

**BILL003(24)**  
**Testimony**

**MISC. COMM. 123**

ZONING (ZON)

## **ZONING (ZON) Meeting**

Meeting Date: Apr 3, 2024 @ 09:00 AM

Support: 26

Oppose: 0

I wish to comment: 0

Name: Karen Seddon	Email: karen.seddon@eahhousing.org	Zip: 96813
Representing: EAH Housing	Position: Support	Submitted: Mar 29, 2024 @ 10:54 AM
Name: Daniel Kaneshiro	Email: dkaneshiro@theshelter.org	Zip: 96819
Representing: THE SHELTER	Position: Support	Submitted: Mar 30, 2024 @ 11:47 AM
Name: Patrick Weisbarth	Email: honolulu@sailors.org	Zip: 96813
Representing: Sailors Union of the Pacific	Position: Support	Submitted: Apr 1, 2024 @ 01:25 PM
<p>Testimony:</p> <p>While the Sailors Union of the Pacific, Port of Honolulu ultimately advocates that all work be performed by Union Labor. We strongly support any legislation that memorializes paying the prevailing wage to workers, no matter the sector. I urge the committee to vote in support Bill 3.</p> <p>Any questions or concerns. Please feel free to let me know.</p> <p>P.M.W.</p>		
Name: Hawaii LECET	Email: info@hawaiiilecet.org	Zip: 96814
Representing: Hawaii Laborers & Employers Cooperation and Education Trust	Position: Support	Submitted: Apr 1, 2024 @ 02:02 PM
Name: Christopher Delaunay	Email: cdelaunay@prp-hawaii.com	Zip: 96813
Representing: Pacific Resource Partnership	Position: Support	Submitted: Apr 1, 2024 @ 03:12 PM
Name: Chu Lan Schubert-Kwock	Email: clskwock@gmail.com	Zip: 96817
Representing: Chinatown Business & Community Association	Position: Support	Submitted: Apr 1, 2024 @ 05:09 PM
<p>Testimony:</p> <p>I support Bill 3 because it makes it easier to build affordable housing.</p>		
Name: Jason Bradshaw	Email: jasonwbradshaw@gmail.com	Zip: 96818
Representing: Democratic Party of Hawaii Labor Caucus	Position: Support	Submitted: Apr 1, 2024 @ 08:37 PM
Name: Ned Rodrigues	Email: ned.rodrigues@boh.com	Zip: 96813
Representing: Bank of Hawaii	Position: Support	Submitted: Apr 1, 2024 @ 08:56 PM
Name: Ana Tuiasosopo	Email: atuiasosopo@oe3.org	Zip: 96707
Representing: Operating Engineers Local 3	Position: Support	Submitted: Apr 2, 2024 @ 08:54 AM

Name: Greg Thielen	Email: greg@ccs-hawaii.com	Zip: 96734
Representing: Self	Position: Support	Submitted: Apr 2, 2024 @ 09:39 AM
Name: Paul Lam	Email: paullam77@gmail.com	Zip: 96816
Representing: Self	Position: Support	Submitted: Apr 2, 2024 @ 10:33 AM
Name: Ronald Dennis	Email: ryan@ischawaii.com	Zip: 96734
Representing: Island Structural Contracting	Position: Support	Submitted: Apr 2, 2024 @ 11:20 AM
Name: Brian Fujiwara	Email: brian808@hawaii.rr.com	Zip: 96817
Representing: Self	Position: Support	Submitted: Apr 2, 2024 @ 12:39 PM
Name: Paul Kreutz	Email: sam.pkreutz@ilwu.org	Zip: 96701
Representing: ILWU International	Position: Support	Submitted: Apr 2, 2024 @ 01:48 PM
<p>Testimony:</p> <p>Thank you for allowing me the opportunity to submit written testimony in support of Bill 3. Prevailing wage ensures fairness and quality. It is with hope and promise Bill 3 passage in conjunction with chapter 104 of the Hawaii Revised Statutes prevailing wage would become a reality.</p> <p>Respectfully, Paul Sam Kreutz ILWU International VP Hawaii</p>		
Name: Peter Ganaban	Email: testimonylocal368@gmail.com	Zip: 96817
Representing: The Laborer's International Union Local 368	Position: Support	Submitted: Apr 2, 2024 @ 02:33 PM
Name: Valentino Ceria	Email: testimonylocal675@gmail.com	Zip: 96817
Representing: The Plumbers & Fitters Local 675	Position: Support	Submitted: Apr 2, 2024 @ 02:36 PM
Name: T. George Paris	Email: cthstab@gmail.com	Zip: 96789
Representing: HIWSF	Position: Support	Submitted: Apr 2, 2024 @ 02:53 PM
Name: Damien Kim	Email: info@hemep.com	Zip: 96819
Representing: IBEW Local Union 1186	Position: Support	Submitted: Apr 2, 2024 @ 04:30 PM
Name: Derek Lock	Email: dlock@hnldev.com	Zip: 96816

Representing: Self	Position: Support	Submitted: Apr 2, 2024 @ 04:41 PM
Name: Stephanie Nojima	Email: stephanie.nojima@hcentral.com	Zip: 96816
Representing: Honolulu Board of REALTORS	Position: Support	Submitted: Apr 2, 2024 @ 06:11 PM
Name: Spencer Lee	Email: spencer.lee@cpb.bank	Zip: 96816
Representing: Self	Position: Support	Submitted: Apr 2, 2024 @ 06:27 PM
<p>Testimony:</p> <p>Dear Council,</p> <p>I support Bill 3. Giving the developers the grant pre-construction, instead of post-construction, should get more projects off the ground. Increasing the amount of the grant to \$25,000 per unit for 60%-100% AMI, and \$35,000 per unit for below 60% AMI (from \$9,000 and \$15,000 respectively for the existing post-construction grants), should also get more projects built. By making the funds only to be used for paying prevailing wages to laborers and mechanics who work on the construction site, should keep the money in the State. Other smart pieces are only allowing for grant applications after the permit has been issued, and requiring the developer to get the certificate of occupancy within 24 months. There is a \$10 million limit. The state could match funds. DPP has reporting requirements, and there are penalties if the project fails to be completed. These are all very good pieces to include. Thank you for the consideration. Spencer Lee</p>		
Name: Stefanie Sakamoto	Email: stef@sakamotoconsulting.com	Zip: 96789
Representing: BIA Hawaii	Position: Support	Submitted: Apr 2, 2024 @ 10:04 PM
Name: Angela Melody Young	Email: Alohavinedesign@gmail.com	Zip: 96817
Representing: CARES Community Advocacy Research Education Services	Position: Support	Submitted: Apr 3, 2024 @ 12:38 AM
<p>Testimony:</p> <p>CARES testifies in strong support.</p>		
Name: Michael Yadao	Email: myadao@opcmia630.org	Zip: 96819
Representing: OPCMIA Local 630	Position: Support	Submitted: Apr 3, 2024 @ 07:07 AM
Name: Evan Oue	Email: eoue@imanaka-asato.com	Zip: 96744-4105
Representing: NAIOP Hawaii	Position: Support	Submitted: Apr 3, 2024 @ 08:03 AM
Name: Martin Nguyen	Email: martin@centre-urban.com	Zip: 96701
Representing: Centre Urban Real Estate	Position: Support	Submitted: Apr 3, 2024 @ 08:19 AM

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Testimony of EAH Housing | Hawai'i Region  
RELATING TO Bill 3 (2024)

April 03, 2024 at 9:00 AM  
Written Testimony Only

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**Committee on Zoning**

Chair Calvin Say, Vice Chair Tyler Dos Santos-Tam,  
Members Radiant Cordero, Esther Kia'aina, and Matt Weyer

**SUPPORT**

The inclusion of pre-construction grants in Bill 3 (2024) presents a significant opportunity to bolster housing production and expand the inventory of affordable rental housing on O'ahu.

Despite the innovative nature of increased density allowances and other incentives, many developers are encountering financing challenges stemming from the current interest rate environment, elevated construction costs, and the persistent rise in operating expenses.

In addition to offering pre-construction grants, the provisions in Bill 3 (2024) are poised to attract additional investments, thereby facilitating the construction of rental projects that cater to income ranges that pose particular challenges to accommodate.

Given these factors and to reaffirm your steadfast support for affordable housing, we urge you to approve Bill 3 (2024).



Karen Seddon  
Regional Vice President  
EAH Housing



March 27, 2024

RE: Bill 3, Relating to Incentives for the Construction of Affordable Rental Housing

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

I am writing in support of Bill 3.

I write to you today on behalf of The Shelter, a transitional shelter dedicated to supporting homeless women and children in our community. Our mission is not only to provide temporary refuge but also to empower and equip homeless mothers with the necessary resources and skills to transition into stable, affordable housing.

While we strive to fulfill our mission, we are faced with a harsh reality: the shortage of affordable housing units is crippling our efforts. Despite our best intentions and diligent work, the lack of available units poses a significant barrier to achieving sustainable outcomes for the families we serve.

This is why I urge you to support Bill 3, which offers benefits to developers committed to addressing the shortage of affordable housing. By incentivizing the development of such crucial units, Bill 3 would not only alleviate the burden on shelters like ours but also provide hope and opportunity for countless individuals and families experiencing homelessness.

We cannot afford to let this opportunity slip away. The consequences of inaction are dire, as more families are forced to endure the hardships of homelessness with each passing day. We owe it to them, and to our community, to take decisive action.

Let us stand together in solidarity, united in our commitment to being part of the solution to homelessness. Together, we can make a tangible difference in the lives of those who need it most.

Thank you for your attention to this pressing matter. Your support for Bill 3 is not just a vote; it is a lifeline for the most vulnerable among us.

Sincerely,

Daniel Kaneshiro, Executive Director  
The Shelter



## HAWAII LABORERS-EMPLOYERS COOPERATION AND EDUCATION TRUST

650 Iwilei Road, Suite 285 • Honolulu, HI 96817 • Phone: 808-845-3238 • Fax: 808-845-8300

April 3, 2024

To: **The Honorable Calvin Say, Chair**  
**Committee on Zoning**  
Honolulu City Council  
City & County of Honolulu  
530 South King Street  
Honolulu, Hawaii 96813

Re: **TESTIMONY IN SUPPORT OF BILL 3 (24) PROPOSED CD1 – TDST1, RELATING TO INCENTIVES FOR THE CONSTRUCTION OF AFFORDABLE RENTAL HOUSING**

FOR HEARING ON WEDNESDAY, APRIL 3, 2024 at 9:00 AM, COUNCIL CHAMBERS

**Aloha Honorable Chair Say, Vice Chair Dos Santos-Tam, and Zoning Committee Members,**

The **Hawaii Laborers & Employers Cooperation and Education Trust** (Hawaii LECET) is a labor + management partnership established in 1992 between the 5,000 statewide members of the Hawaii Laborers Union and over 250 construction companies from the *General Contractors Association* and the *Building Industry Association*. The Laborers International is the largest construction trade union in North America, and Hawaii LECET is part of a network of 38 labor-management LECET Funds across the country.

**Hawaii LECET strongly supports Bill 3 (2024) Proposed CD1 – TDST1**, which provides pre-construction grants that will greatly help affordable rental housing projects for the neediest in our community to pencil out, during the especially critical early development stages.

With the current economic uncertainty and high interest rate environment, this measure will help deeply affordable projects to qualify for loans, and generate additional investments to jump-start construction of rental projects that are especially difficult to produce, through substantial up-front direct financial grant assistance from the City.

**Thank you for this opportunity to offer our strong support for Bill 3 (2024) – Proposed CD1 – TDST1.**

Mahalo,

**Hawai'i Laborers & Employers  
Cooperation and Education Trust**



Testimony of  
Pacific Resource Partnership

City Council  
City & County of Honolulu  
Committee on Zoning  
Councilmember Calvin K.Y. Say, Chair  
Councilmember Tyler Dos Santos-Tam, Vice Chair

**Bill 3 (2024)—Relating To Incentives For The Construction Of Affordable Rental Housing**  
Wednesday, April 3, 2024

Aloha Chair Say, Vice Chair Dos Santos-Tam, and Members of the Committee:

Pacific Resource Partnership (PRP) is a nonprofit organization that represents the Hawai'i Regional Council of Carpenters, the largest construction union in the state with approximately 6,000 members, in addition to more than 250 diverse contractors ranging from mom-and-pop owned businesses to national companies.

The "Hawaii Housing Planning Study, 2019" ("Study") found that the City and County of Honolulu will need 22,168 more housing units between 2020 and 2025. Bill 3 (2024) provides pre-construction grants that will help finance affordable rental housing projects for Oahu's residents.

Moreover, pre-construction grants will require contractors to comply with Hawai'i's prevailing wage laws, Chapter 104, HRS, which will provide more construction jobs for Hawaii's residents paying them a "living wage" with benefits. These types of jobs provide residents with an opportunity to afford Hawaii's high cost of living, keep residents off welfare and other government assistance programs, stimulate the local economy, and provide economic stability for workers and their families.

Given the above, we respectfully request your favorable decision on this measure.

Thank you for this opportunity to submit written testimony.



TESTIMONY BEFORE THE HONOLULU CITY COUNCIL ZONING COMMITTEE

RE: BILL 3 (2024) – RELATING TO INCENTIVES FOR THE CONSTRUCTION OF  
AFFORDABLE RENTAL HOUSING

WEDNESDAY, APRIL 3, 2024

JASON BRADSHAW, CHAIR  
DEMOCRATIC PARTY OF HAWAII LABOR CAUCUS

Chair Say, Vice-Chair Dos Santos-Tam and Members of the Committee:

The Democratic Party of Hawaii Labor Caucus **strongly supports Bill 3 (2024)**, relating to incentives for the construction of affordable housing.

The Democratic Party of Hawaii Labor Caucus strongly supports measures that would incentivize the construction of affordable housing and measures that support a living wage for all workers in Hawaii.

We appreciate that Bill 3 addresses our affordable housing crisis by providing pre-construction grants to ensure more units are built affordable on Oahu while also ensuring the workers who build these affordable units are paid prevailing wages. We all know Hawaii's cost of living is the highest in the country and any bill that can help build more affordable housing while also ensuring workers are paid a living wage is a bill that should be given serious consideration.

The Democratic Party of Hawaii Labor Caucus asks you to please pass Bill 3.

Mahalo.



April 2, 2023

Committee on Zoning  
City & County of Honolulu  
530 South King Street Honolulu, Hawaii 96813

REG: BILL 3: RELATING TO INCENTIVES FOR THE CONSTRUCTION OF  
AFFORDABLE RENTAL HOUSING

Dear Chair Say, Vice Chair Dos Santos-Tam, and Members of the Council,

As a leading financial institution committed to the well-being of our communities, we express support for Bill 3, which seeks to provide incentives for the construction of affordable rental housing options in Hawaii. Access to affordable housing and financing is an essential component of community development. However, the shortage of affordable rental options and financing for its development has become a significant challenge for many investors, individuals, and families. We believe Bill 3 proposes a proactive solution to address the obstacles of developing affordable rental projects created by high land and construction costs. High project costs lessen the feasibility of affordable projects and require a higher equity contribution. As such, Bill 3's financial incentive to support the construction of more affordable housing projects is helpful in solving the housing shortage by increasing inventory. By offering pre-construction and post-construction incentives to assist with financing affordable rental housing projects, building more rental units is achievable. Furthermore, grant funding requirements included in the Bill protects the tax payor's investment while reducing project risk. As such, grants issued under Bill 3 will further encourage developers, investors, and lenders to participate in affordable housing projects.

As a financial partner involved in affordable housing projects, we recognize the importance of supporting Bill 3. By partnering with policymakers, community stakeholders, and developers, affordable rental housing needs can be achieved. Bill 3 aligns with our commitment to community reinvestment. As such, we urge you to pass Bill 3 as we lend our support to this important initiative.

Sincerely,

A handwritten signature in blue ink that reads 'Ned Rodrigues'.

Ned Rodrigues  
Vice President



# OPERATING ENGINEERS LOCAL UNION No. 3

2181 LAUWILIWILI STREET, KAPOLEI, HI 96707 • (808) 845-7871 • FAX (808) 682-0906

Jurisdiction: Northern California, Northern Nevada, Utah, Hawaii, and the Mid-Pacific Islands

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April 1, 2024

Honorable, Calvin K.Y. Say, Honolulu City Council Committee on Zoning, Chair  
Honorable, Tyler Dos Santos-Tam, Honolulu City Council Committee on Zoning, Vice Chair  
Honorable Members of the Honolulu City Council Committee on Zoning

**RE: BILL 3 (2024) – RELATING TO INCENTIVES FOR THE CONSTRUCTION OF AFFORDABLE RENTAL HOUSING. ADDRESSING AFFORDABLE RENTAL HOUSING IN THE CITY AND COUNTY OF HONOLULU.**

Chair Say, Vice Chair Dos Santos-Tam and Members of the Honolulu City Council Committee on Zoning,

My name is Ana Tuiasosopo. I am the District Representative and Trustee for Operating Engineers Local 3. We are the largest Construction Trades Local in the United States. I and the members of Operating Engineers Local 3 strongly support Bill 3 (2024) CD1 TDST1.

With the current economic uncertainty and high interest rate environment, this measure will help deeply affordable projects to qualify for loans, and generate additional investments to jump-start construction of rental projects that are especially difficult to produce, through substantial up-front direct financial grant assistance from the City.

We humbly ask for your support and approval of Bill 3 (2024) CD1 TDST1.

Sincerely,

Ana Tuiasosopo  
Hawaii District Representative, Trustee  
Hawaii Operating Engineers Local 3

**COMPLETE  
CONSTRUCTION  
SERVICES  
CORP.**

GENERAL CONTRACTING  
& DEVELOPMENT  
P.O. Box 757  
Kailua, HI 96734  
PH (808) 263-4900  
FX (808) 263-5966  
E-mail greg@ccs-hawaii.com  
www.ccs-hawaii.com  
Lic# BC-23115

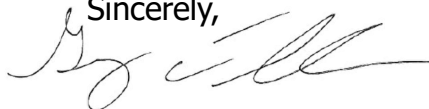
Honolulu City Council  
Committee on Zoning  
City Council Chamber  
Wednesday April 3, 2024  
9:00 AM

RE: Bill 3 Relating to Incentives for the Construction of Affordable Rental Housing

Chair Say, Vice Chair Dos Santos-Tam, and members of the Committee,

I am writing in **STRONG SUPPORT** of Bill 3. The original Bill 7 (Ordinance 19-8) was created in a time where construction costs were projected to be \$250/SF and interest rates were below 4%. Neither of these assumptions are anywhere near accurate anymore. Our current Bill 7 project costs are around \$475/SF and interest rates are double what they were a year and a half ago. While Bill 7 is a great concept and opens the door to much needed affordable rental housing development, construction inflation and high interest rates are stopping projects from moving forward. For this reason I would ask that you support and move forward Bill 3 to assist us in building more of these units.

Sincerely,



Greg Thielen  
President/RME



**LAM CAPITAL LLC**  
**AFFORDABLE HOUSING HAWAII**

TESTIMONY RELATING TO Bill 3 (2024) April 03, 2024 at 9:00 AM

Committee on Zoning Chair Calvin Say, Vice Chair Tyler Dos Santos-Tam, Members Radiant Cordero, Esther Kia'aina, and Matt Weyer

IN SUPPORT

I am writing in support of Bill 3

Bill 3 is carefully crafted to be good for both organized labor and non-unionized labor. The larger pre-construction grant combined with a Project Labor Agreement with union workers would enable developers to pay prevailing wages to construction workers on Bill 7 projects. At the same time, the smaller post-construction grant would give developers the choice to use non-union labor on Bill 7 projects.

The amounts proposed for the different grants are fair. Developers must pay taxes on any grants so it would require **all** of the remaining funds from the proposed pre-construction grant amount, **plus** the state matching funds, to offset the increased costs of paying prevailing wage. At the same time, the proposed increase of the post-construction grant amount in Bill 1 is badly needed for non-prevailing job projects to pencil out. Although developers would retain little if any of the funds granted, whether they be pre-construction or post-construction, the grants would play a crucial role in helping developers complete the capital stack lending institutions evaluate for loan underwriting purposes, which has been one of the most significant challenges facing Bill 7 projects.

Bill 7 projects offer a far better return on government investment in affordable housing than other types of funding. Of the 2023 LIHTC projects that HHFDC awarded in 2023, public funds (LIHTC, HHMF & RHRF) amounted to \$177,000 per unit for almost 1,700 affordable housing units. LIHTC projects also take several years to build. Bill 7 projects, by comparison, can be completed in less than a year for a fraction of the cost per unit if Bill 3 passes.

In 2024, our group hopes to break ground in metro-Honolulu on 167 units that are almost shovel-ready. While 167 units is a drop in the bucket compared to the amount of affordable housing units needed, it provides great momentum, and the passage of Bill 3 is critical to these Bill 7 projects moving forward. My view, after studying and working on projects related to this legislation for the last 2 ½ years, is that Bill 3 has been well-designed to achieve its intended purpose and is the missing piece of legislation that would accelerate the construction of Bill 7 projects in Honolulu.

Paul Lam

**922 KEALAOLU AVE. HONOLULU, HAWAII 96816 U.S.A**

**PHONE: (808) 479-3414 FAX: (808) 737-7588 EMAIL: PAULLAM77@GMAIL.COM**



Island Structural Contracting  
3180 A Ualena Street  
Honolulu, HI 96819  
808-843-2443

April 2, 2024

To Whom It May Concern,

I am writing this letter in full support of Bill 3. As owner of Island Structural Contracting, I have overseen multiple Bill 7 Affordable Housing Projects on Oahu, and we are currently erecting numerous buildings in Oahu.

ISC views Bill 7 Development as part of the solution to the on-going housing crisis we face on Oahu. Our plan is to develop apartment structures of 25 – 100 units in the heart of Oahu's 9 districts where there is already infrastructure. We have been solicited by nearly a dozen or so landowners and developers to construct Bill 7 projects.

With record interest rates and construction costs, the economic feasibility and the underwriting process by lending institutions is the #1 challenge developers face. We are hopeful to see the proposed pre- and post-construction grant increases which no doubt will accelerate Bill 7 Affordable Housing Development.

ISC has several clients awaiting passage of Bill 3, and these grants will provide them with the ability to move ahead with their projects or break ground. I strongly urge you to support swift passage of this bill.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ronald Dennis'.

**Ronald Dennis, Manager**

Island Structural Contracting, LLC,  
ISE, LLC, dba Island Mini Cranes



April 2, 2024

TO: Office of the City Clerk  
Information Section  
530 South King Street, Room 100  
Honolulu, HI 96813

RE: BILL 3 (2024), CD1 – RELATING TO INCENTIVES FOR THE CONSTRUCTION OF  
AFFORDABLE RENTAL HOUSING

Committee on Zoning  
Voting Members

Subject: Support for Bill 3 (2024) Relating to Incentives for the Construction of Affordable Rental Housing.

Dear Chair Say, Vice Chair Dos Santos-Tam, and members of the Committee on Zoning,

I am writing to express my strong support for Bill 3 Relating to Incentives for the Construction of Affordable Rental Housing. As an Architect involved in six Bill 7 projects and several more in design, I have first-hand experience working with first time property owners that want to develop their family-owned property into affordable rental units only to find out after receiving general contractor bids that the costs are way more than expected. Bill 3 will assist these owners in the beginning to incentivize financing to move projects forward to completion. As everyone is aware, Honolulu is in need of more affordable housing.

Thank you for considering my input and I humbly request your support for Bill 3 as it will assist property owners to build much more affordable rental housing that we all need.

Sincerely,



Brian Fujiwara, AIA  
BKF & Associates, LLC





# LiUNA!

REGULAR MEETING  
CITY COUNCIL CHAMBER  
WEDNESDAY, APRIL 3, 2024  
9:00 A.M.

**PETER A. GANABAN**  
*Business Manager/  
Secretary-Treasurer*

**ALFONSO OLIVER**  
*President*

**JOBY NORTH II**  
*Vice President*

**TONI FIGUEROA**  
*Recording Secretary*

**MARTIN ARANAYDO**  
*Executive Board*

**ORLANDO PAESTE**  
*Executive Board*

**JOSEPH YAW**  
*Executive Board*

**ESTHER AILA**  
*Auditor*

**RUSSELL NAPIHAA**  
*Auditor*

**MARK TRAVALINO**  
*Auditor*

**YUGAN HOTTENDORF**  
*Sergeant-At-Arms*

Re: **Testimony in support of Bill 3**  
RELATING TO INCENTIVES FOR THE CONSTRUCTION OF  
AFFORDABLE RENTAL HOUSING

Aloha Chair Say, Vice-Chair Santos-Tam, and Members of the Committee:

The Laborer's International Union Local 368 represents 5000+ members working in construction, environmental remediation, maintenance, food service, health care, clerical, and other occupations, as well as in state, local, and municipal government jobs and as mail handlers in the U.S. Postal Service across the State.

**The Laborer's International Union Local 368 supports Bill 3**, which addresses affordable rental housing in the City and County of Honolulu.

Bill 3 would create a vehicle for a pre-construction grant, triggering Chapter 104 of the Hawai'i Revised Statutes. It is for this reason that we support Bill 03.

Mahalo for your time and consideration.

Respectfully,

Peter A. Ganaban

Business Manager/Secretary Treasurer  
Laborers International Union of North America - Local 368  
1617 Palama Street  
Honolulu, HI 96817

LiUNA Local 368  
1617 Palama Street  
Honolulu, HI 96817  
Phone: (808) 841-5877  
Fax: (808) 847-7829  
[www.local368.org](http://www.local368.org)

*Feel the Power*



Founded 1889

# PLUMBERS AND FITTERS LOCAL 675 UNITED ASSOCIATION



REGULAR MEETING  
CITY COUNCIL CHAMBER  
WEDNESDAY, APRIL 3, 2024 9:00 A.M.

Re: **Testimony in support of Bill 3**  
RELATING TO INCENTIVES FOR THE CONSTRUCTION  
OF AFFORDABLE RENTAL HOUSING

Aloha Chair Say, Vice-Chair Santos-Tam, and Members of the Committee:

The Plumbers & Fitters Local 675 was founded in 1919 and received its charter from the United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry of the United States. Our members provide quality and reliable work on projects including, but not limited to, power plants, water treatment plants, oil refineries, hospitals, government and commercial buildings, hotels and luxury resorts, high-rise condominiums, and single-family homes in residential neighborhoods across the State.

The Plumbers & Fitters Local 675 **supports Bill 3**, which addresses affordable rental housing in the City and County of Honolulu.

Bill 3 will create a vehicle for a pre-construction grant, triggering Chapter 104 of the Hawaii Revised Statutes. It is for this reason that we support Bill 03.

Mahalo for your time and consideration.

Sincerely,

Valentino Ceria

Business Manager / Financial Secretary - Treasurer  
Plumbers and Fitters Local 675

# IRON WORKERS STABILIZATION FUND

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April 3, 2023  
9:00 am

Honolulu City Council Committee On Zoning

City Council Chamber

Re: BILL 03(2024): - RELATING TO INCENTIVES FOR THE CONSTRUCTION OF AFFORDABLE RENTAL HOUSING

Aloha Chair Say, Vice Chair Dos Santos-Tam, and Members of the Committee:

We STRONGLY SUPPORT BILL 03(2024), Proposed CD1 which provides incentives for the construction of affordable rental housing and addresses affordable rental housing in the City and County of Honolulu.

Our members and their families and other local families throughout the City and County of Honolulu struggle with skyrocketing rents. Bill 3 will encourage the construction of more affordable rental units and provide needed housing for local families.

For many local families that have been forced to move away from their home to the mainland, lack of affordable rental housing is a key reason. We need to do more to keep our local families from moving away.

Our members work in construction and unfortunately, the nature of construction is such that in many cases they don't even work 40 hours a week. We support the proposal to have grants be used to pay prevailing wages which will ensure that all construction workers who work on these project are paid their fair wages and benefits.

We appreciate the City Council pushing positive measures such as this to address our severe affordable rental housing shortage. We need to do more to help our local families remain at home.

We strongly urge the Honolulu City Council Committee on Zoning to PASS BILL 03(2023), Proposed CD1. Mahalo for the opportunity to testify.

Sincerely,

T. George Paris  
Managing Director



# International Brotherhood of Electrical Workers

**LOCAL UNION NO. 1186 • Affiliated with AFL-CIO**

1935 HAU STREET, 5<sup>th</sup> Floor • HONOLULU, HI 96819-5003  
TELEPHONE (808) 847-5341 • FAX (808) 847-2224

TO: CITY AND COUNTY OF HONOLULU CITY COUNCIL  
COMMITTEE ON ZONING REGULAR MEETING  
Meeting on Wednesday, April 3, 2024, at 9:00 a.m., Council Chamber

RE: TESTIMONY IN SUPPORT OF BILL 3, PROPOSED CD1-TDST1, Incentives  
for the Construction of Affordable Rental Housing.

Honorable Chair Calvin K.Y. Say, Vice Chair Tyler Dos Santos-Tam, and Members of the  
Committee on Zoning:

The International Brotherhood of Electrical Workers Local Union 1186 (IBEW 1186), is  
comprised of 3,000 men and women working in electrical construction, telecommunications,  
civil service employees, and educator and faculty associations.

IBEW 1186 supports this bill and the continued efforts by this Council to address our critical  
housing shortage, and seek real solutions to incentivize the construction of affordable rental  
housing. The use of pre-construction grants provides developers, builders, and property owners  
with front-end financial assistance to get projects going and help to alleviate some of the  
economic challenges that builders encounter.

Another positive of this bill is that pre-construction grants would require the utilization of labor  
at prevailing wage rates as required by Chapter 104, Hawaii Revised Statutes. The benefits of  
prevailing wage rates include supporting living wages for families and promoting quality work at  
the best value for taxpayers. A common misrepresented assumption is that prevailing wages  
increase the cost of projects. There are numerous studies to refute this argument.

Prevailing wage rates help level the playing field for ethical contractors and their ability to  
compete with a quality, efficient, safe, and well-trained workforce. This ensures that taxpayer  
dollars are not used to undercut wages and benefits to local workers, but instead have a positive  
economic impact to the broader community.

Thank you for the opportunity to submit testimony in SUPPORT of this bill.

Sincerely,

Damien T.K. Kim  
Business Manager/  
Financial Secretary

# HNL Development LLC

PO Box 11142 Honolulu HI 96828

April 2, 2024

Councilmember Calvin Say  
Chair, Zoning Committee  
City Council  
City and County of Honolulu  
530 South King Street  
Honolulu, HI 96813

## **Re: Bill 3 (2024), Relating to Affordable Rental Housing**

Dear Chair Say and Members of the Zoning Committee,

Thank you for allowing me the opportunity to provide written testimony IN SUPPORT of Bill 3. My name is Derek Lock and I am a Partner with HNL Development LLC. HNL Development LLC is the Developer and Development Consultant of seven affordable rental housing projects either completed, under construction or in design under Chapter 32 (better known as "Bill 7"). The seven projects total 216 affordable rental housing units all targeted to those who earn less than 80% AMI and at rents of less than 80% AMI.

Our first Bill 7 project, 311 Puuhue Place (25 1BR/1BA units), in Liliha was the first project to receive Bill 1 grant money in the amount of \$145,170.00 or \$5,806.80 per unit. 311 Puuhue Place was designed and permitted in 2019 and completed in August 2022. Today's economic environment has changed dramatically from just a few years ago. Construction loan interest rates have doubled, land cost as well as construction, material and labor costs are also much higher than before.

Bill 7 remains a great opportunity to develop affordable multi-family rental housing on Oahu's many underutilized infill lots. There are several projects that have been delayed for years in permitting. These projects were underwritten under very different circumstances and would benefit greatly from Bill 3.

We support the new post-construction grant requirements of Bill 3. However, while a post construction award of \$9,000 per unit for projects between 60% and 100% AMI is a fair increase, we ask that you consider a 33% increase to \$12,000 per unit. This increase would go a long way to assist Bill 7 landowners and developers to make their projects a reality and help to address Oahu's affordable housing crisis.

Mahalo,



Derek Lock  
HNL Development LLC

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Testimony by Suzanne Young, CEO  
Honolulu Board of REALTORS®

In Support of Bill 3, Proposed CD1  
Relating to Incentives for the Constructions of Affordable Rental Housing

Committee on Zoning

**COMMITTEE ON ZONING**

Calvin K.Y. Say, Chair  
Tyler Dos Santos-Tam, Vice Chair

City Council Chamber  
Wednesday, April 3, 2024  
9:00 AM

Aloha Chair Say, Vice Chair Dos Santos-Tam, and members of the committee:

Thank you for the opportunity to offer testimony in support of Bill 3, Proposed CD1.

The Honolulu Board of REALTORS® (HBR) on behalf of our over 6,700 members and its City Affairs Committee supports the intent of this measure to increase the development of new supply of affordable rental housing.

Establishing a pre-construction grant as an alternative pathway to land acquisition, infrastructure build, construction labor and material costs, and ultimately project financing would help to offset the challenges facing the construction industry to make available affordable rental housing units.

By fostering a comprehensive housing strategy with a focus on affordability across all housing types, Honolulu can ensure a thriving future for its residents and communities.

We look forward to continuing the conversation on this important issue, working with all stakeholders to address concerns, and finding creative solutions to address our housing supply needs.

Thank you for allowing the opportunity to offer our support on this measure.



**HONOLULU CITY COUNCIL  
COMMITTEE ON ZONING  
Honolulu Hale  
9:00 AM**

April 3, 2024

RE: Bill 3 - Relating to Incentives for the Construction of Affordable Housing

Chair Say, Vice Chair Dos Santos-Tam, and members of the Council:

My name is Max Lindsey, Government Relations Committee Chair of the Building Industry Association of Hawaii (BIA-Hawaii). Chartered in 1955, the Building Industry Association of Hawaii is a professional trade organization affiliated with the National Association of Home Builders, representing the building industry and its associates. BIA-Hawaii takes a leadership role in unifying and promoting the interests of the industry to enhance the quality of life for the people of Hawaii. Our members build the communities we all call home.

BIA Hawaii is in support of Bill 3, proposed CD1, Relating to Incentives for the Construction of Affordable Housing. This bill addresses housing development on Oahu by amending certain financial incentives for affordable rental housing projects.

This bill would provide pre-construction grants that will greatly help affordable rental housing projects during the especially critical early development stages. As the Council is aware, we are in a dire housing crisis. The cost of housing in Hawaii is extremely high, with Oahu's median price of homes being currently over \$1 million. Approximately 140,436 U.S. households are priced out of buying a home for every \$1000 increase in price, according to the National Association of Home Builders (NAHB). We are in support of legislation such as Bill 3, that would help facilitate the building of much-needed housing.

Thank you for the opportunity to testify.



**OPERATIVE PLASTERERS' AND CEMENT MASONS'  
INTERNATIONAL ASSOCIATION LOCAL #630, AFL-CIO**

2251 North School Street • Honolulu, HI 96819  
Phone No.: (808) 841-0491 • Fax No.: (808) 847-4782



TO: HONOLULU CITY COUNCIL, COMMITTEE ON ZONING

SUBJECT: TESTIMONY IN SUPPORT OF Bill 3 RELATING TO INCENTIVES FOR  
THE CONSTRUCTION OF AFFORDABLE RENTAL HOUSING.

Hearing

DATE: Wednesday, April 3, 2024  
TIME: 9:00am

Aloha Honorable Chair Say, Vice Chair Dos Santos-Tam, and Zoning Committee Members,

The Operative Plasterers' and Cement Masons' International Association Local 630 (OPCMIA Local 630) is a trade union of over 900 plasterers and cement masons. Plasterer members of the union finish interior walls and ceilings of buildings and apply plaster on masonry, metal, and wire lath or gypsum. While cement mason members are responsible for all concrete construction, including the pouring and finishing of slabs, steps, wall tops, curbs and gutters, sidewalks, and paving. Local 630 is proud to represent its members in all matters related to the construction industry, while improving the quality of construction and protecting the public interest.

Financial Secretary-Treasurer & Business Manager of OPCMIA Local 630, Peter T. Iriarte, and the members of OPCMIA Local 630 stand in strong support of Bill 3 which provides preconstruction grants that will greatly help affordable rental housing projects for the neediest in our community to pencil out, during the critical early development stages.

With the current economic uncertainty and high interest rate environment, this measure will help affordable housing projects to qualify for loans and generate additional investments to jump-start the construction of rental projects. Pre-construction grants, also, require contractors to comply with Hawaii's prevailing wage laws, Chapter 104, HRS, that ensures more construction jobs for Hawaii's residents pay them a "living wage" with benefits.

Thank you for the opportunity to submit testimony in support of Bill 3.





April 3, 2024

Councilmember Calvin Say, Chair  
Councilmember Tyler Dos Santos-Tam, Vice Chair  
Committee on Zoning

RE: **Bill 3 – RELATING TO INCENTIVES FOR THE CONSTRUCTION OF AFFORDABLE RENTAL HOUSING**

Aloha Chair Say, Vice Chair Dos Santos-Tam and Members of the Committee,

Mahalo for the opportunity to voice NAIOP Hawaii's **SUPPORT** on Bill 3. 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.

Bill 3 is intended to promote the development of affordable housing in Honolulu. Specifically, the ordinance promotes utilization of Ordinance 19-8 (Bill 7) by providing financial incentives including pre and post construction grants with an aggregate limit of \$10 million. The measure sets forth grant requirements to expedite the development of housing and the successful utilization of City funding.

NAIOP Hawaii stands in support of Bill 3 which incentivizes the development of Bill 7 projects throughout Honolulu. Bill 7 projects provide an excellent option for the continued production of workforce and affordable housing units. Since the implementation of Bill 7, the program has begun to gather momentum allowing projects to be produced at a faster rate to create additional affordable units.

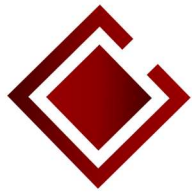
NAIOP Hawaii supports the pre and post construction grants proposed in Bill 3 which will serve as a further catalyst for Bill 7 projects. The grants provided in this measure will allow projects to become more economically viable and enable developers to overcome the growing cost increases associated with developing affordable housing. The access to additional capital will allow these projects to economically pencil and mitigate risks for developers.

Accordingly, NAIOP Hawaii supports this measure which will enable the further development of affordable housing in Honolulu.

Mahalo for your consideration,

A handwritten signature in black ink, appearing to read "Reyn Tanaka".

Reyn Tanaka, President  
NAIOP Hawaii



**CENTRE URBAN**  
REAL ESTATE

**Martin M. Q. Nguyen, MRED**  
Managing Principal  
CA DRE #02074177  
HI RS #76392

April 3, 2024

The Honorable Calvin K. Y. Say  
Committee on Zoning  
Honolulu City Council  
530 South King Street, Room 202  
Honolulu, Hawaii 96813

**RE: TESTIMONY IN SUPPORT OF BILL 3 (2024) RELATING TO INCENTIVES FOR THE CONSTRUCTION OF AFFORDABLE HOUSING**

Aloha Chair Say, Vice Chair Dos Santos-Tam, and Committee Members,

I am submitting testimony in my capacity as principal of Centre Urban Real Estate in **SUPPORT** of Bill 3 (2024) relating to incentives for the construction Affordable Housing. Centre Urban is a commercial real estate investment, development, and advisory firm active in Honolulu and Southern California, with a specific focus on impactful multifamily and mixed-use projects.

We are currently working on creating housing under City & County of Honolulu Ordinance 19-8, otherwise known as “Bill 7”, which is a preeminent example of common-sense collaboration between the public and private sectors to solve one of the most pressing issues of our generation: creating more housing. However, as we are all aware, the turbulence in the economy, historically high interest rates, and elevated construction costs are leading to many housing projects that were formerly feasibly to be shelved and the positive impacts to the community deferred. Every day that these housing units are shelved is another day where more and more of our neighbors are moving away, some who will never return to Hawai‘i. These necessary projects need assistance to get across the finish line. Bill 3 effectuates that needed assistance.

The housing crisis in Hawai‘i has reached a point where inaction is not a choice. Our best and brightest are leaving for the Mainland and may never return home. In my personal experience, as a kama‘āina who moved away and have had the opportunity to return home, I know that housing is a major hurdle to those who have the benefit to even consider doing so. It all starts with housing and housing is an everything problem. By allowing time for the development of much needed workforce housing, this creates the opportunity for our kama‘āina to choose to stay or return home.

Thank you for the opportunity to contribute to this important dialogue. If there are any questions or concerns, please reach me at [martin@centre-urban.com](mailto:martin@centre-urban.com) to discuss.

Sincerely,

**Martin M. Q. Nguyen, MRED**  
Managing Principal  
Centre Urban Real Estate Hawaii, LLC

Centre Urban Real Estate Hawaii, LLC

800 West 1<sup>st</sup> Street, Suite 404, Los Angeles, CA 90012 • Office: (213) 265-7505 • Mobile: (808) 265-7505 • Email: [martin@centre-urban.com](mailto:martin@centre-urban.com)