BILL031(24)
Testimony

MISC. COMM. 245

HOUSING, SUSTAINABILITY, ECONOMY & HEALTH (HSEH)

HOUSING, SUSTAINABILITY, ECONOMY & HEALTH (HSEH) Meeting

Meeting Date: Apr 29, 2025 @ 01:00 PM

Support: 6

Oppose: 0

I wish to comment: 0

Name:	Email:	Zip:
Mark Anthony Clemente	mclemente@hrcc-hawaii.com	96817
Representing:	Position:	Submitted:
Hawaii Regional Council of Carpenters	Support	Apr 25, 2025 @ 10:58 AM

Name:	Email:	Zip:
Andrew Pereira	apereira@prp-hawaii.com	96789
Representing:	Position:	Submitted:
Pacific Resource Partnership (PRP)	Support	Apr 25, 2025 @ 12:34 PM

Name:	Email:	Zip:
Jacob Wiencek	jacob.m.wiencek@pm.me	96815
Representing:	Position:	Submitted:
Self	Support	Apr 26, 2025 @ 06:29 PM

Testimony:

Aloha Committee Members,

Honolulu faces a crushing affordability crisis. Hardworking middle- and working-class families are being pushed out of the city by ever escalating costs of living, especially for housing. We must use all tools available to us to tackle this affordability crisis. We must reduce the cost of housing. I believe this bill is part of the solution.

I strongly encourage this Committee to keep supporting this bill!

Name:	Email:	Zip:
Martin Nguyen	martin@centre-urban.com	90012
Representing:	Position:	Submitted:
Centre Urban Real Estate	Support	Apr 28, 2025 @ 06:51 AM

Name:	Email:	Zip:
Hawaii LECET	info@hawaiilecet.org	96819
Representing:	Position:	Submitted:
Hawaii Laborers & Employers Cooperation and Education Trust	Support	Apr 28, 2025 @ 08:45 AM

Testimony:

Hawaii LECET (2024) strongly supports Bill 31 CD1.

Name:	Email:	Zip:
Stefanie Sakamoto	ssakamoto@imanaka-asato.com	96789
Representing:	Position:	Submitted:

BIA Hawaii	Support	Apr 29, 2025 @ 09:01 AM

HAWAII REGIONAL COUNCIL OF CARPENTERS

April 29, 2025

To: The Honorable Matt Weyer, Chair
The Honorable Radiant Cordero, Vice Chair
Members of the Housing, Sustainability, Economy,& Health Committee

Re: **Testimony in Support of Bill 31 (2024), CD1 —**
Relating to Pre-Construction Financing for Affordable Rental Housing

Chair Weyer, Vice Chair Cordero, and Members of the Committee:

The Hawai'i Regional Council of Carpenters (HRCC), Hawai'i largest construction union, proudly represents over 6,000 working men and women in the carpentry trades.

The Hawai'i Regional Council of Carpenters strongly supports Bill 31 (2024), CD1, which creates a pre-construction subsidy program to help accelerate the delivery of much-needed affordable rental housing. This bill is a pragmatic response to the serious cost and financing challenges developers face in today's economic climate — challenges that have only grown since the pandemic. By offering financial support at the front end of construction, this bill removes a significant barrier to project initiation while ensuring compliance with prevailing wage standards to protect workers.

However, we respectfully recommend a key improvement to strengthen enforcement and safeguard public funds: **we suggest that the requirement to submit certified payroll records and fringe benefit reports should be changed from an annual to a monthly submission.**

Reason for Proposed Change:
Monthly reporting would allow the City to detect potential prevailing wage violations much earlier — during active construction, when corrective action can still be taken — rather than months after violations have occurred, when projects may already be complete and enforcement becomes more difficult or costly. It also aligns with standard best practices for prevailing wage monitoring on federally funded projects, such as those under the Davis-Bacon Act, which require weekly certified payrolls. While monthly submissions strike a balance between administrative feasibility and compliance oversight, annual reporting would leave too large a window for errors or abuses to go undetected.

STATE HEADQUARTERS & BUSINESS OFFICES
OAHU: 1311 Houghtailing Street, Honolulu Hawaii 96817-2712 • Ph. (808) 847-5761 Fax (808) 440-9188
HILO OFFICE: 525 Kilauea Avenue, Room 205, Hilo, Hawaii 96720-3050 • Ph. (808) 935-8575 Fax (808) 935-8576
KONA OFFICE: 75-126 Lunapule Road, Kailua-Kona, Hawaii 96740-2106 • Ph. (808) 329-7355 Fax (808) 326-9376
MAUI OFFICE: 330 Hookahi Street,Wailuku, Maui 96793-1449 • Ph. (808) 242-6891 Fax (808) 242-5961
KAUAI OFFICE: Kuhio Medical Ctr Bldg., 3-3295 Kuhio Hwy, Suite 201, Lihue, Kauai 96766-1040 • Ph. (808) 245-8511 Fax (808) 245-8911

Monthly reporting would ultimately:
Protect workers by ensuring timely compliance with wage laws, protect taxpayers by ensuring public funds are used properly, and protect developers who are committed to playing by the rules, by promoting a fair and transparent system.

We believe this adjustment will strengthen the program without discouraging participation and will enhance public trust that subsidy dollars are being invested responsibly.

The Hawaii Regional Council of Carpenters thanks the Council for its leadership in addressing the critical shortage of affordable rental housing and for its continued commitment to fair labor standards. We respectfully urge your favorable consideration of Bill 31 (2024), CD1, with the suggested amendment.

Mahalo for the opportunity to testify.

Respectfully,

Mark Anthony Clemente
Government Relations
Hawai‘i Regional Council of Carpenters

Testimony of
Pacific Resource Partnership

Honolulu City Council
Housing, Sustainability, Economy, and Health Committee
Tuesday, April 29, 2025

Subject: Strong support for Bill 31 (2024), CD1 relating to pre-construction financing for affordable housing.

Aloha Chair Weyer, Vice Chair Cordero and members of the committee:

Pacific Resource Partnership (PRP), representing the 6,000 members of the Hawai'i Regional Council of Carpenters (HRCC) and approximately 250 independent contractors across the state, strongly supports Bill 31 (2024), CD1. This measure establishes a pre-construction subsidy program to encourage the development of affordable rental housing, addressing O'ahu's critical housing shortage.

Bill 31 aligns with PRP's mission to build a better Hawai'i by promoting affordability, job creation, and economic development. The pre-construction subsidies — $35 per square foot for units under 300 square feet and $25,000 per unit for larger units — provide essential financial support for our homebuilders, enabling more affordable rental projects to move forward. We commend the requirement that subsidies be used to pay prevailing wages per HRS Chapter 104, ensuring fair compensation for workers and supporting our union members.

(Continued From Page 2)

PRP also appreciates the bill's robust framework, including clear eligibility criteria, a streamlined application process, and strong enforcement mechanisms to ensure compliance. The triennial reporting requirement will provide valuable transparency on the program's impact, informing future housing policies.

To strengthen oversight and protect workers, PRP recommends amending the bill to require monthly, rather than the annual submission of certified payroll records and fringe benefit reports. Monthly reporting would allow the City and County of Honolulu and other key stakeholders to more easily identify prevailing wage violations, ensuring swift corrective action and safeguarding fair labor practices.

PRP urges the Committee to support Bill 31 (2024), CD1, with the proposed amendment, so that we advance affordable housing solutions for our community.

Mahalo for the opportunity to testify.

Sincerely,

Andrew Pereira

Director of Public Affairs
Pacific Resource Partnership
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Honolulu, HI 96813
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Email: apereira@prp-hawaii.com
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CENTRE URBAN
REAL ESTATE

Martin M. Q. Nguyen, MRED
Managing Principal
CA DRE #02074177
HI RB-24080

April 28, 2025

The Honorable Matt Weyer
Committee on Housing, Sustainability, Economy & Health
Honolulu City Council
530 South King Street
Honolulu, Hawaii 96813

RE: TESTIMONY IN SUPPORT OF BILL 31 (2024) PROPOSED CD2 - MW4 RELATING TO INCENTIVES FOR THE CONSTRUCTION OF AFFORDABLE HOUSING

Aloha Chair Weyer, Vice Chair Cordero, and Committee Members,

I am submitting testimony in my capacity as principal of Centre Urban Real Estate in **SUPPORT** of Bill 31 (2024) Proposed CD2 - MW4 relating to incentives for the construction of 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 ROH Chapter 32, 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. 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.

The pre-construction grant proposed in Bill 31 (24) creates an option for larger projects to consider, while utilizing skilled and trained labor, to create a greater community impact all in one go. Having pre-construction and post-construction options - as updated in Bill 3 (2024) - available for different scales of projects is incredibly important to facilitate the creation of more housing now, rather than later. The revisions in Bill 31 (2024) Proposed CD2 - MW4 would be a significant step in the right direction in ensuring that these much-needed housing projects don't die on the vine.

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 to discuss.

Sincerely,

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

HONOLULU CITY COUNCIL
COMMITTEE ON HOUSING, SUSTAINABILITY, ECONOMY & HEALTH
COUNCIL CHAMBERS

APRIL 29, 2025

RE: Bill 31 - Relating to Pre-Construction Financing for Affordable Rental Housing

Chair Weyer, Vice Chair Cordero, and members of the Council:

My name is Roseann Freitas, CEO 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.

The Building Industry Association of Hawaii (BIA-Hawaii) appreciates the opportunity to submit testimony in strong support of Bill 31 (2024), which seeks to amend Chapter 32 of the Revised Ordinances of Honolulu to establish pre-construction subsidies for affordable rental housing development.

One of the most significant and under-addressed barriers to affordable housing production is the lack of early-stage or pre-construction financing. Costs related to planning, design, engineering, permitting, and environmental review must often be incurred before a project can even qualify for construction loans or other forms of public assistance. By establishing a local subsidy mechanism for pre-construction costs, Bill 31 addresses this critical funding gap and helps accelerate affordable rental housing development.

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 31, that would help facilitate the building of much-needed housing.

Thank you for the opportunity to provide comments on this matter.