

Resolution 21-192 Testimony

MISC. COM. 608



November 29, 2021

Honolulu City Council
Attn: Chair Waters
Honolulu Hale
530 South King Street
Honolulu, Hawaii 96813

Subject: Council Meeting December 1, 2021, Resolution 21-192 (CR 320) Amending the City's Charter relating to the Affordable Housing Fund, Testimony in Strong Support

Chair Waters, Vice Chair Kia'aina and members of the City Council:

On behalf of EAH Housing, I am extremely pleased to submit testimony in **strong support** of Resolution 21-192 which proposes a Charter Amendment to increase funding to the City's Affordable Housing Fund (AHF). This increase is long overdue!

EAH along with other housing advocates, most importantly Faith Action, formally Faith Action for Community Equity, and the Rev Bob Nakata, were strong advocates for creating this Fund back in 2006. At that time developers developing housing for those at 60% AMI and below needed additional sources of subsidy to increase the number of units being produced.

So, what has changed since 2006? DEMAND, the demand for housing, particularly low-income rental housing continues to increase! AND, with demand, the cost to develop has increased and the need for new and consistent subsidy sources continues.

Housing advocates modeled their vision of the AHF after HHFDC's process for awarding LIHTCs and State Rental Housing Revolving Funds (RHRF) to developers serving the 60% AMI and below community. Principal components of the vision were incorporated in the AHF - it serves 60% AMI and below and projects must have an affordability commitment of 60 years. Unfortunately, another key aspect of the vision, a competitive RFP process for developer use of the funds, has not yet been implemented by the City.

Our hope is that the City will do that soon or utilize the alternative we proposed which was to turn over the AHFs on an annual basis to HHFDC, the entity with existing staff knowledge on developer selection for serving those at 60% AMI and below. The use of the funds would be restricted to projects for Oahu only. We strongly believe that this is the quickest and most effective way to utilize the AHFs to the benefit of those waiting in line for housing. The City's Affordable Housing Fund can play a critical role in increasing the production of much needed housing in a timely manner.

Thank you for the opportunity to support Resolution 21-192 and to share our thoughts on quickly implementing AHFs.

Sincerely,

Kevin R. Carney, RB-16444
(PB), NAHP-E
Vice President, Hawaii

kevin.carney@eahhousing.org

Hawaii Regional Office
1001 Bishop Street, Suite 2880
Honolulu, Hawaii 96813
808 / 523-8826 ■ Fax 808 / 523-8827

■ Creating community by developing, managing and promoting quality affordable housing since 1968.

Main Office
2169 East Francisco Blvd., Suite B
San Rafael, California 94901-5531
415 / 258-1800 ■ Fax 415 / 453-4927



November 29, 2021

**To: Tommy Waters, Chair & Presiding Officer
Regular Council Meeting
Members of the City Council**

**From: Kali Watson
President/CEO
Hawaiian Community Development Board
Honolulu, Hawaii 96813**

**Re: Hearing on Resolution 21-192
Wednesday, December 1, 2021 at 10:00 am
Honolulu Hale**

TESTIMONY IN SUPPORT

Dear Chair Waters and Council Members:

My name is **Kali Watson**, President/CEO of Hawaiian Community Development Board, a nonprofit affordable housing developer. We have done several affordable housing projects and are familiar with the workings and challenges of developing affordable housing, which is so desperately needed here in Hawaii. The reality is that the people of Hawaii are being priced out of the market and our kids and families are moving to the mainland. Something has to be done now, especially in providing crucial funding for these types of projects.

We **support** Resolution 21-192, proposing a Charter Amendment to increase the mandatory percentage of real property tax revenues to be deposited into the Affordable Housing Fund from one-half of one percent (1/2%) to one percent (1%).

As a nonprofit affordable housing developer and having done several projects with the City and State over the past several years, having key additional City funding is extremely important. It not only allows us to better leverage this funding with other sources, such as Low-Income Housing Tax credits, Rental Housing Revolving Funds and Bonds, but it also makes these projects more viable and likely to move forward. This proposed charter amendment if successful will not only cement a permanent source of affordable housing funding, but reflect this Council's commitment to seriously address a severe shortage of needed affordable housing for our community.

Therefore, I respectfully urge the Council to support and pass Resolution 21-192.

Pupukahi I Holomua,

Kali Watson
President/CEO
Hawaiian Community
Development Board (HCDB)

6kali9@gmail.com

Chairman
Richard Soo

Secretary
Jackie Burke

Treasurer
Helen O'Connor

Board Members
Linda Ahue
Puni Kekauoha
Alfred "Bobby" Willing
Duane Hew Len

President/CEO
Kali Watson

Senior VP
Patti Barbee

From: CLK Council Info
Sent: Monday, November 29, 2021 8:22 AM
Subject: Housing and the Economy Testimony

Written Testimony

Name Daniel Sandomire
Phone
Email dsando@yahoo.com
Meeting Date 12-01-2021
Council/PH Committee Housing and the Economy
Agenda Item INITIATING AMENDMENTS TO THE REVISED CHARTER OF THE CITY AND COUNTY OF HONOLULU 1973 (AMENDED 2017 EDITION), AS AMENDED, RELATING TO THE AFFORDABLE HO
Your position on the matter Support
Representing Self
Organization
Written Testimony I support this resolution- the county is in need of affordable housing.
Testimony
Attachment
Accept Terms and Agreement 1

IP: 192.168.200.67



November 29, 2021

Honolulu City Council
Honolulu Hale
530 South King Street
Honolulu HI 96813
Attn: Chair Waters

SUBJECT: Resolution 21-195 (CR320) Amending the City's Charter relating to the Affordable Housing Fund

Position: STRONG SUPPORT

Chair Waters, Vice Chair Kia'aina and members of the City Council:

Ahe Group is pleased to submit testimony in **strong support** of Resolution 21-192 which proposes a Charter Amendment to increase funding to the City's Affordable Housing Fund (AHF).

Developers of affordable housing are fighting a losing battle. Demand for housing continues to be outstripped by the rising construction costs and exceeds our capacity to finance and build. The ability to leverage multiple financing resources is required in today's development environment and the AHF can be a critical source of "gap" financing and thus part of the solution. Coupling AHF with conventional loans and other State resources such as the Low-Income Housing Tax Credits (LIHTC) and Rental Housing Revolving Fund (RHRF) will assist those most in need below 60% AMI. The 60-year affordability commitment ensures housing stability into the future.

We support the Resolution 21-195 (CR320) and believe forward thinking changes such as this charter amendment can make a real difference.

The ability to distribute the AHF funding in a timely manner and put the resources to work for the people of the City and County of Honolulu is the next important step.

Sincerely,

A handwritten signature in black ink, appearing to read 'Makani Maeva', written over a horizontal line.

Makani Maeva
President
Ahe Group

mm@ahigroup.com



**Testimony of Faith Action for Community Equity
City Council**

City & County of Honolulu

Resolution 21-192 (2021)

(Relating to the Affordable Housing Fund)

Wednesday, December 1, 2021, 10 A.M.

Board of Directors

Officers

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President

Rev. Jessica Kawamura
Vice President of Clergy

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Kristen Young
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Jon Davidann
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Director

Ashleigh Loa
Executive Director

Faith Action for Community Equity is a grassroots, interfaith 501c3 nonprofit organization driven by a deep spiritual commitment to improving the quality of life for all who live in Hawaii. Our members work together to address the root causes of systemic justice challenges facing our communities.

Aloha Chair Waters, Vice Chair Kia'aina, and Members of the Council:

Faith Action for Community Equity writes in **SUPPORT** of Resolution 21-192, which proposes a Charter Amendment that would increase the mandatory percentage of real property tax revenues to be deposited into the Affordable Housing Fund from one-half of one percent (1/2%) to one percent (1%).

The proposed increase in allocated funding for the Affordable Housing Fund would help the City meet the demand for affordable housing by:

- Increasing funding for the procurement and development of desperately needed affordable housing units for low- and moderate-income families.
- Ensuring that the Affordable Housing Fund is adequately funded to support the growing need for housing at eighty percent (80%) AMI and below.
- Supporting the purchase and acquisition of real estate with the intent to increase the supply of affordable housing.
- Ensuring that affordable rental housing is provided for persons earning sixty percent or less of the median household income, and that these units will remain affordable for at least sixty years.

Mahalo for this opportunity to testify.

Ashleigh Loa
aloa@faithactionhawaii.org

**Resolution 21-192
INITIATING AMENDMENTS TO THE REVISED CHARTER OF THE CITY AND COUNTY OF
HONOLULU 1973 (AMENDED 2017 EDITION), AS AMENDED, RELATING TO THE AFFORDABLE
HOUSING FUND**

December 1, 2021

10:00 AM

Videoconference

The Council for Native Hawaiian Advancement (CNHA), a member-based 501(c)(3) non-profit organization with a mission to enhance the cultural, economic, political, and community development of Native Hawaiians, **SUPPORTS** Resolution 21-192, which amends Section 9-204 of the Revised Charter of the City and County of Honolulu to have appropriated from each fiscal year's budget and capital program, one percent to be deposited into the Affordable Housing Fund .

CNHA emphasizes its support for truly affordable housing and mechanisms that increase housing security for the state's financial vulnerable community – according to the 2020 ALICE (Asset Limited, Income Constrained, Employed) report, 54% of Native Hawaiian households remain below the ALICE threshold, meaning that roughly over 20,000 Native Hawaiian households remain below the average income that a household needs to afford the basic necessities defined by the Household Survival Budget for each county in Hawai'i, which also include poverty-level households.

CNHA hopes that the mechanism proposed through this resolution can succeed in providing the people of Hawai'i with adequate and affordable housing options.

Mahalo nui loa for this opportunity to provide testimony on this measure.

Respectfully,

J. Kūhiō Lewis
President & CEO
Council for Native Hawaiian Advancement
Kuhio@hawaiiancouncil.org

Testimony of The Michaels Organization | Michaels Development – Hawai'i Region
RELATING TO RESOLUTION 21-192 (2021)
Wednesday, December 1, 2021 at 10:00 a.m.

Chair Brandon Elefante, Vice Chair Esther Kia'aina
Members Radiant Cordero, Calvin Say
Committee on Zoning and Planning

Position: Strong Support

On behalf of Michaels Development, we submit this testimony in strong support of Resolution 21-192, which would allow voters in the 2022 election to vote on whether to allow an additional .5% of real property taxes to be allocated to the Affordable Housing Fund, thereby amending the City Charter.

It is no secret that Oahu is experiencing an affordable housing crisis. The State Department of Business, Economic Development and Tourism, Measuring Housing Demand in Hawai'i, 2015-2025 study (Department of Business, Economic Development & Tourism, 2015), projects that the state will require 64,693 housing units to meet demand by 2025. Nearly 70% (43,828) of the units will be needed for low-income households earning 80% or less of the area median income.

Affordable housing continues to be a number one priority for our local residents. This resolution would allow the voters to decide whether to increase the Affordable Housing Fund by .5% so that more monies can be used to build affordable housing on Oahu.

We want to thank Chair Elefante for introducing this measure and for continuing to champion affordable housing. We thank all of the members of this committee for their commitment and dedication to ensuring that our residents will have quality, affordable housing, for years to come.

Thank you for the opportunity to submit testimony.



COMMERCIAL REAL ESTATE
DEVELOPMENT ASSOCIATION
HAWAII CHAPTER

December 1, 2021

Councilmember Tommy Waters, Chair
Councilmember Esther Kia'aina, Vice Chair
Members of the Honolulu City Council

**RE: Resolution 21-192 – INITIATING AMENDMENTS TO THE REVISED
CHARTER OF THE CITY AND COUNTY OF HONOLULU 1973 (AMENDED
2017 EDITION), AS AMENDED, RELATING TO THE AFFORDABLE
HOUSING FUND
Hearing date: December 1, 2021 at 10:00AM**

Aloha Chair Waters, and Members of the Committee,

Mahalo for the opportunity to submit testimony on behalf of NAIOP Hawaii in **SUPPORT** of Resolution 21-192. 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 200 members in the State including local developers, owners, investors, asset managers, lenders and other professionals. NAIOP Hawaii strongly supports the development of housing for Hawaii residents at all levels of income, especially affordable housing projects.

Resolution 21-192 amends Section 9-204 of the Revised Charter of the City and County of Honolulu to increase the appropriation percentage of real property tax to the Clean Water and Natural Lands Fund and Affordable Housing Fund from 1% to 1.5%. In turn, the allocation to the Affordable Housing Fund is increased from .5% to 1%. Accordingly, the increased allocation will result in additional funding for affordable housing projects.

NAIOP Hawaii appreciates the intent of Resolution 21-192 to provide a reliable and consistent source of subsidy to support the development of affordable housing. The influx of funding being allocated to the Affordable Housing Fund will greatly increase the inventory of units. NAIOP Hawaii supports the Council's commitment to developing crucial affordable housing and enhancing the ability of developers to build affordable housing units for local residents.

Mahalo for your consideration,

A handwritten signature in black ink, appearing to read "Catherine Camp".

Catherine Camp, President
NAIOP Hawaii

Evan Oue
eoque@imanaka-asato.com

TO: Members of the Honolulu City Council

FROM: Natalie Iwasa
808-395-3233

DATE: Wednesday, December 1, 2021

SUBJECT: Resolution 21-192, Charter Amendment Affordable Housing Fund –
OPPOSED

Aloha Chair Waters and Councilmembers,

Thank you for allowing testimony on Resolution 21-192, which would place a charter amendment question on next year's ballot asking voters whether annual real property taxes that go into the Affordable Housing Fund should be doubled from the current .5% to 1%. I oppose this resolution.

There have been no changes to this resolution since its introduction, but we have had news of additional and continuing pressures on our city revenues. For example, it was recently reported that the move of ambulance services from the State Department of Health to the city may cost about \$9 million next year. In addition, every year the city has to deal with increased costs of mandated programs and increases to things such as post-retirement benefits.

Real property taxes are the foundation of our city funding. Rather than taking more away from that foundation, priorities should be set and appropriations made accordingly.

Please vote "no" on this resolution.

From: CLK Council Info
Sent: Tuesday, November 30, 2021 11:55 PM
Subject: Council Testimony

Written Testimony

Name Kimeona Kane
Phone
Email kimeonakane@gmail.com
Meeting Date 12-01-2021
Council/PH Committee Council
Agenda Item Resolution 21-252, Bill 38, CD1,
Your position on the matter Support
Representing Organization Self

'Ano 'ai me ke aloha nui iā kākou,

'O Kimeona Kane kēia, 'O Waimānalo ku'u one hānau. Mahalo nui no kēia manawa kūpono e kūkākūkā ai.

I am in strong support of Resolution 21-252

Written Testimony

Confirming the nomination of Anton C. Krucky to serve as the Director of Community Services of the City and County of Honolulu. In my role as the Chair for the Waimānalo Neighborhood Board, I have appreciated Mr. Kruckys support and genuine out of the box approach to the complex issues surrounding houselessness in our community. He has been fair, transparent and truthful in his dealings with our Community and Committees and I believe he will continue to be a great resource in this new role.

I am in support of Bill 38, CD1

Relating to commercial activities at public parks. (Addressing commercial activities at certain beach parks.) As shared previously in different Council meetings, as a lifetime resident of Waimānalo, we must preserve the integrity of our rural and culturally grounded community, its natural and cultural resources, and the genuine fabric that is Waimānalo. For too many years, our community concerns has fallen on deaf ears, and the impacts continue to put strains on all involved. We must acknowledge those that have been trying to be in compliance, and until we have better enforcement systems in place, and a system that truly adds value and benefit to the community, I

support the ban of commercial activities. I also want to add the importance in proper spelling of the names listed and ask that they be edited to reflect the appropriate diacritical markings. Lastly I want to offer a potential solution that I hope we may explore, in a joint conversation with the City and County of Honolulu Parks and Recreation, the appropriate elected officials, the Community, Commercial entities, the United States Marine Corps and the Bellows Airforce Command, and others, where we may be able to identify a location within the boundaries of the public use area in the Bellows Air Force Base and look at a better managed approach to commercial activity.

I am in support of Resolution 21-192

Initiating amendments to the Revised Charter of the City and County of Honolulu 1973 (Amended 2017 Edition), as amended, relating to the Affordable Housing Fund and do believe that changing the percentage will allow for additional and much overdue efforts to establish truly affordable housing.

I am in support of Bill 40, CD2 with reservations about the percentage breakdown

Relating to the transient accommodations tax. (Establishing a transient accommodations tax for the City and County of Honolulu, providing for its imposition and disposition, and facilitating the receipt and deposit of the revenues derived from the transient accommodations tax.) I am not in favor of the Honolulu Rail System and feel that it continues to pull critically important funding away from what I believe to be more priority focuses, such as our environment and preservation of our land. The recommended percentages demonstrates clearly where the priorities, and as a cultural practitioner, a Kumu, a steward that works in environmental restoration and preservation, a conservation advocate and more, I feel like this could have been an opportunity to truly give our future generations something to stand on in perpetuity. Sadly, we are left with the continued leech that is the Honolulu Rails System taking critically important funding away from the real priority, 'āina. We can build a new transit system, we cannot restore critical habitat, replace extinct species, stop invasive species from destroying important ecosystems, establish lucrative careers in green jobs, pursue restoration of lifestyles such as mahi'ai and lawai'a and spaces like lo'i, and loko i'a, and more if we do not invest in them now. Even in doing so, we may be too late to preserve the Hawai'i that we have come to love and that generations of our kanaka before have built relationship to.

I strongly support Bill 34, CD2

Relating to commercial activities at public parks. (Addressing commercial activities at certain beach parks.) I want to mahalo Councilmember Tsuneyoshi for her passionate advocacy for this community. I stand with the community and urge the Council to listen

to how these activities have changed the dynamics and nature of their rural town. Holo mua!

I am in support of Bill 47

Relating to public parks. (Addressing the enforcement of park laws and rules.) This concept is decades overdue, and a position such as a Park Ranger, grounded in the cultural aspects and history, can be all the difference in spaces as they are in other areas around the world. I would advocate that there not be added responsibilities to current positions as their focus should not be deterred by this, and I hope we can truly push the aspects of education, sustainability and accountability as it refers to enforcement.

I am OPPOSED to Resolution 21-23

CD1 and Findings of Fact To adopt the revised General Plan for the City and County of Honolulu as I believe it is a foot hole into the development of rural areas including the Ko'olaupoko, Ko'olaupoko, North Shore, and Wai'anae districts. DO NOT CHANGE or DECREASE the rural areas. The Conceptual Development Pattern on O'ahu map on page 21 of the Plan is irresponsible and threatens many rural established communities. Please honor the remaining rural designated boundaries and communities within and their value to Hawai'i. Keep the Country, Country. The plan is over due for sure, and is extremely complex. I appreciate the time and energy put into the updates and am concerned that we will continue to build and rezone to build way beyond our capacity.

Testimony
Attachment
Accept Terms
and Agreement 1

IP: 192.168.200.67

December 1, 2021

Councilmember Tommy Waters, Chair
Councilmember Esther Kia'aina, Vice Chair
Members of the Honolulu City Council

**RE: Resolution 21-192 – INITIATING AMENDMENTS TO THE REVISED CHARTER OF
THE CITY AND COUNTY OF HONOLULU 1973 (AMENDED 2017 EDITION), AS
AMENDED, RELATING TO THE AFFORDABLE HOUSING FUND
Hearing date: December 1, 2021 at 10:00AM**

Aloha Chair Waters, and Members of the Committee,

I am writing to voice my **SUPPORT** of Resolution 21-192 relating to the Affordable Housing Fund. Resolution 21-192 will result in additional funds being made available for the development of affordable housing in the City and County of Honolulu.

As you may be aware, the cost of construction - whether market housing or affordable housing - continues to increase as a result of inflation and supply constraints. But, the critical State and federal subsidy that is used to develop and construct affordable housing is often limited. The monies from the Affordable Housing Fund will provide much needed gap financing and result in more affordable housing units being built and made available to the residents of Oahu. Please pass Resolution 21-192. Thank you.

Warmest Regards,

Scott W. Settle

ssettle@settlemeierlaw.com

From: CLK Council Info
Sent: Tuesday, November 30, 2021 3:59 PM
Subject: Zoning and Planning Testimony
Attachments: 20211130155852_2021-12-1_Testimony_In_Support_Resolution_21-192.docx

Written Testimony

Name Sharon Har
Phone
Email shar@tmo.com
Meeting Date 12-01-2021
Council/PH Committee Zoning and Planning
Agenda Item 21-192
Your position on the matter Support
Representing Organization
Organization Michaels Development
Written Testimony
Testimony Attachment 20211130155852_2021-12-1_Testimony_In_Support_Resolution_21-192.docx
Accept Terms and Agreement 1

IP: 192.168.200.67

Testimony of The Michaels Organization | Michaels Development – Hawai'i Region
RELATING TO RESOLUTION 21-192 (2021)
Wednesday, December 1, 2021 at 10:00 a.m.

Chair Brandon Elefante, Vice Chair Esther Kia'aina
Members Radiant Cordero, Calvin Say
Committee on Zoning and Planning

Position: Strong Support

On behalf of Michaels Development, we submit this testimony in strong support of Resolution 21-192, which would allow voters in the 2022 election to vote on whether to allow an additional .5% of real property taxes to be allocated to the Affordable Housing Fund, thereby amending the City Charter.

It is no secret that Oahu is experiencing an affordable housing crisis. The State Department of Business, Economic Development and Tourism, Measuring Housing Demand in Hawai'i, 2015-2025 study (Department of Business, Economic Development & Tourism, 2015), projects that the state will require 64,693 housing units to meet demand by 2025. Nearly 70% (43,828) of the units will be needed for low-income households earning 80% or less of the area median income.

Affordable housing continues to be a number one priority for our local residents. This resolution would allow the voters to decide whether to increase the Affordable Housing Fund by .5% so that more monies can be used to build affordable housing on Oahu.

We want to thank Chair Elefante for introducing this measure and for continuing to champion affordable housing. We thank all of the members of this committee for their commitment and dedication to ensuring that our residents will have quality, affordable housing, for years to come.

Thank you for the opportunity to submit testimony.



STANFORD CARR DEVELOPMENT, LLC

*November 30, 2021

The Honorable Tommy Waters, Chair and Presiding Officer
Honolulu City Council
530 South King Street, Room 202
Honolulu, Hawaii 96813

Dear Chair Waters and Council Members:

SUBJECT: Resolution 21-192 Initiating Amendments to the Revised Charter of the City and County of Honolulu, Relating to the Affordable Housing Fund

Stanford Carr Development expresses **support** for Resolution 21-192 initiating amendments to the Charter of the City and County of Honolulu (City) relating to the Affordable Housing Fund (AHF).

Simply stated – the demand for affordable rental housing far exceeds financing capacity. As reported in the 2019 Hawaii Housing Planning Study, by 2025 in excess of 11,850 rental housing units are needed on Oahu where 61% of the unmet need lies with households earning less than 60% of the Area Median Income (AMI).

The proposed one-half percent increase in the annual set-aside of Affordable Housing Funds offers \$8 million of financing for rental housing for 60% AMI families. Based on the City's lack of a housing department and the need for capacity to implement the funds, we suggest a collaboration between the City and the Hawaii Housing Finance Development Corporation to coordinate the additional AHF moneys with the Rental Housing Revolving Fund to provide loans in support of the IRC Section 42 Low Income Housing Tax Credit deals. By creating a loan program, AHF funds eventually return to the City to perpetuate and grow the amount of gap financing available for future developments.

Thank you for your favorable consideration of this much needed resource for our community.

Respectfully,

Stanford S. Carr