

Bill 58 (2017), CD2  
Additional Testimony

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**From:** CLK Council Info  
**Sent:** Tuesday, March 27, 2018 3:07 PM  
**Subject:** Council/Public Hearing Speaker Registration/Testimony

## Speaker Registration/Testimony

**Name** Lauren Morawski  
**Phone** 8085941997  
**Email** laurenmorawski@yahoo.com  
**Meeting Date** 03-28-2018  
**Council/PH Committee** Council  
**Agenda Item** Bill 58 CD2  
**Your position on the matter** Support  
**Representing** Self  
**Organization**  
**Do you wish to speak at the hearing?** No

"Our housing crisis requires bold action by city lawmakers, including assurances that all new development projects provide some degree of affordable housing. Please PASS Bill 58 and provide much-needed relief to struggling local families!"

"We only have so much land to develop for housing. If real estate developers and investment firms get their way, what little lands that will be owned by speculators and rich foreign buyers, not by residents and families being priced out by Hawaii's global housing market. I SUPPORT the affordable housing requirements in Bill 58, including the current draft's elimination of historically ineffective in-lieu fees, and urge your favorable consideration of this measure."

Written  
Testimony

"Developers have been given substantial incentives to build affordable housing, including in Bill 59, but Bill 58 is the only way to ensure they actually build affordable housing. Local families' housing needs are more important than maximizing developers' profit margins. Please PASS Bill 58 and its current draft's exclusion of in-lieu fees in favor of actual affordable housing."

"Please SUPPORT Bill 58 CD2. If this measure does not pass, Honolulu will continue to be the only county that does NOT have affordable housing requirements for new developments -- a boon for luxury developers, and a heavy burden for local working families being priced out of their own hometown."

eliminating racism  
empowering women

**ywca**

O'ahu

Fernhurst YWCA  
1566 Wilder Avenue  
Honolulu, Hawaii 96822  
808.941.2231

Kokokahi YWCA  
45-035 Kane'ole Bay Drive  
Kāne'ole, Hawaii 96744  
808.247.2124

Laniākea YWCA  
1040 Richards Street  
Honolulu, Hawaii 96813  
808.538.7061

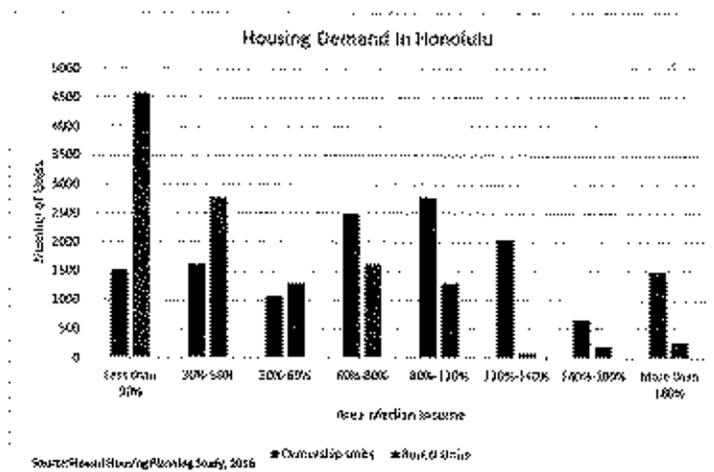
ywcaoahu.org

Testimony of YWCA O'ahu in Support of Bill 58 CD2  
City Council Meeting  
Wednesday, March 28, 2018 at 10:00 A.M.

*YWCA O'ahu's mission is to empower women and girls and end racism. Our programs empower women to achieve economic independence by providing a network of support and the development tools to help women thrive in work and in life.*

Thank you for the opportunity to **testify in support of Bill 58**. We recognize the urgent need our City and County has for affordable housing and encourage development to meet that need. We must also be mindful of the needs of our low-income residents; those who are working tirelessly to make ends meet.

We appreciate the work of the Council and Community on this important issue. The requirements will create a stronger affordable housing market for the people who live and work here. As we move forward in our goal to create affordable housing, it is imperative we remember where the demand lies for rental and ownership units.



Bill 58 has been a work in progress for a while. Through this Council's leadership, many voices from around the community were included and acknowledged in the process. Now is the time to pass this bill so we can move forward. Thank you for your commitment to development and housing that supports all our residents.

Kathleen Algire  
Director, Public Policy and Advocacy

**YWCA IS ON A MISSION**

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**From:** CLK Council Info  
**Sent:** Tuesday, March 27, 2018 3:21 PM  
**Subject:** Council/Public Hearing Speaker Registration/Testimony

## Speaker Registration/Testimony

Name Amy Sojot  
Phone 384-0804  
Email amy.sojot@gmail.com  
Meeting Date 03-28-2018  
Council/PH Committee Council  
Agenda Item Bill 58 CD2  
Your position on the matter Support  
Representing Self  
Organization  
Do you wish to speak at the hearing? No

Written Testimony I am writing in full SUPPORT of Bill 58 CD2 and urge the council to pass this bill. Please support the working, local families of Hawai'i and ensure that affordable housing is both encouraged and provided.

Testimony Attachment  
Accept Terms and Agreement 1

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**From:** CLK Council Info  
**Sent:** Tuesday, March 27, 2018 2:01 PM  
**Subject:** Council/Public Hearing Speaker Registration/Testimony

## Speaker Registration/Testimony

**Name** George Massengale  
**Phone** 8082719296  
**Email** honolulujd@gmail.com  
**Meeting Date** 03-28-2018  
**Council/PH Committee** Council  
**Agenda Item** Bill 58  
**Your position on the matter** Support  
**Representing Organization** Organization  
Hawaii Habitat for Humanity  
**Do you wish to speak at the hearing?** Yes

**Written Testimony** Hawaii Habitat for Humanity offered testimony in support of Bill 58 yesterday at the Special Zoning and Housing Committee Hearing. We renew our request that In-Lieu fees should not be included.  
Mahalo,  
George Massengale

**Testimony Attachment**

**Accept Terms and Agreement** 1



units priced for those earning above 140% AMI.<sup>1</sup> Accordingly, OHA appreciates efforts to ensure that Bill 58's affordability requirements ensure the development of units reserved and priced for a range of household income levels at and below 140% AMI. OHA further appreciates Bill 58's approach in connecting the number of required affordable units with the minimum affordability period for such units, as a means to incentivize longer-term affordability while responding to developers' requests for flexibility.

**OHA supports Bill 58's amendments limiting "in-lieu" fees.** In-lieu fees for affordable housing have been historically ineffective in providing meaningful affordable housing relief;<sup>2</sup> accordingly, OHA appreciates Bill 58's efforts to ensure the actual development of affordable units.

Finally, OHA supports Bill 58's status report provisions, which will help to assess the effectiveness of its proposed new chapter in five years. Such an assessment will be valuable in informing potential amendments and adjustments to the affordable housing policies established by the City. **Given the historical failure of in-lieu fees to provide effective affordable housing relief, OHA respectfully suggests that in the event that in-lieu fees are added by Council, a comprehensive study on any in-lieu fees collected, and the disposition of such fees, also be examined in the contemplated status report.**

**In summary, OHA is supportive of Bill 58's affordable housing requirements as a positive step forward to meeting the City's current and future housing needs.** OHA is very appreciative of the work of the Committee and the Council in crafting a measure that takes into account Honolulu's affordable housing needs in nearly all new major development projects on O'ahu. **OHA urges the Council to continue keeping the housing needs of Honolulu's residents in mind as it considers this bill.**

Mahalo for the opportunity to testify on this measure.

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<sup>1</sup> See SMS, HAWAII'S HOUSING PLANNING STUDY, at 34 (2016), available at [https://dbedt.hawaii.gov/hhfdc/files/2017/03/State\\_HMPS2016\\_Report\\_031317\\_final.pdf](https://dbedt.hawaii.gov/hhfdc/files/2017/03/State_HMPS2016_Report_031317_final.pdf).

<sup>2</sup> OFFICE OF THE CITY AUDITOR, AUDIT OF THE CITY'S MANAGEMENT OF UNILATERAL AGREEMENTS IN AFFORDABLE HOUSING, (2007).

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**From:** CLK Council Info  
**Sent:** Tuesday, March 27, 2018 3:43 PM  
**Subject:** Council/Public Hearing Speaker Registration/Testimony

## Speaker Registration/Testimony

Name Tamera Heine  
Phone 8083215338  
Email tameraheine@gmail.com  
Meeting Date 03-28-2018  
Council/PH Committee Council  
Agenda Item Bill 58  
Your position on the matter Support  
Representing Self  
Organization  
Do you wish to speak at the hearing? No  
Written Testimony I am writing in support of this measure. There is no question that Hawaii needs more affordable housing.  
Testimony Attachment  
Accept Terms and Agreement 1



Testimony on behalf of the  
Hawai'i State Commission on the Status of Women  
Khara Jabola-Carnius, Executive Director

Prepared for the City and County of Honolulu  
City Council

In Support of Bill 58, CD2  
Wednesday, March 28, 2018 at 10:00 a.m.

Dear Chair Martin, Vice Chair Pine, and Honorable Members,

On behalf of the Hawai'i State Commission on the Status of Women, I write in support of Bill 58, CD2. Rail construction provides a one-time opportunity to plan for an inclusive community and to provide a reasonable amount of truly affordable housing through private sector development.

To increase affordable housing, the Commission supports the establishment of affordable housing requirements as part of development projects located in Transit-Oriented Development Zones as well as throughout the island, as proposed by Bill 58. Over 500 local governments in the United States have implemented inclusionary zoning policies in some format.

The Commission on the Status of Women was established by Executive Order in 1964 to assist in legislative advocacy and implementation, to develop programs, and to serve as an informational resource for Hawai'i's women and girls on a broad range of policies and issues. Housing policy often leaves out essential gender analysis. Finding affordable housing is a significant challenge for Hawai'i residents but the lack of affordable housing has a different effect on women, in particular women with children. If we believe that all women deserve a home, then affordable housing is a feminist issue.

Women have the least ability to cope with higher rents yet current policies define measurements of "affordable" based on averages and median incomes that do not take into account the gender pay gap. Single women cannot afford to rent a small apartment in nearly all of the biggest U.S. cities, including Honolulu.<sup>1</sup> The median income of men in Hawai'i is on

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<sup>1</sup> Szekely, B. "Study: Gender Gap in Major U.S. Cities— Renting is Beyond the Reach of Most Single Women," Feb. 16, 2017, <https://www.rentcafe.com/blog/apartment-search-2/study-gender-gap-major-us-cities-renting-beyond-reach-single-women/>

average 17% bigger than that of women.<sup>2</sup> This translates to \$8,149 less in annual income for women to spend on rent. Wage discrimination is even pronounced for women of marginalized identities, especially Native Hawaiian and immigrant women who struggle the hardest to find housing. According to the Office of Hawaiian Affairs, Native Hawaiian women earn \$11,393 less annually than Native Hawaiian men, and \$19,014 less annually than all men statewide. Similar disparities exist among earnings of immigrant women (naturalized or undocumented). If trends continue, Hawai'i will not achieve equal pay until 2119.<sup>3</sup>

Further, there is a clear nexus between housing instability— women's ability to acquire and maintain housing— and domestic violence, sexual assault, and commercial sexual exploitation. We need to create a housing system that better serves women, and prioritizes low-income women and families.

The Commission is cognizant that our housing costs are among the highest in the nation, while we have the lowest wages when adjusted for cost of living.<sup>4</sup> In reality, this means that in order for a single mother to approach the self-sufficiency standard, she would have to work three full-time, minimum wage jobs. When I meet with women and girls throughout the state, I hear about resilient efforts to transcend structural problems, improve lives and livelihoods, create safer communities and build economic self-sufficiency. Moving forward, women deserve better housing policies that include subsidized housing for lower incomes.

The Commission urges the Council to protect the Zoning Committee's elimination of cash-in-lieu of affordable units because in-lieu fees have functioned more as a loophole than a meaningful generator of affordable housing and would mean that affordable units be built away from the rail line. A cheaper home is not affordable if it comes with high transportation costs and difficult commutes. We thank you for considering our amendment and respectfully request that you pass Bill 58.

Sincerely,

Khara Jabola-Carolus

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<sup>2</sup> Miller, K. *The Simple Truth About the Gender Pay Gap*, Spring 2018, <https://www.asuw.org/research/the-simple-truth-about-the-gender-pay-gap/>

<sup>3</sup> *Id.*

<sup>4</sup> Deluca, M., *Hawaii Vacation Rentals: Impact on Housing & Hawaii's Economy*. Mar. 2018, <http://hiappleseed.org/wp-content/uploads/2018/03/Appleseed-Vacation-Rental-Report-FINAL.pdf>



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March 27, 2018

Committee on Zoning and Housing  
Wednesday, March 28, 2018, 10:00am

### **Bill 58, CD2 -- Support with Amendments**

Aloha e Councilmembers:

I am submitting testimony on behalf of Hawaiian Community Assets, the State's largest nonprofit Department of Housing and Urban Development (HUD) approved housing counseling agency, and Hawaii Community Lending, a US Department of Treasury Community Development Financial Institution, to **SUPPORT BILL 58, CD2 WITH AMENDMENTS.**

With our organization's suggested amendments, Bill 58, CD2 would unleash \$18 million in capital from community development financial institutions (CDFIs), provide certainty for-profit and nonprofit developers, and create affordable rental and for-sale units to address our homeless and affordable housing crises.

With your constituents having invested in rail through general excise tax based on the promise of affordable housing and the recent passage of Bill 59 which provides incentives to developers of affordable housing, Bill 58 must move forward.

Without Bill 58, the results are clear – no affordable housing will be developed for our families who need it most and CDFIs and for-profit and nonprofit developers will be limited on their ability to leverage City funds for affordable housing.

#### **Using Notional Best Practices for Affordable Housing in Hawaii**

It is important to note that affordable housing requirements, including inclusionary zoning, have been implemented effectively in jurisdictions throughout the nation. Inclusionary zoning is often part of a more comprehensive affordable housing strategy and, if done correctly, can be used as a tool increase engagement by CDFIs, for-profit and nonprofit developers, and HUD-approved housing counseling agencies in creating affordable housing for low- and moderate-income families earning at or below 100% area median income.

CDFIs, along with for-profit and nonprofit developers, have the potential of bringing Federal and State funds as well as private capital from foundations, banks, credit unions, and Native Hawaiian Trusts to the table for affordable housing development.

**Amendment 1: Maintain Affordability Requirements Identified By Experts**

HCA recommends the Council amend Bill 58, CD2 to uphold the affordability requirements consistent with research conducted by the experts commissioned by the Caldwell Administration. See table below for more information.

		On-Site Production	Off-Site Production
Within a rail transit station area	For Sale	20 percent (half at 120% of AMI; half at 100% of AMI)	25 percent (half at 120% of AMI; half at 100% of AMI)
	For Rental	15 Percent at 80% of AMI	
Areas outside of a transit station area	For Sale	10 percent (half at 120% of AMI; half at 100% of AMI)	15 percent (half at 120% of AMI; half at 100% of AMI)
	For Rental	5 Percent at 80% of AMI	

I believe this recommendation is a compromise among all parties, especially due to the fact that 68% of affordable housing demand for rental and for-sale units is among those earning at or below 80% area median income. This compromise has the potential of attracting \$18 million in capital from CDFIs and partnerships with HUD-approved housing counseling agencies immediately.

**Tools Available for Development of Units with Affordability Requirements**

In February 2018, the Hawaii Community Reinvestment Corporation announced a partnership with the nation’s largest CDFI, the Local Initiative Support Corporation, for a \$12 million loan fund that will provide grants and loans for pre-development, gap financing, and construction costs of rental and for-sale units by for-profit and nonprofit developers. In addition, Hawaii-based CDFIs have a combined \$6 million in capital for affordable housing development. Altogether, this represents \$18 million in capital through financing tools that would be made available by CDFIs to for-profit and nonprofit developers if Bill 58 were to be passed.

These financing tools provided by CDFIs were first developed 40 years ago and have laid to rest the argument that financing is not available for developers unless they are able to pre-sale 75% or more of their for-sale units. CDFIs provide patient, long-term capital that makes affordable housing development a reality on projects that require up to 100% of their units to be affordable. CDFIs are relatively unknown by the building community in Hawaii, however, they have the capacity and proven track record to unlock public and private investments in affordable housing that could leverage the City’s incentives passed in Bill 59.

If Bill 58 is not passed or the affordability requirements are watered down beyond what the experts have recommended, we could leave \$18 million on the table that could have otherwise been used for affordable housing for Oahu’s families earning at or below 100% to 120% AMI. This \$18 million does not include the potential capital our CDFIs could access through Federal and State funds as well as private capital from foundations, banks, credit unions, and Native Hawaiian Trusts to the table for affordable housing development.

**HUD Housing Counseling Prepares Renters and Homebuyers**

If there are concerns about the ability of our local families to qualify for rental or for-sale units that will be developed as a result of Bill 58, I highly encourage the City, this Council,

developers, and all other key stakeholders bring in HUD-approved housing counseling agencies to be part of the marketing efforts so the units can be leased up as soon as possible.

Our work consists of group workshops, individualized counseling, and grants and loans for first month's rent/deposit, down payment/closing costs, and credit improvement in order to qualify renters and homebuyers for housing units. Please allow us to be part of this solution to affordable housing.

**Amendment 2: Require Minimum 30 Years of Affordability for Both Sale and Rental Units**  
While HCA believes the City should impose an affordability period on rental and sale units of no less than 99 years to mirror requirements of housing trusts, like Hawaiian Home Lands, we recommend the City require a minimum of 30 years of affordability for both sale and rental units.

#### **Mortgage Lending is Common for Units with Affordability Restrictions**

As Executive Director of the State's largest HUD-approved housing counseling agency and statewide CDFI, Hawaii Community Lending, which brokered mortgage loans from 2002 to 2011, I can tell you that the argument that lenders will not provide mortgages to families if an affordability restriction is in place is false.

Mortgage lenders qualify homebuyers based on their income and debt. Affordability restrictions play no role in mortgage loan underwriting.

In fact, there are mortgage loan programs at Fannie Mae and Freddie Mac along with the US Department of Agriculture, Federal Housing Administration, and the Veterans Administration that provide mortgage financing to low- and moderate-income homebuyers realize with as little as a 0% down payment requirement. These programs are available regardless of whether there are affordability restrictions attached to the property or not.

#### **Changing Affordability Restrictions Only Helps Housing Market Speculation**

HCA views the changing of affordability restrictions based on the proposed CD2 as a benefit only to housing market speculators. An affordability requirement of 5 years or 10 years on for-sale units is insufficient and would simply put speculators on watch to determine how they can grab up for-sale units so they could turn them for a profit in 5 to 10 years.

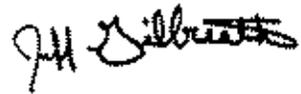
For these reasons, we stand by the expert research commissioned by the Caldwell Administration recommending a 30-year affordability restriction on both rental and for-sale units.

At a time when Hawaii reports the highest homeless rate per capita of any state in the nation and our renters and homeowners are the most cost burdened in the country, Bill 58, CD2 with amendments would unleash \$18 million in capital from CDFIs, provide certainty for-profit and nonprofit developers, and create affordable rental and for-sale units for our local workers and families.

Please make good on your promise of rail bringing affordable housing - **PASS BILL 58, CD2 WITH AMENDMENTS.**

Mahalo for your time, leadership and consideration. Please contact me directly at 808.587.7653 or [jcff@hawaiiancommunity.net](mailto:jcff@hawaiiancommunity.net) should you have any questions or need additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeff Gilbreath". The signature is written in a cursive, slightly slanted style.

Jeff Gilbreath  
Executive Director

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**From:** CLK Council Info  
**Sent:** Tuesday, March 27, 2018 4:33 PM  
**Subject:** Council/Public Hearing Speaker Registration/Testimony

## Speaker Registration/Testimony

Name Beverlyn Simina  
Phone 8082163185  
Email bevsimina@gmail.com  
Meeting Date 03-28-2018  
Council/PH Committee Council  
Agenda Item Bill 58  
Your position on the matter Support  
Representing Self  
Organization  
Do you wish to speak at the hearing? No  
Written Testimony  
Testimony Attachment  
Accept Terms and Agreement 1

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**From:** CLK Council Info  
**Sent:** Tuesday, March 27, 2018 5:02 PM  
**Subject:** Council/Public Hearing Speaker Registration/Testimony

## Speaker Registration/Testimony

Name Mykie E. Menor Ozoa  
Phone 8087417880  
Email meozoa@gmail.com  
Meeting Date 03-28-2018  
Council/PH Council  
Committee  
Agenda Item Bill 58 CD2  
Your position on the matter Support  
Representing Self  
Organization  
Do you wish to speak at the hearing? No  
Written Testimony Honolulu has gone too long without requiring affordable housing to meet the needs of women and Hawai'i residents. Support this modest requirement.  
Testimony Attachment  
Accept Terms and Agreement 1



#### **Board Members**

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Jason Okuhama  
Managing Partner,  
Commercial & Business  
Lending

*Secretary*  
Marcus Kawatachi  
Deputy Director,  
Hawai'i Civil Rights Commission

Trina Orlmoto  
Clinical & Research  
Psychologist

Kaipo Kukahiko  
Executive Director,  
KEY Project

Miwa Tamanaha  
Deputy Director,  
Kua'āina Ulu 'Auamo

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*Executive Director*

Keoki Noji  
*Chief Operating Officer*

Athens T. Esone  
*Bookkeeper & Office Manager*

Will Simmons  
*Food Systems Specialist*

Foley Pfatizgraf  
*AmeriCorps VISTA*

Alex Narrajes  
*AmeriCorps VISTA*

## **Testimony of Hawai'i Alliance for Community-Based Economic Development Supporting Bill 58 (2017), Proposed CD2 Establishing an Affordable Housing Requirement**

City Council, City & County of Honolulu  
Wednesday, March 28, 2018, 10am

Aloha Members of the Committee on Zoning and Planning,

The Hawai'i Alliance for Community-Based Economic Development (HACBED) supports Bill 58, Proposed CD2, which establishes an affordable housing requirement. Bill 58, Proposed CD2 provides a reasonable percentage of truly affordable units, a minimum of 30 years of affordability for both sale and rental units, and no in-lieu fees.

HACBED was established in 1992 as a nonprofit statewide intermediary to address social, economic, and environmental justice concerns through community-based economic development and asset building strategies. It advances its mission with core competencies in the areas of community and organizational capacity building, community and economic development planning, and asset policy development and advocacy. HACBED played a facilitating role in the State Asset Policy Task Force and was a key contributor to the State Asset Policy Road Map. HACBED also facilitated the Family & Individual Self-Sufficiency Program (FISSP), which administered the Internal Revenue Services' Volunteer Income Tax Assistance (VITA) program as a part of its larger asset building and financial education initiatives for needy families.

The Family Economic Self-Sufficiency Standard (FESS) depicts the obstacles that Hawai'i families are facing. The FESS measures the amount of money that individuals and families require to meet their basic needs without government and/or other subsidies and the data shows the following percentage of families who fall below the self-sufficiency standard statewide:

- \* 25.9% of families with two adults and two children;
- \* 77.3% of single-adult families with one child; and
- \* 74.3% of single-adult families with two children.

The passage of Bill 58, Proposed CD2 would go a long way to ensure that these working families will have options to live in truly affordable units, via:

- \* *Reasonable Percentage of Truly Affordable Units* – the requirements originally proposed by Bill 58, including 15-20% of for sale units built on site in TOD zones be affordable with half at 120% AMI and half at 100% AMI;
- \* *Minimum of 30 Years of Affordability* – for both sale and rental units, which is much lower in comparison with other jurisdictions at 60 or 99 years;

- *No In-Lien Fees* – these have been historically ineffective in providing meaningful affordable housing relief as cited by the City Audit in their 2007 Audit of the City's Management of Unilateral Agreements in Affordable Housing.

As such, HACBED supports the Bill 58, Proposed CD2, which would provide needed affordable housing requirements.

Mahalo for this opportunity to testify,

Brent N. Kakesako  
Executive Director

Thank you for the opportunity to testify in support of Bill 58, proposed CD2, and to recommend very important amendments.

We all in the community have invested billions of dollars in the rail. This has increased tremendously the value of the land and properties around the rail stations. This also has given the possibility of height and density bonuses as well as parking waivers.

The community is in desperate need of affordable housing, according to all studies done,

Therefore affordable units requirement as proposed by Bill 58 is ethical and critical in order for the community to receive its fair share of return on its investment. Besides, this is critical to prevent a lot of families and people to slide down into homelessness.

I deem the following items are the necessary components of Bill 58:

- 1) Keep the requirements as originally proposed by Bill 58 this way: 15% to 20% of affordable units for sale on site in TOD zones, half of those units at 120% of AMI and Half at 100% of AMI;
- 2) A minimum of 30 years affordability for both sale and rent units (on the Mainland many communities have them in perpetuity to avoid shifting the problem to the next generation).
- 3) No in lieu fee. The in lieu fee suggested by the Bill has no relation to the reality of the construction cost in Hawaii.

Thank you for this opportunity to speak as many who are in dire need of housing are not able to do,

Dr. Arch. Daniela Minerbi



# HAWAII APPLESEED

## CENTER FOR LAW & ECONOMIC JUSTICE

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Gavin Thornton, Esq.

### Testimony of Hawaii Appleseed Center for Law & Economic Justice Supporting Bill 58 (2017), CD2 Establishing an Affordable Housing Requirement

City Council

Wednesday, March 28, 2018 at 10:00 A.M.

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*The Hawaii Appleseed Center for Law and Economic Justice is working to build a Hawaii where everyone has genuine opportunities to achieve economic security and fulfill their potential. We change systems that perpetuate inequality through research, policy development, education, coalition building, and advocacy.*

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Thank you for this opportunity to testify in support of Bill 58, CD2.

The community has invested billions in rail, which has increased the value of the properties around the rail stations and opened up the possibility of valuable height and density bonuses and parking waivers. Affordability requirements like those proposed by Bill 58, CD2 are critical to ensuring that the public receives its fair share of the return on its investment in rail and to maximize this one-shot opportunity to leverage rail to help fill the dire need for housing at lower levels of affordability.

Our testimony below highlights three core components of the bill: (1) the affordability levels, (2) the duration of affordability, and (3) the absence of an in-lieu fee). It also summarizes some of the research behind these parts of the bill and the reasons it has our support.

### Affordability Requirements

#### *We Need to Find Ways to Build Where the Demand Is*

*"Perhaps the most significant challenge in housing Hawaii's people is the high cost of housing across the state. While the multi-million dollar homes sought by wealthy international buyers will nearly always be supplied by the market, the number of homes that are affordable to lower income households is limited."*

-2016 HHSFDC Hawaii Housing Planning Study<sup>1</sup>

Hawaii has some of the highest housing costs in the nation and the highest rate of homelessness.<sup>2</sup> We have the lowest wages in the nation after accounting for cost of

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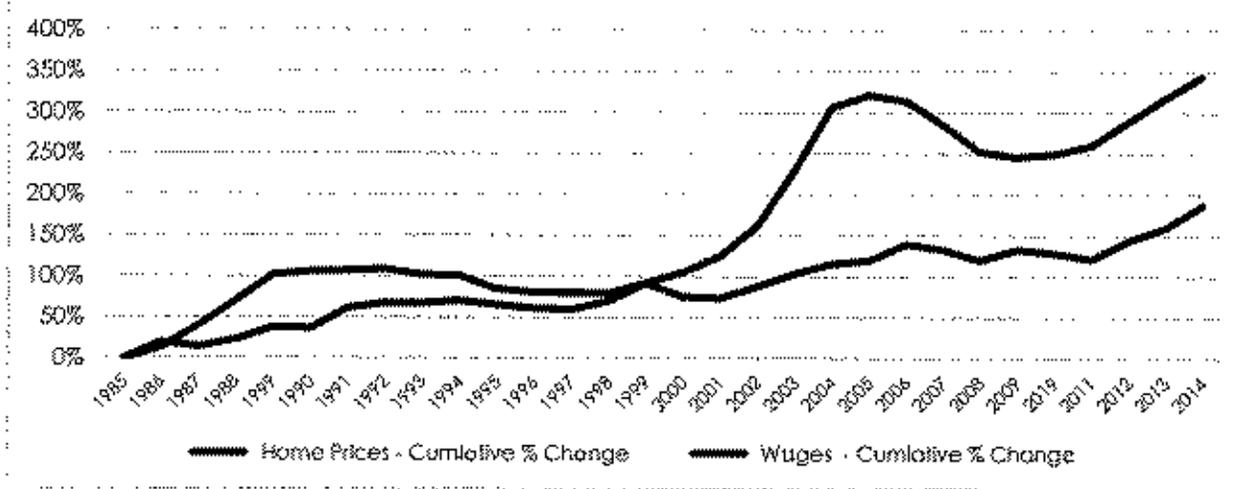
<sup>1</sup> 2016 Hawaii Housing Study, prepared by SMS Research for the Hawaii Housing and Finance Development Corporation, p. 28 (available at <https://dhsdt.hawaii.gov/hhfdc/files/2017/03/State-HHSFDC2016-Report-031317-final.pdf>).

<sup>2</sup> 2016 American Community Survey 1-Year Estimates Ranking Tables, R2511 and R2514, 2016. Available at

living.<sup>3</sup> With increases in home prices outpacing increases in wages, it has become increasingly difficult for Hawai'i residents to afford housing and make ends meet. Forty-eight percent of Hawai'i residents live paycheck to paycheck.<sup>4</sup>

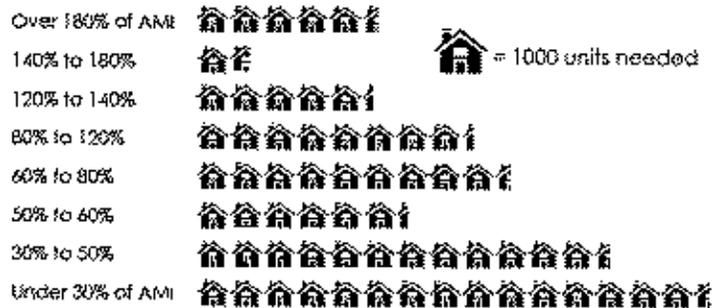
## Home Price vs. Wage Increases

*Increases in home prices have dramatically outpaced increases in wages since 2000*



The greatest demand for housing is at the lower-income levels. Households earning 60% or less of AMI represent *half* of the demand for the nearly 26,000 new housing units needed on Oahu by 2025. Households at between 80% and 120% of AMI—the income levels targeted by Bill 58’s affordability requirements—represent 16% of the demand for housing. The section of the population for whom housing is

### Housing Demand by Area Median Income



[http://files.hawaii.gov/dhsdk/census/acs/ACS2016/ACS2016\\_1\\_Year/state\\_rank/16\\_state\\_ranking\\_file.pdf](http://files.hawaii.gov/dhsdk/census/acs/ACS2016/ACS2016_1_Year/state_rank/16_state_ranking_file.pdf)

*The 2017 Annual Homeless Assessment Report (AHAR) to Congress*, The U.S. Department of Housing and Urban Development, Dec. 2017 (p. 65). Available at <https://www.hudexchange.info/resources/documents/2017-AHAR-Part-1.pdf>

<sup>3</sup> Koiko, Jed. *Cities Where Salaries Go Furthest in the U.S.*, Indeed Hiring Lab (Aug. 24, 2017). Available at <http://www.hiringlab.org/2017/08/24/salaries-go-furthest-in-us-cities/>

<sup>4</sup> *ALICE: A Study of Financial Hardship in Hawai'i*, Aloha United Way (2017) (available at [https://www.alice.org/sites/default/files/pictures/17318%20ALICE%20Report\\_HL\\_1.11.18\\_Final\\_1.ccrcc.pdf](https://www.alice.org/sites/default/files/pictures/17318%20ALICE%20Report_HL_1.11.18_Final_1.ccrcc.pdf)), *A Study of the Financial Struggles Facing Working Families in Hawai'i*, prepared by Qmark Research for Hawai'i Appleseed Center for Law & Economic Justice (2016) (available at <http://www.qmarkresearch.com/ETC-APPLESEED-CUSTOM-MAR16%5b1%5d.pdf>).

typically being built by the private market—households at 140% of AMI and above—represent only 10% of the demand for housing on Oahu.<sup>5</sup>

The demand for higher-priced housing is likely greater for non-residents versus residents. Homes that Hawai'i residents purchase are typically much less expensive than homes purchased by non-residents. The average sales price for homes purchased by local buyers between 2008 and 2015 was \$477,460, whereas the figure for foreign buyers was \$786,186, and \$612,770 for mainland buyers.<sup>6</sup> We need to figure out a way to build housing for the people that need to live, work, and survive in Hawai'i.

#### *Some of the Value Created by Rail Can Be Captured with Housing Affordability Requirements*

The investment in rail has created an opportunity to build housing affordable to moderate-income households, but without Bill 58, it's an opportunity that will be missed.

The community has invested billions in rail, which has increased the value of the properties around the rail stations. People are willing to pay a premium to live close to rail. Additionally, because rail offers an alternative to driving, it creates opportunities to increase density without increasing traffic congestion. It also allows for reduced parking requirements. The combination of these factors—creating a premium for land close to rail stations, increases in density, and reductions in parking requirements—hold tremendous value. For example, a single parking stall typically costs between \$30,000 and \$50,000; eliminating 250 stalls would be worth up to \$12.5 million. Being able to build higher and more densely is worth even more. A significant percentage of the value created by the public's investment should be returned to the public in the form of moderately-affordable housing.

Bill 58's affordability requirements are critical to ensuring that the public receives its fair share of the return on its investment in rail and to maximize this one-shot opportunity in leverage rail to help fill the dire need for housing at moderate levels of affordability.

#### *Bill 58's Affordability Requirements Hit the Sweet Spot*

Inclusionary zoning works, but not if it's done wrong. Affordability requirements that are too onerous will make development financially infeasible at all income levels. However, studies have repeatedly found that, in the right conditions, inclusionary housing programs produce affordable housing and do not lead to declines in overall housing supply or increases in market-rate prices.<sup>7</sup> Honolulu is the right environment for inclusionary zoning requirements, and Bill 58's requirements hit the mark.

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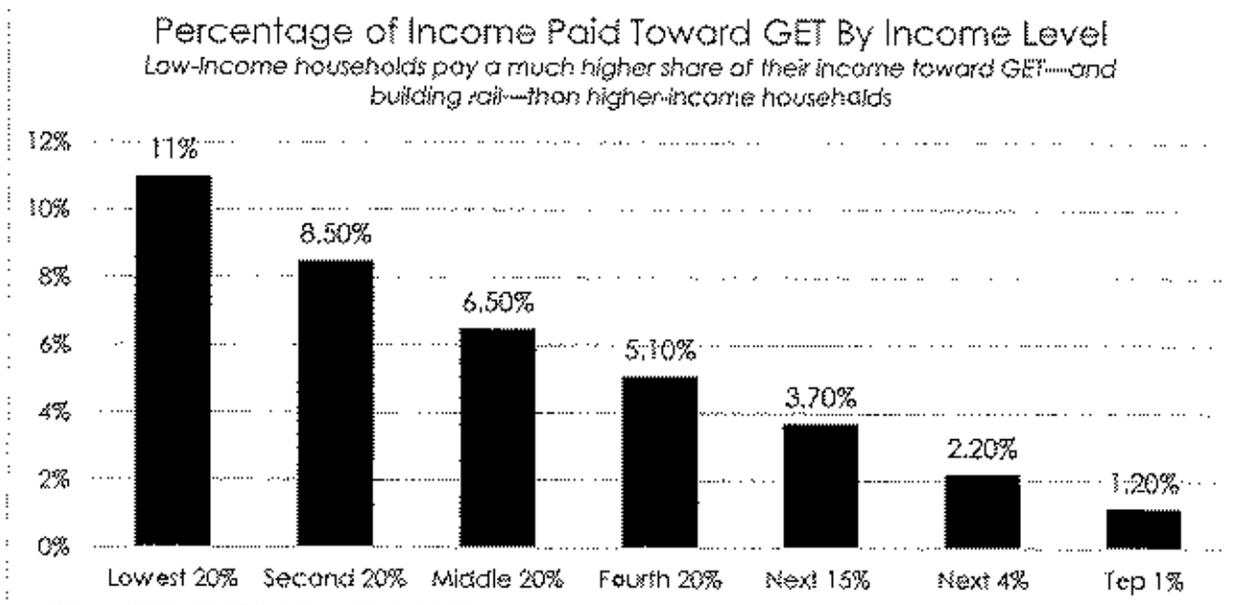
<sup>5</sup> 2016 *Hawai'i Housing Study*, prepared by SMS Research for the Hawai'i Housing and Finance Development Corporation, p. 33 (available at [https://dhseda.hawaii.gov/dhfidc/files/2017/02/State\\_LH-IPS2016\\_Report\\_031317\\_final.pdf](https://dhseda.hawaii.gov/dhfidc/files/2017/02/State_LH-IPS2016_Report_031317_final.pdf)).

<sup>6</sup> *Residential Home Sales in Hawai'i, Trends and Characteristics: 2008-2015*, Hawai'i Department of Business, Economic Development and Tourism, pp. 3-4 (available at [https://files.hawaii.gov/dbedt/economic/data\\_reports/home\\_sales/Residential\\_Home\\_Sales\\_in\\_Hawaii\\_May2016.pdf](https://files.hawaii.gov/dbedt/economic/data_reports/home_sales/Residential_Home_Sales_in_Hawaii_May2016.pdf)).

<sup>7</sup> Lisa A. Starkevaux, *Separating Fact from Fiction to Design Effective Inclusionary Housing Programs*, Center for Housing Policy (2016).

Inclusionary zoning policies are likely to work in areas where there is a strong housing market,<sup>8</sup> where they are predictable,<sup>9</sup> and where they are coupled with cost-offsets such as parking waivers and height and density bonuses.<sup>10</sup> Each of these ingredients exist in Honolulu and with Bill 58.

While there is a risk that affordability requirements that are too onerous will be counterproductive, in this case there is great risk that too-weak affordability requirements will result in a reverse-Robin Hood: The people at the lower ends of the income scale pay a disproportionately high share of their income toward the GET that is funding the rail, which is increasing the value of properties around the rail stations. We will be taking money from the poor through the GET and using it to benefit the already well-to-do. Once the value increases created by rail are transferred through the issuance of building permits and height and density bonuses, they are gone for good.<sup>11</sup>



#### The Importance of Bill 58's Affordability Requirements Goes Beyond More Affordable Housing

Bill 58 is about more than just creating additional units that are affordable to more of Honolulu's residents. It also helps to avoid gentrification—pushing out lower income families from areas of opportunity—and encourages mixed-income neighborhoods. Studies on the effects of income-mixing policies suggest that the moderate-income families that will live in the housing created by Bill 58 will experience improved housing quality, increased safety, improved property management, and improved mental health from a reduction in

<sup>8</sup> *Inclusionary Zoning Primer*, National Association of Home Builders (2015) (available at <https://www.nahb.org/en/Research/~/media/E29A4E1E3C03E7C4E7D89470C80F49C70C000>).

<sup>9</sup> Lisa A. Suterbaum, *Separating Fact from Fiction to Design Effective Inclusionary Housing Programs*, Center for Housing Policy (2016).

<sup>10</sup> Rick Jacobs, *Inclusionary Housing: Creating and Maintaining Equitable Communities*, MA: Lincoln Institute of Land Policy (2015) (available at [https://www.lincolninstitute.org/sites/default/files/publications/inclusionary-housing-final\\_0.pdf](https://www.lincolninstitute.org/sites/default/files/publications/inclusionary-housing-final_0.pdf)).

<sup>11</sup> The requirement in the recently proposed CD2 of Bill 58 that rehabilitation of units count as half a unit for the purposes of meeting the affordability requirements is also important to ensure that the purposes of the bill are fulfilled.

stress.<sup>12</sup> They will also benefit from proximity to amenities and resources such as transit, shops, and schools that should not be reserved exclusively for the well-to-do.

The affordability of housing doesn't just impact the pocket books of Honolulu's residents; it affects their very lives and their health. Families at the lower end of the income scale are more likely to experience unsafe and unhealthy housing conditions and are least able to remedy them. Poor quality and inadequate housing contributes to health problems such as infectious and chronic diseases, injuries, and poor childhood development.<sup>13</sup> By implementing strong affordable housing policies that encourage income-mixing, we can move more low-income families, keiki, and kupuna into healthy housing environments.

### Maintaining Long-Term Affordability is Absolutely Critical

Bill 58, CD2 encourages long-term affordability, with affordability periods of up to 30 years, which is critical to preserving affordable housing stock created by the billions invested in rail. The requirements are modest and workable—many jurisdictions require 60, or even 99 years.<sup>14</sup>

Long-term affordable homeownership programs (LTAH) have proven to be successful across several metrics. LTAH homeowners build wealth, sustain homeownership successfully, rarely became delinquent or foreclosed, and frequently move into market rate homes after selling their restricted homes. At the same time, LTAH programs successfully preserved the ongoing affordability of homes.<sup>15</sup> LTAHs can assist two to three and a half times as many households during a thirty-year period compared to conventional or subsidy approaches.<sup>16</sup>

Critics of the requirement that affordable units stay affordable for long periods argue that home buyers will not want to purchase a home with a lengthy affordability restriction. Instead of buying an affordable unit, they will pay more for a market unit that carries the prospect of making more money when they sell the home. While this might be an issue where the price difference between a market-rate unit and an “affordable” unit is minimal, it is not an issue where the affordable units are priced well below market as required by Bill 58. A two-bedroom unit sold at 100% of AMI will be 71% percent of the price of a market unit (estimated at 140% of AMI)—a difference that will amount to between \$100,000 and \$200,000. The choice for most households will be obvious. Indeed, most households at this income level won't have a true choice—it would be impossible for them to afford a market unit.

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<sup>12</sup> *Effects from Living in Mixed-Income Communities for Low-Income Families*, Urban Institute (2010) (available at <https://www.urban.org/sites/default/files/publication/27116/51292-Effects-from-Living-in-Mixed-Income-Communities-for-Low-Income-Families.pdf>).

<sup>13</sup> *Inclusionary Zoning and Mixed Income Communities*, Evidence Matters, U.S. Department of Housing and Urban Development (2013) (available at <https://www.huduser.gov/portal/periodicals/em/spring13/highlights.html>); *Inclusionary Housing in the United States—Prevalence, Impact, and Practices*, Lincoln Institute of Land Policy, (2017) (available at [http://www.lincolninstitute.org/sites/default/files/pubfiles/inhaden\\_wpi1oct17.pdf](http://www.lincolninstitute.org/sites/default/files/pubfiles/inhaden_wpi1oct17.pdf)).

<sup>14</sup> Heather L. Schwartz et al., *Is Inclusionary Zoning Inclusionary?* RAND Corporation (2012) (available at [http://www.rand.org/pubs/technical\\_reports/TR1231.html](http://www.rand.org/pubs/technical_reports/TR1231.html)).

<sup>15</sup> *Balancing Affordability and Opportunity: An Evaluation of Affordable Homeownership Programs with Long-term Affordability Controls*, Urban Institute (2010) (<https://www.urban.org/research/publication/balancing-affordability-and-opportunity-evaluation-affordable-homeownership-programs-long-term-affordability-controls>).

<sup>16</sup> *The Federal Housing Administration and Long-Term Affordable Homeownership Programs*, U.S. Department of Housing and Urban Development (2013) (available at <https://www.huduser.gov/portal/periodicals/citiescape/vol13num2/ch21.pdf>).

Critics also argue that banks will not lend to potential homeowners purchasing an affordability-restricted unit. This simply isn't true. While affordable housing restrictions create special lending needs, private lenders across hundreds of programs have been able to finance homebuyers within affordable housing requirements. Critics have suggested that it will be difficult to sell mortgages encumbered by long-term requirements on secondary markets such as Fannie Mae, Freddie Mac, VA, and FHA. But this fear is unfounded—these secondary markets support affordable housing and will allow restrictions that last any length of time.<sup>17</sup>

Honolulu has one opportunity to ensure that the moderate-income units created by Bill 58 and leveraging of the public investment in rail remain affordable for long periods. That opportunity shouldn't be squandered on unfounded fears that are unsupported by the evidence.

### We Need Housing Rather than In-Lieu Fees

Bill 58, CD2 wisely omits the option of in-lieu fees. While the increased flexibility provided by an in-lieu fee may be helpful in some circumstances, the fee is problematic for three reasons:

- (1) uncertainty regarding the appropriateness of the amount of the fee;
- (2) the risk that the fee will not translate to actual housing (reinforced by a history of failures in that regard); and
- (3) the likely result that in-lieu fees will contribute to gentrification and income segregation.

This third concern, regarding income mixing, is the most troubling because there does not appear to be a viable resolution to the problem. Including a requirement that the in-lieu fee be used to build within the same TOD area as the building associated with the fee is likely to result in just another barrier for the fees getting used to build—restricting usage of the fee to a particular area means waiting to accumulate a critical mass of capital to build in that area before the fee can be used.

As mentioned above, income-mixing is beneficial for lower-income households.<sup>18</sup> In-lieu fees and offsite development work directly against income mixing by keeping low- and moderate-income people out of new housing developments in attractive areas. According to a report published by the U.S. Department of Housing and Urban Development (HUD), “both in-lieu fees and offsite production tend to reduce the inclusionary aspect of the programs by allowing production of market-rate developments with less or no incorporation of lower income households.”<sup>19</sup> Another HUD study suggests that the in-lieu fee alternative undermines the economic integration goals of inclusionary zoning. Accepting in-lieu fees can perpetuate the concentration of affordable housing in traditionally low-income areas.<sup>20</sup>

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<sup>17</sup> Letter from Rick Jacobus, May 5, 2017, (available at [https://www.honolulu.gov/scp/sac/dpymd/officeshousing\\_docs/ahr\\_docs/Jacobus\\_Letter\\_5-5-17.pdf](https://www.honolulu.gov/scp/sac/dpymd/officeshousing_docs/ahr_docs/Jacobus_Letter_5-5-17.pdf)).

<sup>18</sup> *Effects from Living in Mixed-Income Communities for Low-Income Families*, Urban Institute (2010) (available at <https://www.urban.org/sites/default/files/publication/27116/412292-Effects-from-Living-in-Mixed-Income-Communities-for-Low-Income-Families.PDF>).

<sup>19</sup> *Evaluation of In-Lieu Fees and Offsite Construction as Incentives for Affordable Housing Production*, U.S. Department of Housing and Urban Development (2009) (available at <http://www.istor.org/stable/20868702>).

<sup>20</sup> *Inclusionary Zoning and Mixed Income Communities*, Evidence Matters, U.S. Department of Housing and Urban Development (2013) (available at <http://www.inhuser.gov/portal/periodicals/cm/spring13/highlight3.html>).

In the most comprehensive investigation on inclusionary housing to date, the Lincoln Institute of Land Policy suggests that in-lieu fees are a suboptimal strategy because they undervalue affordable housing. According to the study, "in-lieu fees are often set lower than the cost of producing an affordable unit in an area where the new development is located; hence, minimizing in-lieu fee options (or ensuring fees are priced correctly) may be an effective shift to promote affordable housing in asset-rich neighborhoods." The study also finds that affordable housing programs are shifting away from this option; recently established programs are less likely to offer in-lieu fees as an option for developers.<sup>23</sup>

Ultimately, in-lieu fees and unconstrained offsite production directly undermine income-mixing and eliminate the possibility of these benefits being realized. The best way to ensure income-integrated neighborhoods is to require that the affordable units be built along with or near the market units, versus building in traditionally low-income areas or placing money into an account that may or may not be used to build housing somewhere at some time in the future.

## Conclusion

Bill 58, CD2 represents a balanced approach to inclusionary zoning. Its requirements are necessary to capture some of the value created by public investment in the rail, and to fulfill the promise that rail would foster the development of affordable housing. The requirements are balanced by the cost offsets that will be provided in the form of density bonuses and parking waivers, and the incentives provided by the recently passed Bill 59.

Adoption of Bill 58 should not be deterred by unfounded fears about the changes that the bill will bring. It is already abundantly clear that what we are doing now does not work—we need to change our approach. Bill 58 will not solve the affordable housing crisis on its own. But it is an important piece of the puzzle, and should be combined with additional efforts to increase investment in infrastructure and building subsidies, and finding a properly balanced way of expediting the permitting process.

Thank you for the opportunity to testify on this important issue.

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<sup>23</sup> *Inclusionary Housing in the United States—Prevalence, Impact, and Practices*, Lincoln Institute of Land Policy, (2017) (available at [http://www.lincolninstitute.org/sites/default/files/pubfiles/thaden\\_wpi17a7\\_0.pdf](http://www.lincolninstitute.org/sites/default/files/pubfiles/thaden_wpi17a7_0.pdf)).

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**From:** CLK Council Info  
**Sent:** Tuesday, March 27, 2018 11:43 PM  
**Subject:** Council/Public Hearing Speaker Registration/Testimony

## Speaker Registration/Testimony

**Name** Steven urrutia  
**Phone** 6269222484  
**Email** S.urrutia@seariders.k12.hi.us  
**Meeting Date** 03-28-2018  
**Council/PH Committee** Council  
**Agenda Item** Bill 58 CD2  
**Your position on the matter** Support  
**Representing Organization** Self  
**Do you wish to speak at the hearing?** Yes

**Written Testimony**

The disparity of Hawaii's income inequality is an issue that affects all people of this land, but especially those under the cycle of poverty. As Hawaii becomes more globalized, the gap of wealth will have a cataclysmic effect on communities in low social-economic positions. As a high school teacher serving in a low-income community, I see these experiences fester in some of our children, almost personifying the symptoms that these communities face through their innocence and their pain. It is the responsibility of our representatives to address our issue of poverty from any position possible. In the urgency of this issue, consideration of opposition is irrational and irresponsible, specifically when we can contextualize the deep impact that is made by providing relief for the needs of our most marginalized people. Requiring affordable housing will shape the future of Hawai'i, positively affecting generations of families and their communities. That is what is most compelling and most pressing about this task.

**Testimony Attachment**

**Accept Terms and Agreement** 1

March 27, 2018

FROM: Rene Berthiaume

TO: Honolulu City Council as a Whole

RE: Bill 76, Lea'ole, subdivision 66-920 Paahihi St., Waialua, HI, and Bill 58

**Testimony in Strong Support**

Chairman Martin and members of the City Council, I submitted testimony in support of Bill 76 for the Zoning & Housing Committee and I stand by that testimony. I would like to urge the Council to pass Bill 76 in the hopes that this project will be able to move forward in a timely manner, as to bring much needed affordable housing to the North Shore/Waialua area.

In addition, I would like to take the opportunity of this council hearing to also voice my support for Bill 58, CD2. As a longtime advocate for affordable housing and a member of the Board of Directors of Catholic Charities Housing Corp., Habitat for Humanity and Housing Hawaii. I stand in support with my affordable housing colleagues in support of efforts that will make affordable housing more feasible.

Respectfully Submitted,

Rene Berthiaume

P.O. 1115, Haleiwa, HI 96712

Email: [berthiaut001@hawaii.rr.com](mailto:berthiaut001@hawaii.rr.com)

Phone: 808-637-2683

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**From:** CLK Council Info  
**Sent:** Tuesday, March 27, 2018 6:43 PM  
**Subject:** Council/Public Hearing Speaker Registration/Testimony

## Speaker Registration/Testimony

Name Yvonne Mahelona  
Phone 8084383424  
Email Mahelonay@icloud.com  
Meeting Date 03-28-2018  
Council/PH Committee Council  
Agenda Item Bill 58 CD2  
Your position on the matter Support  
Representing Self  
Organization  
Do you wish to speak at the hearing? No

Written  
Testimony

Aloha! I support bill 58 requiring a set and mandatory percentage of affordable units in every development project. This bill must go further to benefit all women, developments along the rail line and existing and new developments. Honolulu has gone too long without requiring affordable housing to meet the needs of women and Hawai'i residents. Support this modest requirement. Mahalo for your time

Testimony  
Attachment

Accept Terms  
and Agreement 1

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**From:** CLK Council Info  
**Sent:** Tuesday, March 27, 2018 7:35 PM  
**Subject:** Council/Public Hearing Speaker Registration/Testimony

## Speaker Registration/Testimony

**Name** Catherine Ritti  
**Phone** 8057040501  
**Email** Catherine.ritti@gmail.com  
**Meeting Date** 03-28-2018  
**Council/PH Committee** Council  
**Agenda Item** Bill 58 CD2  
**Your position on the matter** Support  
**Representing Organization** Self  
**Do you wish to speak at the hearing?** No

**Written Testimony**

I support Bill 58. Local residents are being pushed off of the islands because the cost of living here is so high, mainly due to the cost of housing. It's time that our elected officials listen to the dire concerns of their constituents and make securing affordable housing a priority in all new developments. We are already too late in acting on this issue. Please support this bill as one step in the direction of supporting local residents and families and working towards a future for Hawaii that you can be proud of.

**Testimony Attachment**

**Accept Terms and Agreement** 1

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**From:** CLK Council Info  
**Sent:** Tuesday, March 27, 2018 7:39 PM  
**Subject:** Council/Public Hearing Speaker Registration/Testimony

## Speaker Registration/Testimony

**Name** Jacob Campbell  
**Phone** 8087541007  
**Email** jacob.a.campbell@gmail.com  
**Meeting Date** 03-28-2018  
**Council/PH Committee** Council  
**Agenda Item** Bill 58 CD2  
**Your position on the matter** Support  
**Representing Organization** Self  
**Do you wish to speak at the hearing?** No

**Written Testimony** I support Bill 58 CD2 because Hawaii families of multi generations do not deserve to be priced out of living on island, their home. Elected officials need to side with residents and not developers in this matter; we need realistic affordable housing options and we need them now.

**Testimony Attachment**

**Accept Terms and Agreement** 1

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**From:** CLK Council Info  
**Sent:** Tuesday, March 27, 2018 7:45 PM  
**Subject:** Council/Public Hearing Speaker Registration/Testimony

## Speaker Registration/Testimony

Name Rodger white  
Phone 8084363740  
Email Blacklavazulu@gmail.com  
Meeting Date 03-28-2018  
Council/PH Committee Council  
Agenda Item Bill 58 CD2  
Your position on the matter Support  
Representing Self  
Organization  
Do you wish to speak at the hearing? No

Written Testimony

Aloha! I support bill 58 requiring a set and mandatory percentage of affordable units in every development project. This bill must go further to benefit all women, developments along the rail line and existing and new developments. Honolulu has gone too long without requiring affordable housing to meet the needs of women and Hawai'i residents. Support this modest requirement. Mahalo for your time

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**From:** CLK Council Info  
**Sent:** Tuesday, March 27, 2018 7:46 PM  
**Subject:** Council/Public Hearing Speaker Registration/Testimony

## Speaker Registration/Testimony

Name Lovena Mahelona  
Phone 8082589928  
Email Mahelonall@yahoo.com  
Meeting Date 03-28-2018  
Council/PH Committee Council  
Agenda Item Bill 58 CD2  
Your position on the matter Support  
Representing Self  
Organization  
Do you wish to speak at the hearing? No

Written Testimony

Aloha! I support bill 58 requiring a set and mandatory percentage of affordable units in every development project. This bill must go further to benefit all women, developments along the rail line and existing and new developments. Honolulu has gone too long without requiring affordable housing to meet the needs of women and Hawai'i residents. Support this modest requirement. Mahalo for your time

Testimony Attachment

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**From:** CLK Council Info  
**Sent:** Tuesday, March 27, 2018 7:46 PM  
**Subject:** Council/Public Hearing Speaker Registration/Testimony

## Speaker Registration/Testimony

Name Anthony  
Phone 3609883238  
Email anthonyblackwell87@gmail.com  
Meeting Date 03-28-2018  
Council/PH Committee Council  
Agenda Item Bill 58 CD2  
Your position on the matter Support  
Representing Organization Self  
Do you wish to speak at the hearing? No  
Written Testimony Honolulu has gone too long without requiring affordable housing to meet the needs of women, and Hawai'i residents. Support this modest requirement.  
Testimony Attachment  
Accept Terms and Agreement 1

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**From:** CLK Council Info  
**Sent:** Tuesday, March 27, 2018 7:47 PM  
**Subject:** Council/Public Hearing Speaker Registration/Testimony

## Speaker Registration/Testimony

Name Kiana mahuka  
Phone 8083548852  
Email Kianamahuka17@gmail.com  
Meeting Date 03-27-2018  
Council/PH Council  
Committee  
Agenda Item Bill 58 cd2  
Your position on the matter Support  
Representing Self  
Organization  
Do you wish to speak at the hearing? No

Written Testimony

Aloha! I support bill 58 requiring a set and mandatory percentage of affordable units in every development project. This bill must go further to benefit all women, developments along the rail line and existing and new developments. Honolulu has gone too long without requiring affordable housing to meet the needs of women and Hawaii residents. Support this modest requirement. Mahalo for your time

Testimony Attachment

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**From:** CLK Council Info  
**Sent:** Tuesday, March 27, 2018 7:48 PM  
**Subject:** Council/Public Hearing Speaker Registration/Testimony

## Speaker Registration/Testimony

**Name** Erlene kalama  
**Phone** 8087821659  
**Email** hokulani09@gmail.com  
**Meeting Date** 03-28-2018  
**Council/PH Committee** Council  
**Agenda Item** Bill 58 cd2  
**Your position on the matter** Support  
**Representing Organization** Self  
**Do you wish to speak at the hearing?** No

**Written Testimony**

Aloha! I support bill 58 requiring a set and mandatory percentage of affordable units in every development project. This bill must go further to benefit all women, developments along the rail line and existing and new developments. Honolulu has gone too long without requiring affordable housing to meet the needs of women and Hawai'i residents. Support this modest requirement. Mahalo for your time

**Testimony Attachment**

**Accept Terms and Agreement** 1

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**From:** CLK Council Info  
**Sent:** Tuesday, March 27, 2018 8:32 PM  
**Subject:** Council/Public Hearing Speaker Registration/Testimony

## Speaker Registration/Testimony

Name Erik Meade  
Phone 4153779160  
Email honolulu.gov-m@eghm.net  
Meeting Date 03-28-2016  
Council/PH Council  
Committee  
Agenda Item Bill 58 CD2  
Your position on the matter Support  
Representing Self  
Organization  
Do you wish to speak at the hearing? No  
Written Testimony After three years of planning with stakeholders this bill seems like a rather safe move which aligns with a public policy of affordable housing. Thank-you.  
Testimony Attachment  
Accept Terms and Agreement 1

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**From:** CLK Council Info  
**Sent:** Tuesday, March 27, 2018 8:34 PM  
**Subject:** Council/Public Hearing Speaker Registration/Testimony

## Speaker Registration/Testimony

Name Bobbie Lau  
Phone 8082233991  
Email bobbie96813@live.com  
Meeting Date 03-28-2018  
Council/PH Committee Council  
Agenda Item Resolution 18-050 (CR-97)  
Your position on the matter Support  
Representing Self  
Organization  
Do you wish to speak at the hearing? No

Written  
Testimony

Our family has held many gatherings at Ala Moana beach park over the years. I have early memories of birthday parties held there when we were kids. Two generations later, we continue to visit the park regularly for family gatherings and special occasions. It has always been a convenient location for our family and friends who live all over the island. Several of us also use the park for regular exercising, walking, running, swimming and paddle boarding. The park offers great amenities and the convenient parking make it the go to spot for most park users. Any reduction in parking stalls would impact the convenience the park offers to users, especially locals. While the popularity of the park has grown over the years with increased tourist traffic and commercial activities (photographers, yoga classes, paddle boarding classes, surfing classes), the convenient parking still allows for lots of local usage. Improvements should continue to be made at all beach parks throughout the island to encourage use, not discourage use by locals. Please listen to us, the locals that actually use the park and have been doing so for many generations.

Testimony  
Attachment  
Accept Terms  
and Agreement 1

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**From:** CLK Council Info  
**Sent:** Tuesday, March 27, 2018 9:15 PM  
**Subject:** Council/Public Hearing Speaker Registration/Testimony

## Speaker Registration/Testimony

Name Cat O.  
Phone 8084218825  
Email catleiatoha@gmail.com  
Meeting Date 03-28-2018  
Council/PH Committee Council  
Agenda Item Bill 58 CD2  
Your position on the matter Support  
Representing Self  
Organization  
Do you wish to speak at the hearing? No

Written Testimony

Honolulu has gone too long without requiring affordable housing to meet the HIGH COST of living for women and native Hawaiians. Support this modest requirement along with more policies and stricter punishment to help restrict illegal vacation rentals in residential neighborhoods especially.

Testimony Attachment

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**From:** CLK Council Info  
**Sent:** Tuesday, March 27, 2018 9:23 PM  
**Subject:** Council/Public Hearing Speaker Registration/Testimony

## Speaker Registration/Testimony

Name Megan Bent  
Phone 4348259756  
Email BentMeganM@gmail.com  
Meeting Date 03-28-2018  
Council/PH Committee Council  
Agenda Item Bill 58 Cd2  
Your position on the matter Support  
Representing Self  
Organization  
Do you wish to speak at the hearing? No  
Written Testimony  
Testimony Attachment  
Accept Terms and Agreement 1

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**From:** CLK Council Info  
**Sent:** Tuesday, March 27, 2018 10:29 PM  
**Subject:** Council/Public Hearing Speaker Registration/Testimony

## Speaker Registration/Testimony

Name Shaelene Kamakaala  
Phone 8085513416  
Email skamakaala@gmail.com  
Meeting Date 03-28-2018  
Council/PH Committee Council  
Agenda Item Bill 58 CD2  
Your position on the matter Support  
Representing Self  
Organization  
Do you wish to speak at the hearing? No

Honolulu has gone way too long without requiring affordable housing to meet the needs of women and Hawai'i residents.

Written Testimony We can and we need to do better.

Support this modest requirement that Bill 58 CD2 provides for.

Testimony Attachment

Accept Terms and Agreement 1

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**From:** CLK Council Info  
**Sent:** Tuesday, March 27, 2018 11:01 PM  
**Subject:** Council/Public Hearing Speaker Registration/Testimony

## Speaker Registration/Testimony

Name Megan inada  
Phone 8082253039  
Email Megan.inada@gmail.com  
Meeting Date 03-28-2018  
Council/PH Committee Council  
Agenda Item Bill 58 cD2  
Your position on the matter Support  
Representing Self  
Organization  
Do you wish to speak at the hearing? No

Written  
Testimony

I believe we need more affordable housing on our island. If we don't, soon everyone who makes Hawai'i what it is, who makes Hawai'i different from everywhere else, will be priced out, tragically many out of their own ancestral homeland. I am a single mom, I have a doctorate, I have a full time job and a side job, and over half of my income goes to rent. I am fortunate, many cannot even afford to rent a run down apartment and still pay for food and medicines. We need to take care of our communities, which includes providing affordable housing options.

Testimony  
Attachment

Accept Terms and Agreement 1

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**From:** CLK Council Info  
**Sent:** Wednesday, March 28, 2018 12:50 AM  
**Subject:** Council/Public Hearing Speaker Registration/Testimony

## Speaker Registration/Testimony

**Name** Innocenta Sound-Kikku  
**Phone** 8083130590  
**Email** Innocenta.soundkikku@gmail.com  
**Meeting Date** 03-28-2018  
**Council/PH Committee** Council  
**Agenda Item** Bill 58 CD2  
**Your position on the matter** Support  
**Representing Organization** Organization  
**Organization** Micronesian Health Advisory Coalition  
**Do you wish to speak at the hearing?** No

**Written Testimony** On behalf of MHAC organization and the community we support we ask to please pass bill 58 and provide much needed relief to struggling local families. Our housing crisis require bold action by city lawmakers, including assurances that all new development projects provide some degree of affordable housing.

**Testimony Attachment**

**Accept Terms and Agreement** 1

Aloha Chair Martin, Vice Chair Pine, and members of the Council:

We all know that our city and county are facing an affordable housing and homelessness crisis. To address this crisis, I write in support of Bill 58 CD2 in order to help our struggling local families. As the rail is being built, we're facing a fast-closing window-- one that will not open again -- to make real progress in building truly affordable housing and bringing down our homelessness rate.

Housing created for people making more than 100% of median income is by definition unaffordable to most of our local residents. Studies of our housing market shows that the real need is for housing that is affordable for families earning less than 100% of median, so Bill 58 should set its income eligibility limits below 100% of median.

It is also important that this bill ensure that developers in the Transit-Oriented Development zone build all of their affordable units near the rail, rather than being allowed to pay a fee that would support housing in other areas. Living near the rail enables residents to reduce the number of cars that they need. The thousands of dollars per year that they would save on car costs could go a long way towards a down payment on a future home.

Honolulu developers already have been required to ensure that 30% of the units that they build are affordable, in exchange for a zone change that brings them development benefits and higher land values. Other counties in our state already have such requirements for all new developments. Since the rail will provide similar benefits to developers, this bill should require them -- including hotel and commercial developers -- to provide at least 30% of their units at affordable levels.

This bill also should not allow developers to receive full credit for refurbishing units. While preservation of existing housing is needed, it does not add crucially-needed new units of housing.

Finally, this bill should require affordable units to remain affordable for at least 30 years. Over 300 jurisdictions on the Mainland have inclusionary zoning requirements. Over 80 percent of them mandate that units stay affordable at least 30 years, and about a third require 99 years or more.

The rail project presents us with a tremendous opportunity to make significant progress in relieving Honolulu's affordable housing crisis. But we have only one chance to get it right. I urge you to pass Bill 58 CD2 and include requirements that will help create truly affordable housing as soon as possible. Our local families can't wait any longer.

Mahalo for this chance to provide testimony.

Nicole Woo

Downtown Honolulu

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**From:** CLK Council Info  
**Sent:** Wednesday, March 28, 2018 7:25 AM  
**Subject:** Council/Public Hearing Speaker Registration/Testimony

## Speaker Registration/Testimony

Name Kristiana  
Phone 8083872404  
Email kristiana808@yahoo.com  
Meeting Date 03-28-2018  
Council/PH Committee Council  
Agenda Item bill 58 cd2  
Your position on the matter Support  
Representing Self  
Organization  
Do you wish to speak at the hearing? No

Written Testimony I am a mother of two. To have a affordable housing in Hawaii will not only benefit myself and other families but also our future generations have a chance to stay and raise their families in Hawaii where they grew up.

Testimony  
Attachment  
Accept Terms and Agreement 1

# NAIOP

COMMERCIAL REAL ESTATE  
DEVELOPMENT ASSOCIATION  
HAWAII CHAPTER

March 27, 2018

The Honorable Ernest Y. Martin, Chair  
The Honorable Kymberly Marcos Pine, Vice Chair  
Members of the Honolulu City Council  
530 South King Street, Room 202  
Honolulu, Hawaii 96813

**RE: Bill 58 (2017), CD2 – ESTABLISHING AN AFFORDABLE HOUSING  
REQUIREMENT**

Aloha Chair Martin and Members of the Honolulu City Council,

Mahalo for the opportunity to submit testimony on behalf of NAIOP Hawaii in **OPPOSITION** to Bill 58 (2017) – Establishing an Affordable Housing Requirement. NAIOP Hawaii is the local chapter of the nation's leading organization for office, industrial, retail, residential and mixed-use real estate. NAIOP Hawaii has over 150 members in the State including local developers, owners, investors, asset managers and other professionals. NAIOP Hawaii members are leaders in the development of affordable for sale and rental housing throughout Hawaii.

Although we support the City Council's efforts to increase the supply of affordable housing in Honolulu, Bill 58 (2017) will have the opposite effect and in fact will discourage housing construction. As stated in our previous testimony, the exactions in Bill 58 (2017) will make development economically infeasible. In addition to the City's own studies demonstrating that building affordable units will be too expensive with the proposed exactions, local developers have nearly unanimously indicated that they will be unable to finance projects under Bill 58 (2017).

With the critical need for more than 20,000 affordable units, the City must not engage in such a costly experiment. The proposed conditions will place an effective moratorium on building and result in no affordable housing being built over the next decade.

Mahalo for your consideration,



Francisco Gutierrez  
NAIOP Hawaii

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**From:** CLK Council Info  
**Sent:** Wednesday, March 28, 2018 9:08 AM  
**Subject:** Zoning and Housing Speaker Registration/Testimony

## Speaker Registration/Testimony

Name Ellen GodbeyCarson  
Phone (808) 537-4448  
Email egcarson@icloud.com  
Meeting Date 03-27-2018  
Council/PH Committee Zoning  
Agenda Item Bill 58 Proposed CD2  
Your position on the matter Support  
Representing Organization  
Organization  
Do you wish to speak at the hearing? No

Written Testimony Please adopt Bill 58. We need affordable housing now. Developers should not be able to buy out (via in lieu payments) their duty to build affordable housing for Hawaii's families and workers.

Testimony Attachment

Accept Terms and Agreement 1

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**From:** CLK Council Info  
**Sent:** Wednesday, March 28, 2018 8:44 AM  
**Subject:** Zoning and Housing Speaker Registration/Testimony

## Speaker Registration/Testimony

Name Rochelle Sugawa  
Phone 8082182053  
Email rsugawa@gmail.com  
Meeting Date 03-28-2018  
Council/PH Committee Zoning  
Agenda Item Bill 58  
Your position on the matter Support  
Representing Self  
Organization  
Do you wish to speak at the hearing? No  
Written Testimony Honolulu has gone too long without requiring affordable housing to meet the needs of women, and Hawai'i residents. Support this modest requirement.  
Testimony Attachment  
Accept Terms and Agreement 1

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**From:** CLK Council Info  
**Sent:** Tuesday, March 27, 2018 8:23 PM  
**Subject:** Zoning and Housing Speaker Registration/Testimony

## Speaker Registration/Testimony

Name Susan O.  
Phone 8083438076  
Email deanandsue@gmail.com  
Meeting Date 03-28-2018  
Council/PH  
Committee Zoning  
Agenda Item Bill 58 CD2  
Your position on  
the matter Support  
Representing Self  
Organization  
Do you wish to  
speak at the  
hearing? No

Written Testimony We are in the midst of a housing crisis. We need to have real affordable housing requirements that give assurances that all new development projects will provide some degree of truly affordable housing. We need housing for residents, not more luxury development and housing speculation.

Testimony  
Attachment  
Accept Terms and Agreement 1

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**From:** CLK Council Info  
**Sent:** Tuesday, March 27, 2018 8:19 PM  
**Subject:** Zoning and Housing Speaker Registration/Testimony

## Speaker Registration/Testimony

Name Dean O.  
Phone 8087489177  
Email ostrowsk@hntmail.com  
Meeting Date 03-28-2018  
Council/PH Committee Zoning  
Agenda Item Bill 58 CD2  
Your position on the matter Support  
Representing Self  
Organization  
Do you wish to speak at the hearing? No

Written Testimony

I support requiring affordable housing as a part of every residential development. Mixed income housing builds strong communities and supports the disappearing middle class. There is a housing crisis on this island due to inaction and we need bold action now by our city lawmakers including assurances that all new development projects provide some degree of affordable housing.

Testimony Attachment

Accept Terms and Agreement 1

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**From:** CLK Council Info  
**Sent:** Tuesday, March 27, 2018 5:28 PM  
**Subject:** Zoning and Housing Speaker Registratiun/Testimony

## Speaker Registration/Testimony

Name Yvonne mahelona  
Phone 8084363424  
Email Mahelonay@icloud.com  
Meeting Date 03-28-2018  
Council/PH  
Committee Zoning  
Agenda Item Bill 58  
Your position on  
the matter Support  
Representing  
Organization Self  
Dn ynu wish to  
speak at the  
hearing? No

Written  
Testimony

Aloha! I support bill 58 requiring a set and mandatory percentage of affordable units in every development project. This bill must go further to benefit all wmmen, developments along the rail line and existing and new developments, Honolulu has gone too lng without requiring affordable housing to meet the needs nf women and Hawai'i residents. Support this mndest requirement. Mahalo for ynur time

Testimony  
Attachment

Accept Terms and  
Agreement 1

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**From:** CLK Council Info  
**Sent:** Tuesday, March 27, 2018 4:51 PM  
**Subject:** Zoning and Housing Speaker Registration/Testimony

## Speaker Registration/Testimony

Name LEA DEL CASTILLO  
Phone 8087808757  
Email Luvm8s@gmail.com  
Meeting Date 03-28-2018  
Council/PH Committee Zoning  
Agenda Item Bill 58 CD2  
Your position on the matter Support  
Representing Organization  
Organization Faith Action for Community Equity [FACE]  
Do you wish to speak at the hearing? No

Written  
Testimony

Dear Committee Members - I have lived here in Honolulu for over thirty years, and I find myself in agreement with OHA when they claim that "Bill 58 is a step towards generating much-needed relief to the City and County of Honolulu's (City's) affordable housing crisis, through requirements that ensure that our limited land base is developed with our residents' affordable housing needs in mind." I have served on the Board of Angel Network Charities, Inc. [the only Food Bank in East Honolulu] for several years, and have personally witnessed the growing number of houseless members of our community who are in dire need. We need a firm policy in place to assist these deserving and needy members of our community.

Mehalo for your consider of my testimony.

Aloha, Lea del Castillo  
289 Kawaihae St. #222  
Honolulu, HI 96825

Testimony  
Attachment

Accept Terms and Agreement 1



## CATHOLIC CHARITIES HAWAII

### TESTIMONY IN SUPPORT OF BILL 58 (2017), CD2: Establishing an Affordable Housing Requirement

TO: Honolulu City Council  
FROM: Terrence L. Walsh, Jr., President and Chief Executive Officer  
Hearing: Wednesday, March 28, 2018; 10:00 AM

Thank you for the opportunity to provide written testimony in **strong support of Bill 58**, as presented today to the City Council. I am Terry Walsh, with Catholic Charities Hawai'i. We are also a member of Partners in Care. This bill provides critical regulations that will impact the development of affordable rental housing unit for years to come.

Catholic Charities Hawai'i (CCH) is a tax exempt, non-profit agency that has been providing social services in Hawai'i for over 60 years. Our mission is to provide services and advocacy for the most vulnerable in Hawai'i. To end homelessness we must create significantly more affordable housing on an ongoing basis. This is a top priority for 2018 and the years to come.

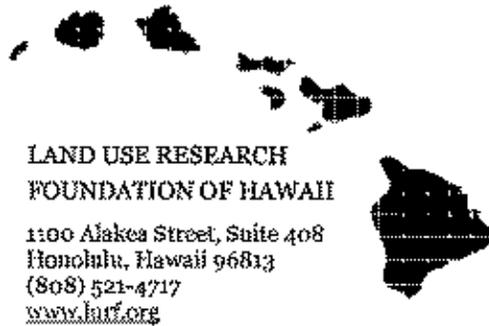
The 2016 Hawaii Housing Planning study found that more than half the need for all housing is for households under 60% of AMI and 71% of all demand for rentals on Oahu is for those under 60% of AMI. We must address the housing needs of the vast majority of Oahu's population. The billions of dollars that we have invested in rail creates an opportunity to provide housing solutions to keep our kids in Hawaii, our kapuna in safe decent housing, and hard working families a place to live. However, we must put into place requirements like those proposed in Bill 58 to ensure that our residents receive its fair share of the return for investment in rail. We have ONE chance to utilize rail to also create affordable housing on Oahu.

We support the key components to Bill 58 to promote creating affordable housing for our local residents: affordability, no in lieu fees, and the option to build rental housing to meet the affordability requirement. We strongly support **No In Lieu Fees**. We need housing to be built, not in lieu fees that may sit in a fund for years, losing in value. In the past, affordable housing has not been built, or has been so delayed that the fees produce less units than initially promised.

We know this policy works. Catholic Charities Housing Development Corporation is currently partnering with a large developer in Maui to fulfill their affordability requirements at another site. By receiving the "cash" directly to fund our rental project, a wonderful senior housing project will be built in downtown Kahalui (Kahalui Lani project). With the No In Lieu Fees policy, for-profits can partner with non-profits. This will not only ensure that actual housing units are built, but offer the opportunity to enhance the long-term affordability of the project. The non-profit housing corporations' missions are to create affordable housing so these units will remain affordable for many generations of Hawai'i's people. Truly, this can be a win-win situation for the residents of Oahu.

We need to act now. Bill 58 as presented today to the Council is critical to the future of Oahu. We urge your support. Please contact our Legislative Liaison, Betty Lou Larson, at 373-0356 or [bettylou.larson@catholiccharitieshawaii.org](mailto:bettylou.larson@catholiccharitieshawaii.org), if you have any questions.





LAND USE RESEARCH  
FOUNDATION OF HAWAII

1100 Alakea Street, Suite 408  
Honolulu, Hawaii 96813  
(808) 521-4717  
[www.lurf.org](http://www.lurf.org)

March 28, 2018

Ernest Y. Martin, Chair  
Kymberly Marcos Pine, Vice Chair  
and Members  
City Council, City and County of Honolulu  
Honolulu, Hawaii 96813

**Comments, Opposition and Proposed Amendments Regarding Bill 58, CD2  
(2017) Establishing an Affordable Housing Requirement / Third Reading  
Regular Meeting of the City Council of the City and County of Honolulu  
City Council Chamber, Wednesday, March 28, 2018, at 10:00 a.m.**

The Land Use Research Foundation of Hawaii ("LURF") is a statewide private, non-profit research and trade association whose members include major Hawaii landowners, developers, and a utility company. LURF's mission is to educate and advocate for reasonable, rational and equitable land use planning, legislation, and regulations that encourage well-planned economic growth and development, while safeguarding Hawaii's significant natural and cultural resources and public health and safety.

LURF members have, and continue to include major landowners and home builders who have successful experience building affordable housing and market housing for residents across the State of Hawaii. Since its formation in 1979, LURF and its members have also served on numerous state and county affordable housing advisory committees and task forces and its members have actively collaborated on various affordable housing policies and laws throughout the state. LURF and its members have consistently warned against affordable housing policies in Hawaii that eventually failed in: Honolulu (1999-2004 the City had to repeal its affordable housing restrictions, from 2005-2010, no new housing project applications); Maui (2006-2014 only one housing agreement, fourteen affordable units built and only three units sold to low-income buyers) and Kauai (2007-2017 no affordable housing units sold). LURF also supported the successful 2014 amendments to Maui's Workforce Housing ordinance (2015-2017 ten agreements, 486 affordable units proposed, 63 sold).

**LURF's Position.** Bill 58, CD2 is much improved over the prior versions, and LURF supports its intent, it has major flaws which will hinder the production of housing and should be **DEFERRED** and **REFERRED BACK** the Zoning and Housing Committee for further information, research, clarification and proposed amendments (see attached Summary of LURF's Proposed Committee Draft 3).

LURF commends Zoning and Housing ("Z&H") Committee Chair Kymberly Marcos Pine, Chief of Staff Matt Caires, the Z&H staff, Z&H Committee members, home builders, advocacy organizations, the City Administration and Department of Planning and Permitting ("DPP") and other housing stakeholders for working together to discuss issues relating to the production and preservation of affordable housing and housing for all residents on Oahu.

Unfortunately, in the rush to pass Bill 58, CD2, a number of issues crucial to the success of an affordable housing policy have not been addressed or fully reviewed, and we believe that the current form of this bill will hinder, not facilitate the production of affordable housing and housing for all income levels, by:

1. Mandating AHR on the entire island of Oahu, contrary to the "phase-in" recommendation by the Administration, DPP, experienced home builders and City's 2016 Financial Analysis, which confirmed that imposing the AHR will make housing projects on Oahu "infeasible," except for 40-story condominiums in Ala Moana area;
2. Imposing unreasonable multiple 120-day marketing requirements;
3. Deleting the option of in-lieu fees, which the City's consultant and experienced home builders have confirmed could be leveraged to create even more affordable units;
4. Punishing conversions of hotels, offices or other uses into multifamily dwellings;
5. Penalizing off-site affordable housing;
6. Creating unnecessary administrative rulemaking and squandering the opportunity to leverage the City affordable housing funds by refusing to adopt the policies, procedures and rules relating to the resale of affordable dwelling units and directing City funds to the Hawaii Housing Finance and Development Corporation (HHFDC), which has been successfully facilitating affordable housing development across the State of Hawaii;
7. Failing to require a commitment and list of underutilized City-owned properties for affordable housing, or mixed-use housing projects in Bill 58;
8. Omitting requirements for expedited permit processes and waiver of City fees for projects which include affordable housing;
9. Refusing to commit to infrastructure improvements necessary for the housing projects;
10. Missing the opportunity to facilitate the funding for infrastructure needed for affordable housing through tax-increment financing;
11. Declining prudent and proper monitoring of Bill 58 by refusing to include annual status reports; and
12. Unconstitutional "taking" of property rights from landowners who wish to develop their properties consistent with their current zoning;

Based on the above, LURF respectfully urges the City Council to **DEFER** and **REFER BACK** this bill to the Z&H Committee to consider the above issues; and to convene a working group to propose further amendments. LURF remains willing to further collaborate and work with the City Council, Administration, DPP and housing stakeholders to address the above issues and to establish a reasonable and rational ordinance and incentives that will facilitate the production and preservation of more housing at all income levels.

We appreciate the opportunity to provide comments on this matter. Should you have any questions, please feel free to contact us at (808) 521-4717 or via e-mail at [darakawa@lurf.org](mailto:darakawa@lurf.org).

David Arakawa

**SUMMARY OF LURF'S PROPOSED COMMITTEE DRAFT:**

**Bill 58 (2017) CD2  
ESTABLISHING AN AFFORDABLE HOUSING REQUIREMENT**

LURF'S PROPOSED CD3 makes the following amendments to Bill 58 (2017), CD2:

**BILL 58 - SECTION 1. PURPOSE, FINDINGS AND INTENT**

1. **This Section should provide an accurate factual background and context for Bill 58.** This will benefit future Council and City administrations, because they will understand all of the information the City is relying on to support the CD2. (p. 1)

- **ADD** the fact that the affordable housing requirements (AHF) proposed by the City Administration in the original draft of Bill 58 were based on studies of Mainland cities, which are very different from Honolulu, and have very different construction costs, land availability and land values." (p. 1)
- **ADD information from the 2010 Study by the University of Hawaii Economic Research Organization (UHERO) and 2013 UHERO testimony**, concluding that Inclusionary Zoning requirements and restrictions (IZ) have failed on the Mainland and have failed in Hawaii, and while IZ may result in a small increase the amount of affordable units, it decreases the total number of housing units built and increases the sales prices of housing units. (p. 1)
- **ADD findings and recommendations from the City's draft Affordable Housing Requirement Financial Analysis, dated April 7, 2016 and DPP Directors' Report, dated May 19, 2017.** (p.1)

The original (Mayor's) version of Bill 58 and its affordable housing requirements (AHR) are infeasible for all housing projects on Oahu, except for 40-story high-rise condos in Ala Moana, with Community Benefit (height and density bonuses) and other incentives. (Financial Analysis, pp. 12, 14; DPP Report, p. 10)

The development of condos, apartments and other housing prototypes are currently infeasible in most all areas on Oahu (including Pearl Ridge, Kapalama and Kapolei), even without the proposed AHR; and the City did not do specific tests of market conditions and feasibility in Downtown, Chinatown and Kakaako areas. (Financial Analysis, pp. 12-14; DPP Report, pp. 10-11)

The City's Financial Analysis and DPP Report, specifically recommend against the "one-size-fits-all" approach in Bill 58, CD2. Instead, both City documents recommend that "In order to meet the goal of providing new workforce housing

*without stalling new development, the implementation of the AHR should acknowledge the range of development contexts and market conditions on the island.” (Financial Analysis, p. 20; DPP Report, p. 12)*

The City’s Financial Analysis and DPP Report, recommend that the Bill 58 AHR restrictions and requirements should not be imposed on all of Oahu’s Neighborhoods right now, but that the AHR should be “*waived,*” or “*phased-in*” over several years by geographical locations, depending on where housing development becomes feasible. (Financial Analysis, p. 20; DPP Report p. 12, 14-15, 20, 21)

- **ADD** the fact that the City’s Financial Analysis, Director’s Report, and testimony by the City’s affordable housing consultant recommended a “phased-in” approach. Due to the infeasibility of the proposed AHR, Bill 58 should not be applicable to the entire island of Oahu at one time, but “phased-in,” starting with the Ala Moana, Downtown and Chinatown areas, first. (p. 1)
- **ADD** facts about the failure of IZ requirements and restrictions imposed by Maui County (25-year restricted resale period) and about the success of the revisions to Maui’s Workforce Housing Rules (10-year, 8-year and 5-year restricted resale periods). (p. 1)
- **ADD** facts about the failure of Kauai County’s IZ requirement (20-year restricted resale period). (p. 1)
- **ADD** facts about the failure of C&C’s 10-year restricted resale periods (p. 1)
  - 1999 – 2005 C&C was forced to rescind the IZ restrictions due to lack of sales of affordable units (UHERO Study)
  - 2005-2010 C&C restored IZ requirements, but no developers submitted applications to build affordable housing (UHERO Study)
- **ADD** that all experienced Hawaii developers of for-sale affordable or market-priced homes testified in opposition to the Bill 58 and CD1, stating that the original AHR proposed by the City Administration would be infeasible for housing in Honolulu, and would reduce the production of homes; (p. 1)
- **ADD** facts relating to Governor Ige’s refusal to approve the Hawaii Community Development Authority’s proposed Reserved Housing Rules, which included a proposed 30-year restricted resale period. (p. 1)
- **ADD** statements from Rick Jacobus, the City’s affordable housing consultant, confirming “in-lieu fees” as a valuable strategy to increase the total number of affordable units, by using the in-lieu payments to provide capital for government gap financing loan programs. (p. 1)

- **ADD** an explanation that the final version of Bill 58 is based on the history of affordable housing requirements in Honolulu and the State of Hawaii, and input from the City Administration, experienced housing developers and housing advocates. (p. 1)
- **DELETE** misleading and inflammatory statements which are not based on reliable data or facts and which appear to blame the lack of affordable housing inventory on Oahu on low-income families who resell their affordable homes "*in as little as four years*": "~~*in as little as four years, the affordable for sale homes may be resold by the buyer at market prices, which would eliminate them from the affordable housing inventory.*~~" (p. 1)
- **ADD** reference to payment of an in-lieu fee or the provision of improved land as options to satisfy the affordable housing requirement; and (2) clarifies that **rental affordable units must remain affordable for at least 15 years, if privately financed, and at least 30 years, if subsidized by government funding** and for-sale affordable units must remain affordable for varying periods based on the percentage of the total number of dwelling units in the principal project being provided **and the years that the resale of the unit is restricted.**

**BILL 58 - SECTION 2: AFFORDABLE HOUSING REQUIREMENTS**

2. Section \_\_\_ 1.2 DEFINITIONS: **DELETE** the definition of “common entrance.” (p. 2)
3. Section \_\_\_ 1.2 DEFINITIONS: **ADD** “Final marketing period,” which means the last 30-days during which the affordable dwelling is marketed, and may be rented or sold, as applicable. During the Final marketing period, the affordable dwelling unit shall be marketed, and rented or sold to the general public, free of all the **AHR conditions relating to the income level of the household of the purchaser, but not free from any of the other AHR restrictions, or applicable rules.** The Final marketing period depends on the original AMI income level for the affordable unit for sale or rent. It could be after the Third Marketing period (for affordable units which were initially offered for sale to buyers with incomes of 100% AMI or less), or after the Second marketing period (for affordable units which were initially offered for sale to buyers with incomes of 120% AMI or less), or after the First marketing period (for affordable units which were initially offered for sale to buyers with incomes of 140% AMI or less). This Final marketing period is consistent with existing AHR requirements in Honolulu and other government policies and procedures relating to marketing periods. (p. 3)
4. Section \_\_\_ 1.2 DEFINITIONS: **AMEND** definitions of “First marketing period” to mean the first 30-days during which an affordable dwelling is marketed, and may be rented or sold, as applicable, instead of an ~~[420-day period]~~. The proposed 120-day marketing periods are unreasonably too long. If there is demand, there will be qualified purchasers or renters who can sign an agreement within 30 days. (p. 3)
5. Section \_\_\_ 1.2 DEFINITIONS: **AMEND** the definition of “Micro-unit” from ~~[300 square feet]~~, to 500 square feet or less. The square footage in the definition of “Micro-unit” should be increased, because there are already government approvals in Honolulu for micro-units with 309, 370 and 375 square feet; also materials published by the Urban Land Institute describe micro-units across the United States as ranging between 250 to 500 square feet. (p. 3)
6. Section \_\_\_ 1.2 DEFINITIONS: **AMEND** definition of “Second marketing period” to mean the 30-day period immediately following the first marketing period, instead of an ~~[420-day period]~~. (p. 4)
7. Section \_\_\_ 1.2 DEFINITIONS: **AMEND** definition of “Third marketing period” to mean the 30-day period immediately following the first marketing period, instead of an ~~[420-day period]~~. (p. 4)

8. **Section \_\_ 1.3 (a) APPLICABILITY: ADD limitation that Bill 58 should apply only to the Ala Moana Area.** The City's 2016 Draft Financial Analysis and Director's Report confirms that the AHR in Bill 58 are infeasible for all housing projects on Oahu, except for 40-story high-rise condos in the Ala Moana area, with Community Benefits (height and density bonuses) and other incentives. (Financial Analysis, pp. 12, 14; DPP Report, p. 10) The development of condos, apartments and other housing prototypes are currently infeasible in most all areas on Oahu (including Pearl Ridge, Kapalama and Kapolei), even without the proposed AHR; and the City did not do specific tests of market conditions and feasibility in Downtown, Chinatown and Kakaako areas. (Financial Analysis, pp. 12-14; DPP Report, pp. 10-11) In its February 1, 2018 letter, even the City recognizes the infeasibility of imposing Bill 58 island-wide, and recommends a "phased-in approach." (at first, only to Ala Moana, Downtown, Chinatown. (pp. 5-6)
9. **Section \_\_ 1.3 (a) APPLICABILITY: ADD limitation that Bill 58 should apply only to zone change requests.** Developers who plan to develop according to the existing zoning should be exempted ("takings" issue). (pp. 5-6) See Section \_\_ 1.3 (b), below, which adds a new exemption, for lots to be developed in compliance with existing zoning. (pp. 6-7)
10. **Section \_\_ 1.3 (a) APPLICABILITY: ADD limitation that Bill 58 should apply only to project areas which have sufficient infrastructure, including, without limitation, water, sewer, drainage, access, etc.** The restrictions and requirements of Bill 58 should not apply to lands where the City has not provided adequate infrastructure for the development of housing units. (pp. 5-6)
11. **Section \_\_ 1.3 (a) APPLICABILITY: ADD requirement that all City-owned parcels designated for development of housing.** The list of City parcels should be included in Bill 58, CD2. (pp. 5-6)
12. **Section \_\_ 1.3 (a) (1) APPLICABILITY: DELETE applicability to "~~New construction of ten or more for sale dwelling units developed under a single or unified project concept, on one or more zoning lots.~~"** The reasoning for deleting the "ten-unit trigger" is to encourage builders to develop smaller projects on smaller lots without being concerned about manipulating the size of the residential units to avoid the penalty of having to build "affordable units". These smaller developments have the best chance at building the low cost, more affordable units using by-right zoning on lands either purchased or long-held by their families. (p. 5)

13. Section \_\_\_ 1.3 (a) (2) **APPLICABILITY: DELETE** applicability to "~~Any subdivision of land creating ten or more zoning lots for residential use in residential, apartment, apartment mixed use, business mixed use, county of agricultural zoning districts;~~" See above. (p. 6)
14. Section \_\_\_ 1.3 (a) ( ) **APPLICABILITY: ADD** new trigger, for "New construction of over 20,000 saleable square feet of for-sale dwelling units developed under a single project."
15. Section \_\_\_ 1.3 (a)(3) **APPLICABILITY: DELETE** the application of Bill 58 to "conversions" "~~Conversion of hotels, offices, or other uses into multifamily dwellings containing ten or more total for sale dwelling units, or conversion of rental dwelling units into for sale dwelling units containing ten or more total for sale dwelling units;~~" The City should not subject these conversions to the new AGR-IZ requirements. Instead, the City should be encouraging these conversions with "carrots," and not punishing conversions by hitting it with *sticks!* (KS sale of the Pagoda hotel units to Savio) (p. 6)
16. In Section \_\_\_ 1.3 (b) (1) **APPLICABILITY** ("Voluntary Opt-In" for exempted projects): **AMEND** to allow "voluntary opt-in" by "grandfathered" developments, which are exempted (subject to a unilateral agreement, or development agreement approved by the City and recorded prior to the effective date of the ordinance). (p. 6)
17. Section \_\_\_ 1.3 (b) (new) **APPLICABILITY** (Exempt zoned lots): **ADD** a new exemption, for lots to be developed in compliance with existing zoning. (pp. 6-7) See new Section \_\_\_ 1.3(a), which provides that Bill 58 only applies to zone change requests. (pp. 5-6)
18. In Section \_\_\_ 1.3 (b) (11) (A) **APPLICABILITY** (new exemption for rentals): **AMEND** the exemption for any development for which at least 75 percent of the total number of dwelling units are sold, or rented to households earning 120 percent of the AMI and below. Credits for affordable rentals should be similar to affordable for-sale units. (p. 7)
19. In Section \_\_\_ 1.3 (b) (11) (B) **APPLICABILITY** (include exemption for rentals): **AMEND** the exemption for any development for which all of the dwelling units are sold or rented to households earning no more than the HUD AMI income limit, and at least 20 percent of those units are sold to households earning 100 percent and below of the AMI. Credits for affordable rentals should be similar to affordable for-sale units. (p. 7)

20. In Section \_\_\_ 1.3 (b) **APPLICABILITY (Exemption for conversions):** ADD a new exemption for conversions, to encourage conversions of hotels, offices or other uses into multifamily dwellings: *“This chapter does not apply to... Conversion of hotels, offices, or other uses into multifamily dwellings containing ten or more total for-sale dwelling units; or conversion of rental dwelling units into for-sale dwelling units containing ten or more total for-sale dwelling units;”* The City should be encouraging these conversions with “carrots.” (pp. 6-7)
21. **TABLE \_\_\_ 1.4, fn (1) AFFORDABLE HOUSING REQUIREMENTS (Use HUD limit 140% AMI).** AMEND: Footnote (1) For-sale affordable dwelling units must be sold to households earning ~~[420]~~ **140** percent and below of AMI. Revise the proposed 120% AMI figure to 140% AMI, which is consistent with the current affordable housing regulations for the state, all counties and the federal government.
22. **TABLE \_\_\_ 1.4 AFFORDABLE HOUSING REQUIREMENTS – On-Site and Off-Site.** DELETE: increased percentages (*punishment, penalties and sticks*) for building affordable housing off-site. Affordable housing is needed everywhere, and should be allowed without punishment or penalties, if approved by the DPP Director. (p. 8-9)
23. **Section \_\_\_ 1.4 (b) ON-SITE PRODUCTION – COMMON ENTRANCE.** DELETE: Requirement that affordable units and market rate units in the same multi-family dwelling must share common entrance. Separate buildings/entrances have been allowed for many years (Kukui projects downtown). May increase common area maintenance fees for on-site affordable owners. (p. 10)
24. **Section \_\_\_ 1.4 (c) (3) OFF-SITE PRODUCTION OF FOR-SALE UNITS IN SAME RAIL STATION AREA.** AMEND: To allow Director’s discretion upon a showing of good cause. Allows flexibility for good cause, and would be consistent with the prior sections relating to allowing off-site rental housing units in the same rail station area. (p. 10)
25. **Section \_\_\_ 1.4 (c) (4) OFF-SITE PRODUCTION OF FOR-SALE UNITS IN SAME DEVELOPMENT PLAN AREA.** AMEND: To allow Director’s discretion upon a showing of good cause. This amendment allows flexibility based on good cause, and would be consistent with the prior sections allowing off-site rental housing units in the same development plan area. (p. 10)
26. **Section \_\_\_ 1.4 (d) IN-LIEU FEE.** (pp. 10-11)
  - ADD an in-lieu fee formula of .5% of gross sales price on every unit in a market project seeing zoning or exemptions, etc. (pp. 10-11)

- **AMEND** to allow the director to, upon a showing of "good cause", allow the developer of any project to pay the city an in-lieu fee; **DELETE** the restriction of 25 dwelling units or less. (p. 10-11).
  - **DELETE** the all the requirements relating to Council approval the payment of in-lieu fees for projects with more than 25 dwelling units. The in-lieu formula is already established, and the planning director determines "good cause." (p. 10-11)
  - **DELETE** the paragraph relating to the preferred options of on-site or off-site units and **DELETE** the limitation to allow in-lieu fees only "~~if no suitable on-site or off-site location is available, or if the developer's financing arrangements preclude the developer's participation in the off-site projects.~~" This restriction conflicts with the "good cause" standard to be applied by the director; and is contrary to the best practice of leveraging in-lieu fees deposited to government loan programs to create increased affordable housing. (p. 11)
  - **DELETE** the paragraph referring to the adjustment of in-lieu fees based by a factor the most recently published Consumer Price Index for All Urban Consumers. (p. 11) See above, the in-lieu fees are already established as .5% of gross sales price on every unit in a market project seeing zoning or exemptions, etc. (pp. 10-11)
27. Section \_\_ 1.5 AFFORDABILITY PERIOD (Privately funded rentals with NO govt subsidy): **DELETE** the 30-year restricted resale period (RRP) for privately funded rental projects developed with no government subsidy; and **AMEND** the RRP to 15-Years. If no government subsidy is used to build rental units, the developer should not be required to keep the rental units affordable for 30 years. (pp. 11-12)
28. Section \_\_ 1.5 AFFORDABILITY PERIOD (Rentals, WITH govt subsidy): 30-year RRP is OK. This restricted period is consistent with requirements of the Low Income Housing Tax Credit program and other government subsidy programs. City should be allowed to buy-back affordable rental projects. (pp. 11-12)
29. Section \_\_ 1.5 (c) AFFORDABILITY PERIOD (Regulation of resales):
- **DELETE** authority of the department to establish administrative rules to regulate the resale of affordable dwelling units.
  - instead, **ADD** a requirement that the City use the administrative rules of the Hawaii Housing Finance and Development Corporation (HHFDC) to

determine the resale of affordable dwelling units to ensure the units remain within the same AMI range. There is no need for the City to "recreate the wheel" with new administrative "resale" rules. Instead, the City should follow HHFDC's "resale" rules, which have worked well over the years. (p. 12)

30. Section \_\_\_1.6 (d) **MARKETING PERIOD – "Third (or final) Marketing Period"**

- **AMEND:** After "third marketing period" (or "final" marketing period, depending on the original AMI requirement), the affordable dwelling unit should be able to be marketed, and rented or sold to the general public, free of all the AHR conditions relating to the income level of the household of the purchaser, but not free from any of the other AHR restrictions, or applicable rules. This is consistent with existing AHR requirements in Hawaii. (p. 12-13)
- **ADD:** Developer should receive full credits for constructing and marketing affordable units: *"Developer shall receive full credit for all affordable dwelling units constructed, sold, or rented pursuant to this chapter and marketing periods, and applicable rules."* This is consistent with existing AHR in Hawaii. (p. 13)

31. Section \_\_\_1.7 **AFFORDABLE HOUSING DEVELOPMENT ACCOUNT** (direct deposits to HHFDC accounts):

- **AMEND** to allow the City in-lieu fees to be deposited directly to HHFDC, not the City special account or subaccount within the general fund.
- **DELETE** all restrictions on the use of the funds in section (a) and (b).
- **AMEND** this section to require that HHFDC expend the in-lieu fees for housing projects on Oahu. **ADD** a requirement that HHFDC provide an annual report regarding the use of the City in-lieu fees. (p. 13)

32. Section \_\_\_1.9 **PROCEDURES:**

- **DELETE** the reference to "~~contains ten or more for sale dwelling units or lots, including without limitation subdivision applications, cluster housing permits, planned development housing permits or building permits.~~"
- **AMEND** to provide that "As a condition of and prior to the final approval of any permit or approval for a project that is subject to this chapter, the permit applicants shall execute an affordable housing agreement..."

33. Section \_\_\_1.11 (a)(b)(c)(d) and (e) **ADMINISTRATION AND FEES**: **DELETE** this entire section, which proposes to assess fees for administration, implementation and monitoring on the low-income owners of the for-sale affordable housing units, or low-income renters of affordable rental dwelling units. Fees for administration, implementation and monitoring should be paid by the City. (pp 14-15)
34. Section \_\_1.12 (b)(1) **RULES (Use HHFDC Rules relating to resale)**: **DELETE** the paragraph relating to the director adopting rules to regulate the resale of affordable dwelling units. Pursuant to the proposed revision to Section \_\_\_\_1.5 (c), the City will use the HHFDC rules relating to the resale of affordable dwelling units. There is no need for the City to "recreate the wheel" with new administrative "resale" rules. Instead, the City should follow HHFDC's "resale" rules, which have worked well over the years. (p. 12)

#### **BILL 58 - Section 3: STATUS REPORTS**

35. **Annual Status Reports**: The current five-year deadline is too long. **AMEND** this section to provide: *"No later than ~~[five]~~ one year[s] after the effective date of this ordinance, and each year thereafter, the Director of Planning and Permitting shall submit to the council a status report assessing the effectiveness of the new chapter..."* Maui County could tell that its revised 2014 Workforce Housing Ordinance was successful within one year; and definitely a success after two years. Z&H's draft CD2 requires only one status report to be submitted no later than five years after the effective date of Bill 58. However, under normal circumstances, it is not prudent to wait five years to review the status of something that is failing. Z&H did a good job, however, identifying the critical areas to be evaluated in the status report: Applicability provisions; Requirements in Table \_\_\_-1.4; Affordability Periods; Marketing Periods; and Administrative Fees. (pg. 16)

#### **NEW SECTION 4. INCENTIVES**

36. **Incentives from Ordinance 18-1 (Bill 59 (2017)) should be available all projects that are subject to Bill 58.** Under the current circumstances, incentives are needed for the increased production of affordable housing. The City's 2016 draft Financial Analysis concluded that the original Bill 58 AHR would render all housing projects on Oahu infeasible, except for 40-story condos in the Ala Moana area, with Community Benefits. Since the market dwelling units are "subsidizing" the affordable units, the incentives should apply to all housing projects and mixed-use projects which include affordable housing. The incentives for housing projects which are subject to Bill 58, should include, without limitation, the following:
- **Real property tax (RPT) exemptions for affordable rental units.** Provide RPT exemptions that apply exclusively to affordable rental dwelling units during the period in which the rental unit is subject to an affordable housing agreement under Bill 59. See ordinance 18-1, amending Revised Ordinances of Honolulu (ROH), Section 8-10.
  - **RPT exemptions during construction and marketing periods.** Provide RPT exemption during construction work for, and marketing of any housing project or mixed-use project which includes affordable housing. See Ordinance 18-1, amending ROH Section 8-10.
  - **Waiver of wastewater system facility charges.** Provide waivers of wastewater system facility charges for any housing project or mixed use project which includes affordable housing. See Ordinance 18-1, amending ROH Section 14-10.
  - **Expedited processing and exemption from City plan review and building permit fees.** Provide expedited processing and exemption from City plan review and permit fees for any housing project or mixed-use project which includes affordable housing. See Ordinance 18-1, amending ROH Section 18-6.5.
  - **Waiver of park dedication requirements and in-lieu fees.** Provide waiver of park dedication requirements and in-lieu fees for any housing project or mixed-use project which includes affordable housing. See Ordinance 18-1, amending ROH Section 22-7.3, etc.

#### **NEW SECTION 5. CITY LANDS FOR AFFORDABLE HOUSING**

- **Bill 58 should include a list of all City-owned properties which could be considered for housing and mixed-use projects.** Bill 58 should apply to all City lands which can be used for housing and mixed use projects, and a list of those properties, location, acreages, zoning and other information should be included with the list.
- **99-year City leases.** The Council should adopt an ordinance allowing for 99-year leases of City lands for purposes of housing projects and mixed-use projects.

#### **NEW SECTION 6. TAX INCREMENT FINANCING This is a new section.**

- **Tax Increment Financing (TIF).** Include references to TIF, which could be a major source of funding for the infrastructure necessary for housing projects and mixed-use projects.
- **TIF Task Force, Study and Implementation Plan.** The City should appropriate funding to create a Task Force and prepare a report regarding the benefits and disadvantages of TIF.

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**From:** CLK Council Info  
**Sent:** Wednesday, March 28, 2018 1:31 PM  
**Subject:** Council/Public Hearing Speaker Registration/Testimony

## Speaker Registration/Testimony

**Name** Natalie Hanson  
**Phone** 6053817882  
**Email** hanssona@gmail.com  
**Meeting Date** 03-28-2018  
**Council/PH Committee** Council  
**Agenda Item** Bill 58 CD2  
**Your position on the matter** Support  
**Representing Organization** Self  
**Do you wish to speak at the hearing?** No

**Written Testimony**

Honolulu residents' need for affordable housing are not being met by current law and standards, and the houseless population is not getting any smaller. Please show that their needs and the needs of the community to address the homelessness issue at its root are a higher priority than the interests of developers by voting in support of this bill. Thank you!

**Testimony Attachment**  
**Accept Terms and Agreement** 1

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**From:** CLK Council Info  
**Sent:** Wednesday, March 28, 2018 12:40 PM  
**Subject:** Council/Public Hearing Speaker Registration/Testimony

## Speaker Registration/Testimony

Name Matthew Dekneef  
Phone 808-256-7520  
Email mattdekneef@gmail.com  
Meeting Date 03-28-2018  
Council/PH Committee Council  
Agenda Item Bill 58 CD2  
Your position on the matter Support  
Representing Self  
Organization  
Do you wish to speak at the hearing? No

Written  
Testimony

Honolulu's housing issue is deeply felt by many local, and especially, Hawaiian families. Recently a cousin of mine (early 20s), who now has a daughter (almost 2 years old), after struggling to get by here in her native land (even with a full-time hospitality job in Waikiki), had to move her family to Las Vegas to better provide for their child. After her daughter's birth, I remember her telling me how excited she was to someday put her in a hālau to practice hula and join an outrigger canoe club to learn how to paddle – all these ideals of what her daughter's childhood would be like in the future. Now her daughter will never have these cultural traditions as part of her upbringing and exposed to the unique way of life we're blessed to have here in the Hawaiian Islands at this formative age. The main strain on them was housing, and sadly, her story is just one of so many Hawaii people forced to move by circumstance away from the Islands. Furthermore, when Hawaii people can't afford to live, work, and raise their families in Hawaii, and must move elsewhere at the rising rates occurring today, they take our way of life with them -- the thing locals and visitors love most about this place: the people – and we lose the essence of what makes Hawaii so unique, so culturally rooted, so beautiful, and so innately Hawaii. Support this compassionate requirement.

Testimony  
Attachment  
Accept Terms  
and Agreement 1