complex. In 1992, Maui County passed Ordinance No. 2120, which granted specific exemptions and waivers of state and county statutes and ordinances that paved the way for this multi-family apartment project to be built on land explicitly reserved for single-family residences. In exchange, the apartment complex's owners agreed with HFDC that all apartment units would be occupied by households earning 60% or less of Maui County's AMI.

Since January 2024, the building owners have been working with Maui County to secure permits to rebuild the apartment complex using the same exemptions and waivers previously granted under Maui County Ordinance No. 2120 (1992) and determine what project standards to use for reconstruction.

Legislative Testimony SB 1170 SD1 KCOM Corp. Page 2 of 3

Unfortunately, after one year, Maui County has yet to determine clear rebuilding guidance as it awaits internal clarification on whether its directors and administrators possess the latitude, discretion, and flexibility to (1) recognize Maui County Ordinance No. 2120, which in 1992 granted all project entitlements to start construction, and (2) administratively update and modernize the project standards which dates back to 1992.

Further, changes or deviations from the original project standards could trigger the project being processed as a new project permit rather than a building permit to rebuild improvements damaged by fire. Being processed as a new project can add twelve to eighteen months to the additional permitting process before construction begins.

The intent behind Bill 1170 SD1 is to expedite the reconstruction of previously existing affordable housing complexes destroyed by the Lahaina fire. The Senate Committees on Housing, Water, and Land jointly inserted clarifying language to recognize the validity of existing land use entitlements granted and described in Maui County Ordinance No. 2120 (1992).

Given the County's current inability to provide the project owner guidance standards used to rebuild, I respectfully request the members of the Judiciary Committee modify SB 1170 SD1 by adding clarifying language regarding the administration of project "standards" as defined in HRS 46-15 and Chapter 16.28 of the Maui County Code, as noted in Maui County Ordinance No 2120 (1992).

My testimony includes proposed language that provides Maui county directors and administrators the administrative latitude, discretion, and flexibility to modify the project standards to allow for the incorporation of revised building designs to lower rebuilding costs, improve future building operating efficiencies, use of modern building materials, construction methods, and construction types, and aid in expediting all required permit approvals, all of which reduces the rebuild costs and rebuild time. The proposed language would empower the county and building owner to collaborate on rebuilding the project better and faster while meeting all applicable building health and safety codes and standards.

Changes or deviations from the original project standards, including modernizing the building's design, modifications to the original siting of the building, incorporating the latest construction materials and construction methods, or modifying the unit types and quantities to better serve the local rental demands.

Legislative Testimony SB 1170 SD1 KCOM Corp. Page 3 of 3

Minimizing the time needed to secure regulatory approvals to rebuild and granting the County directors and administrators administrative latitude, discretion, and flexibility to modernize the building standards increases the owner's ability to rebuild their project using limited insurance proceeds in an innovative, efficient, and prompt manner.

Your legislative support will help pave the way for rebuilding this affordable rental housing complex in Lahaina.

Attachments: Maui County Ordinance 2120 (1992)

Suggested Revisions to SB1170 SD1

(e) Notwithstanding any other law to the contrary, land use entitlements described in Maui county Ordinance No. 2120 (1992), including waivers of state and county statutes, ordinances, and their administrative rules and regulations relating to planning, zoning, and construction standards, shall remain applicable to future housing developments, <u>provided however that the Maui county</u> <u>directors and administrators shall have the administrative latitude, discretion, and flexibility to</u> <u>modify the project standards to allow for the incorporation of revised building designs to lower</u> <u>rebuilding costs, improve future building operating efficiencies, use of enhanced building materials,</u> <u>construction methods, and construction types, and aid in expediting all required permit approvals,</u> <u>all of which reduces the rebuild costs and rebuild time.</u>

ORDINANCE NO. 2120

BILL NO. <u>43</u> (1992) Draft 1

A BILL FOR AN ORDINANCE APPROVING THE LAHAINA AFFORDABLE RENTAL APARTMENTS PROJECT AS AN EXPERIMENTAL AND DEMONSTRATION HOUSING PROJECT

BE IT ORDAINED BY THE PEOPLE OF THE COUNTY OF MAUI:

SECTION 1. <u>Purpose</u>. Section 46-15, Hawaii Revised Statutes, authorizes any county to designate areas of land for experimental and demonstration housing projects which may be exempt from the usual restrictions relative to planning, zoning, and construction. Pursuant to said provisions of state law, this ordinance authorizes certain specific deviations from the Maui County Code with respect to Lahaina Affordable Rental Apartments Project to be located at Lahaina, Maui, Hawaii, identified further as a portion of TMK II-4-6-11, Parcel 7, hereinafter referred to as the "Project".

SECTION 2. <u>Findings</u>. The Council finds that housing projects which are proposed pursuant to Section 46-15, Hawaii Revised Statutes, will make a positive contribution to alleviate housing problems faced by the people of Maui County. The Council also finds that the proposed Project is consistent with the purpose and intent of Section 46-15, Hawaii Revised Statutes, and that the proposed project will meet minimum requirements of health and safety. The Council further finds that the development of the proposed project will not contravene any safety standards or tariffs approved by the public utilities commission for public utilities. SECTION 3. <u>Authorized deviations from Maui County Code</u>. Pursuant to Section 46-15, Hawaii Revised Statutes, the Council hereby authorizes for the Lahaina Affordable Rental Apartments Project, the following exemptions and deviations from the Maui County Code:

1. Chapter 19.42, Change of Zoning - Delete the requirement to rezone from R-2 District to Apartment District provided, however, that the underlying R-2 zoning shall remain in effect for this parcel.

2. Section 18.16.320, Parks and Playground - Delete park dedication requirements.

3. Section 18.20.130, Drainage - Delete the requirements of this section and allow on-site disposal of storm water.

4. Section 19.12.070, Yards - Delete the requirements of this section and permit encroachments as set forth in the attached Table 1.

5. Section 19.36.010, Designated Parking - Reduce the requirements of subsection (7) of 2 stalls per unit (124) to no less than 1.75 stalls per unit.

6. Section 19.36.110B, Compact Stalls - Increase the percentage of compact stalls allowed from twenty-five percent to no more than fifty percent of the total off-street parking requirements.

7. Section 19.36.060, Tandem Stalls - Delete the requirements of subsection "A" which precludes "stacking of vehicles" and allow 30% of total parking stalls provided to be "tandem stalls".

8. Section 19.36.070, Landscaping of parking area - Delete the requirements of subsection "A" and allow for large crown trees at minimum regular intervals of every ten (10) stalls.

- 2 -

9. Chapter 205A, Hawaii Revised Statutes, Coastal Zone Management. The requirements of this chapter, including Special Management Area Permits, are hereby waived.

SECTION 4. <u>Other Requirements</u>. In accordance with the purpose and nature of this project, the following requirements are hereby imposed:

 The monthly rental rates shall remain affordable, as determined by the Hawaii Finance and Development Corporation, for a minimum of fifteen years; and

2. The County Department of Human Concerns shall approve the criteria in the selection of tenants.

SECTION 5. <u>Approval of project and preliminary plans and</u> <u>specifications</u>. The Council hereby approves the experimental and demonstration housing designation for the proposed Lahaina Affordable Rental Apartments Project site, and hereby also approves the preliminary plans and specifications for the Project.

It is the understanding and intent of the Council that the said plans and specifications deviate from applicable standards set forth in the Maui County Code only to the extent set forth in Section 3 of this ordinance, and the approval of the plans and specifications herein given is limited to the extent of the deviations set forth in said Section 3.

- 3 -

SECTION 6. <u>Final approval</u>. The final plans and specifications for the proposed Lahaina Affordable Rental Apartments Project shall be deemed approved by the Council if the final plans and specifications, in the opinion of the Director of Human Concerns, do not substantially deviate from the Council approved preliminary plans and specifications. The final plans and specifications for the Project shall constitute the zoning and construction standards for the project.

SECTION 7. Effective date. This ordinance shall take effect upon its approval.

APPROVED AS TO FORM AND LEGALITY:

HOWARD M-FUKUSHIMA

Deputy Corporation Counsel County of Maui c:\wp51\ords\KCOM(pk)

TABLE 1 SCHEDULE OF FRONT, REAR AND SIDE YARD ENCROACHMENTS						
BUILDING	ENCROACHMENT	FRONT	YARD	REAR YARD	SIDE YARD	
А	Building	not to 5'0"	exceed			
А	Lanais				not to exceed 4'0"	
В	Lanais			not to exceed 4'0"		
С	Building	not to 5'0"	exceed	not to exceed 5'0"	not to exceed 5'0"	
С	Lanais				not to exceed 4'0"	

TABLE 1

WE HEREBY CERTIFY that the foregoing BILL NO. 43 (1992), Draft 1

1. Passed FINAL READING at the meeting of the Council of the County of Maui, State of Hawaii, held on the 19th day of June , 1992, by the following votes:

Howard S. KIHUNE Chair	Patrick S. KAWANO Vice-Chair	Vince G. BAGOYO, Jr.	Goro HOKAMA	Alice L. LEE	Ricardo MEDINA	Wayne K. NISHIKI	Joe S. TANAKA	Leinaala TERUYA DRUMMOND
Aye	Excused	Aye	Aye	Aye	Aye	Aye	Ауе	Aye

2. Was transmitted to the Mayor of the County of Maui, State of Hawaii, on the 22nd day of June , 1992.

DATED AT WAILUKU, MAUI, HAWAII, this

tich Alth 22nd day of

, 1992

June

HOWARD S. KIHUNE, CHAIR Council of the County of Maui

DARYL T. YÁMAMOTO, COUNTY CLERK County of Maui

June

THE FOREGOING BILL IS HEREBY APPROVED THIS 29

, 1992.

DAY OF

LINDA CROCKETT LINGLE (MAYOR County of Maui

I HEREBY CERTIFY that upon approval of the foregoing BILL by the Mayor of the County of Maui, the said BILL was designated as ORDINANCE NO. 2120 of the County of Maui, State of Hawaii.

DARYL T. YAMAMOTO, COUNTY CLERK County of Maui

Passed First Reading on May 1, 1992. Effective date of Ordinance June 29, 1992.

I HEREBY CERTIFY that the foregoing is a true and correct copy of Ordinance No. 2120, the original of which is on file in the Office of the County Clerk, County of Maui, State of Hawaii,

Dated at Wailuku, Hawaii, on

LEGISLATIVE TESTIMONY IN SUPPORT OF THE INTENT OF

SB 1170 SD1

(RELATING TO THE EXPEDITIOUS REDEVELOPMENT AND DEVELOPMENT OF AFFORDABLE RENTAL HOUSING)

HEARING DATE

Thursday, February 27, 2025 Hearing by the Senate Judiciary Committee 10:11 AM State Capitol Conference Room 016 & Videoconference

SUBMITTED BY

Pacific Commercial Realty Corp.

Operating General Partner for Housing Technology Associates Owner of the Weinberg Court Apartment Complex 615 Honoapiilani Highway, Lahaina February 25, 2025

The Honorable Chair Karl Rhoads, Vice-Chair Mike Gabbard, and Members of the Senate Judiciary Committee

My name is Katherine Peroff, and I am the Executive Vice President of Pacific Commercial Realty Corp. (PCRC), the Operating General Partner for Housing Technology Associates (HTA), and the owner of the former Weinberg Court Apartments (WCA) complex. WCA was a 63-unit affordable rental apartment complex developed and built by my late father, Valentine Peroff, Jr., and his business colleague, Joe Blanco, in the early 1990s. All rental units at WCA were reserved solely for occupants earning 60% or less of the County of Maui median income (as determined by the U.S. Department of Housing and Urban Development and monitored by HHFDC). Please accept this testimony in support of Senate Bill 1170 SD1 with additional amendments.

The devastating Lahaina wildfire destroyed the WCA affordable housing complex on August 8, 2023. HTA is currently in the process of navigating the complicated path towards reconstruction of the WCA. We have assembled a design-build team and are eager and ready to begin rebuilding the WCA affordable housing complex to continue serving the community's needs. One of the most significant challenges we face is identifying and quantifying our rebuilding costs and the exposures of business and financial risks. We believe we have sufficient insurance proceeds to rebuild, but the actual costs depend on what "project standards" Maui County imposes when rebuilding.

Legislative Testimony SB 1170 SD1 by the Owner of the Weinberg Court Apartments Complex Page 2 of 4

As background, the WCA was originally developed in 1992 as an experimental and demonstration housing project by way of Ordinance No. 2120, which was adopted by the Maui County Council pursuant to Hawaii Revised Statutes § 46-15 and Chapter 16.28, Maui County Code. The WCA experimental and demonstration housing project researched and developed ideas to reduce unnecessary housing construction costs and achieve affordable rental units. Reducing unnecessary housing costs was made possible through innovative design and construction plans and project exemption from certain Maui County Charter provisions, code requirements, and regulations through Ordinance No. 2120. The WCA project demonstrated that the private and public sectors can work together to foster the development of well-designed affordable rental housing.

The intent behind Bill 1170 SD1 is to expedite the reconstruction of previously existing affordable housing complexes destroyed by the Lahaina fire. To that end, we would appreciate the bill include clarification regarding the recognition of previously granted existing land use entitlements described in Maui County Ordinance No. 2120 (1992) and clarification of the definition of project "standards" as defined in HRS 46-15 and Chapter 16.28, of the Maui County Code.

Since January 2024, I have met with Maui County directors and administrators seeking clarification regarding their recognition of rebuilding under the waivers granted under Maui County Ordinance No. 2120 (1992) and what administrative project standards would guide the rebuilding of the improvements. Maui County has yet to recognize allowing the exemptions and waivers granted under Ordinance No. 2120 (1992) to continue in full force and effect, nor provide guidance on updating existing project standards established in 1992 by incorporating more modern project standards.

Rebuilding the project using modern standards will likely yield higher build quality and lower rebuild costs. However, under a strict reading of the language in HRS 45-15 and Chapter 16.28, any changes or deviation from the original project standards could trigger processing the rebuild permits as a new project, adding twelve to eighteen months more to the permitting process before reconstruction can begin.

Legislative Testimony SB 1170 SD1 by the Owner of the Weinberg Court Apartments Complex Page 3 of 4

Attached is a proposed language to provide Maui county directors and administrators the flexibility to modify project standards. The proposed language would empower the county to allow the owner to "build back better" by revising building designs to improve building costs and operating efficiencies, incorporate the use of advanced building materials, construction methods, and construction types, and aid in expediting all required permit approvals, all of which reduces the rebuild costs and rebuild time. These modifications can be undertaken without compromising the health and safety of project residents.

The regulatory processes that must be completed before construction add to the reconstruction timeline and significantly increase rebuilding costs. Reducing the time required to obtain regulatory approvals helps the building owners rebuild within their means, which is set by its perishable insurance proceeds.

Please include amending SB 1170 SD1 as noted in Attachment 1. Thank you for the opportunity to provide testimony.

Sincerely,

Katherine Peroff

Katherine Peroff Executive Vice President Pacific Commercial Realty Corp.

Legislative Testimony SB 1170 SD1 by the Owner of the Weinberg Court Apartments Complex Page 4 of 4

Attachment 1

Suggested Revisions to SB1170 SD1

(e) Notwithstanding any other law to the contrary, land use entitlements described in Maui county Ordinance No. 2120 (1992), including waivers of state and county statutes, ordinances, and their administrative rules and regulations relating to planning, zoning, and construction standards, shall remain applicable to future housing developments-, provided however that the Maui county directors and administrators shall have the administrative latitude, discretion, and flexibility to modify the project standards to allow for the incorporation of revised building designs to lower rebuilding costs, improve future building operating efficiencies, use of enhanced building materials, construction methods, and construction types, and aid in expediting all required permit approvals, all of which reduces the rebuild costs and rebuild time.

AKAHI 300 W. Wakea Ave. Kahului, HI 96732 808-877-0544

ELUA 200 Hina Ave. Kahului, HI 96732 808-872-4180

EKOLU 717 Makaala Dr. Wailuku, HI 96793 808-242-4377

EHA 1057 Makawao Ave. Makawao, HI 96768 808-573-1647

ELIMA 11 Mahaolu St. Kahului, HI 96732 808-893-0002

EONO 810 Kelawea St. Lahaina, HI 96761 808-661-5957

EHIKU 56 Ehiku St. Kihei, HI 96753 808-891-8588

EWALU 88 Ohia Ku St. Pukalani, HI 96768 808-573-5500

HOME PUMEHANA P.O. Box 100 Kaunakakai, HI 96748 808-553-5788

HALE KUPUNA O LANAI P.O. Box 630418 Lanai City, HI 96763 808-565-6615

LOKENANI HALE 1889 Loke St. Wailuku, HI 96793 808-243-9272

KAHULUI LANI 65 School St. Kahului, HI 96732 808-868-0180

LAHAINA SURF 1037 Wainee St. Lahaina, HI 96761 808-661-3771

LUANA GARDENS 615 W. Papa Ave. Kahului, HI 96732 808-871-9009

KOMOHANA HALE 120 Leoleo St. Lahaina, HI 96761 808-661-5957

KULAMALU HALE 65 Ohia Ku St. Pukalani, HI 96768 808-868-4148

HULIAU 145 Wahinepio Ave. Kahului, HI 96732 808-868-2229

CHSP/MEALS PROGRAM 200 Hina Ave. Kahului, HI 96732 808-872-4170

HOMEOWNERSHIP/ HOUSING COUNSELING 200 Hina Ave. Kahului, HI 96732 808-242-7027

PERSONAL CARE/ HOMEMAKER/CHORE 11 Mahaolu St. Ste. A Kahului, HI 96732 808-873-0521



February 25, 2025

Senate Judiciary Committee

Hearing Date: Friday February 27, 2025, at 10:01am

RE: In strong support of SB1170.

Dear Chair Rhoads & Vice Chair Gabbard,

Hale Mahaolu is in support of SB1170, including the changes included in version SB1170_SD1, which promotes the swift redevelopment of affordable housing units in Lahaina, Maui.

The provisions regarding the Special Management Area and National Historic District contained in this legislation will have a profound and positive impact on the development of affordable housing in Lahaina, Maui. For just the two properties being redeveloped by Hale Mahaolu 340 family housing units will be constructed.

This legislation will greatly accelerate the redevelopment of affordable housing in Lahaina.

Respectfully submitted,

Mu to W

Anders F Lyons Executive Director Hale Mahaolu







HEARING BEFORE THE SENATE COMMITTEE ON JUDICIARY HAWAII STATE CAPITOL, SENATE CONFERENCE ROOM 016 Thursday, February 27, 2025 AT 10:01 A.M.

To The Honorable Senator Karl Rhoads, Chair The Honorable Senator Mike Gabbard, Vice Chair Members of the committee on Judiciary

SUPPORT FOR SB1170 SD1 RELATING TO THE EXPEDITIOUS REDEVELOPMENT AND DEVELOPMENT OF AFFORDABLE RENTAL HOUSING

The Maui Chamber of Commerce would like testify in **SUPPORT for SB1170 SD1** which exempts certain affordable rental housing projects from the requirements for special management area use permits; clarifies eligibility for affordable housing projects to receive an exemption; and requires administrative review of projects under the National Register or Hawaii Register for compliance..

Housing remains a top priority for the Maui Chamber of Commerce and continues to be critical as the crisis worsens following the wildfires, directly impacting businesses and our economic revitalization. Prior to the wildfires, the need for over 10,000 housing units by 2025 was already a pressing issue, but that number has increased due to the loss of 3% of our housing stock in Lahaina. This loss is a key factor driving the ongoing rise in housing prices.

The Chamber notes that the longer the development process takes, the higher the associated costs, which in turn drive up housing prices. This bill will help these specific affordable housing projects navigate the process more quickly, thereby lowering development expenses and making housing more affordable and, more importantly, available sooner.

For these reasons, we SUPPORT SB1170 SD1.

Sincerely, Pamela Jumpap

Pamela Tumpap President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.



<u>SB-1170-SD-1</u> Submitted on: 2/27/2025 4:32:25 AM Testimony for JDC on 2/27/2025 10:01:00 AM

Submitted By	Organization	Testifier Position	Testify
April Bautista	Individual	Support	Written Testimony Only

Comments:

Yes, please pass this community benefit of of the committee.

Thank you,

April

April Bautista

Kalihi-Pālama