

**STATE OF HAWAI'I
OFFICE OF PLANNING
& SUSTAINABLE DEVELOPMENT**

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Statement of
MARY ALICE EVANS, Director

before the
**SENATE COMMITTEE ON HOUSING
AND SENATE COMMITTEE ON GOVERNMENT OPERATIONS**

Thursday, January 30, 2025
1:05 PM
State Capitol, Conference Room 225

in consideration of
**SB 68
RELATING TO THE DEPARTMENT OF HOUSING.**

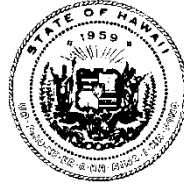
Chairs Chang and McKelvey, Vice Chairs Hashimoto and Gabbard, and Members of the Committees.

The Office of Planning and Sustainable Development (OPSD) **offers comments with concerns** on SB 68, which creates the Department of Housing, and places the Hawai'i Community Development Authority, Hawai'i Housing Finance and Development Corporation, Office of Planning and Sustainable Development, and Hawai'i Public Housing Authority under the Department of Housing for administrative purposes.

While OPSD understands and supports the bill's purpose of eliminating redundancies and more efficiently solving Hawai'i's housing crisis, we note some concerns. In collaboration with the State and County members of the Hawai'i Interagency Council for Transit-Oriented Development (TOD Council), OPSD supports planning and policy development for housing, transportation, redevelopment, infrastructure, and community facilities projects statewide. That collaboration has been very helpful in planning and designing better projects, well-located, with greater density, more housing, efficient infrastructure, and more accessible sites.

However, we do have concerns about how OPSD's broad portfolio of non-housing planning, policy, and research responsibilities would be incorporated into a department with a mandate to increase housing production. In addition to its TOD work, OPSD's planning and policy work includes coastal zone management and special management area permits, land use policy, climate change, sustainability, environmental review, geographic information systems and mapping, economic resilience, and other statewide policy interests. OPSD does not see any mention of these broader issues in the bill's stated responsibilities for the proposed new department of housing.

JOSH GREEN, M.D.
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IN REPLY, PLEASE REFER TO:

Statement of
Hakim Ouansafi, Executive Director
Hawaii Public Housing Authority

Before the
SENATE COMMITTEE ON HOUSING
&
SENATE COMMITTEE ON GOVERNMENT OPERATIONS

Thursday, January 30, 2025
1:05 PM – Room 225, Hawaii State Capitol

In consideration of
SB 68
RELATING TO THE DEPARTMENT OF HOUSING

Honorable Chair Chang and Honorable Chair McKelvey, and Members of the Senate Committee on Housing and Senate Committee on Government Operations, thank you for the opportunity to provide testimony concerning Senate Bill (SB) 68, relating to the department of housing.

The Hawaii Public Housing Authority (HPHA) supports the intent of SB 68 and provides the following comments. This measure establishes the Department of Housing. Places the Hawaii Community Development Authority, Hawaii Housing Finance and Development Corporation, Office of Planning and Sustainable Development, and Hawaii Public Housing Authority within the Department of Housing for administrative purposes. Replaces the Director of Business, Economic Development, and Tourism with the Director of Housing on the Hawaii Community Development Authority.

If this measure passes, consistent with 356D, we humbly request that the HPHA continues to remain as an attached agency for administrative purposes only as HUD mandates that the HPHA Board of Directors (Board) is the “legally and financially responsible governing body of a Public Housing Authority (PHA) and the first line of accountability for the PHA’s performance”.

The HPHA is a single purpose entity, governed by an eleven-member Board of Directors that are appointed by the governor (Chapter 356D-3 and 356D-4 Hawaii Revised Statutes), and it provides policy guidance to the Agency in accordance with federal and state law. Any conflict with this important role between the Board and the proposed State Director of Housing will interfere with the Board's obligations.

We note that a new Department of Housing in Hawaii could bring several advantages such as focusing on increasing the availability of affordable housing options in Hawaii, development of comprehensive and effective housing policies specific to the unique needs of Hawaii, streamlined government coordination to facilitate better coordination between various government agencies involved in housing matters, prioritize sustainable and resilient housing solutions, taking into account the vulnerability of Hawaii to natural disasters and the impacts of climate change, and a strategic approach to housing that aligns with the state's goals and priorities.

While creating a new Department of Housing in Hawaii could bring several benefits, there are also some potential disadvantages to consider such as increased bureaucracy and administrative complexities, potentially slowing down the implementation of housing initiatives, additional costs and administrative burdens associated with the Department's creation and the need for additional staff, yearly financial resources to support its operations, the potential of overlapping roles and responsibilities, and a limited authority and/or resources to address broader systemic issues that contribute to housing challenges, such as economic inequality, land availability, or zoning regulations.

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



**HAWAI'I COMMUNITY
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CHAIRPERSON

CRAIG K. NAKAMOTO
EXECUTIVE DIRECTOR

Statement of
CRAIG K. NAKAMOTO, Executive Director
Hawai'i Community Development Authority
before the
SENATE COMMITTEE ON HOUSING
And the
SENATE COMMITTEE ON GOVERNMENT OPERATIONS

Thursday, January 30, 2025
1:05 PM
State Capitol, Conference Room 225 & Videoconference

In consideration of
SB68
RELATING TO THE DEPARTMENT OF HOUSING.

Chairs Chang and McKelvey, Vice Chairs Hashimoto and Gabbard, and members of the Committees.

The Hawai'i Community Development Authority (HCDA) respectfully offers comments and concerns on SB68 for the committee's consideration.

This measure establishes the Department of Housing and transfers the Hawai'i Community Development Authority, Hawai'i Housing Finance and Development Corporation, Office of Planning and Sustainable Development, and Hawai'i Public Housing Authority under it. The HCDA is currently attached for administrative purposes to the Department of Business, Economic Development and Tourism.

As the state's redevelopment agency, HCDA's primary mission is to establish community development plans, determine programs and cooperate with private enterprise and the various federal, state, and county agencies to bring community development plans to fruition, through its community development districts. The HCDA's work should result in economic and social opportunities and aim to meet the highest needs and aspirations of Hawai'i's people.

HCDA also has unique infrastructure development experience that has supported various public development projects and encouraged private mixed-use development.

Although HCDA is working on housing projects, our mission is broader, as mentioned above. Such a reorganization could limit HCDA's focus to housing development. If allowed to remain under DBEDT we can work on housing projects and continue to apply our strengths of planning, infrastructure and community building.

Thank you for the opportunity to provide testimony.