



STATE OF HAWAII
DEPARTMENT OF EDUCATION
P.O. BOX 2360
HONOLULU, HAWAII 96804

Date: 02/26/2021

Time: 09:30 AM

Location: CR 211 & Videoconference

Committee: Senate Ways and Means

Department: Education

Person Testifying: Dr. Christina M. Kishimoto, Superintendent of Education

Title of Bill: SB 0142, SD1 RELATING TO HOUSING DEVELOPMENT.

Purpose of Bill: Exempts affordable housing units, additions to existing dwelling units, accessory dwelling units, ohana dwelling units, and affordable housing projects developed by the Hawaii Public Housing Authority from school impact fee requirements. (SD1)

Department's Position:

The Department of Education (Department) offers comments on SB 142, SD1.

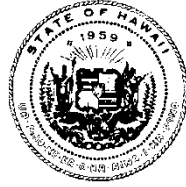
Hawaii's school impact fee law, Hawaii Revised Statute (HRS) Sections 1601-1612, plays a vital role in the development of new school facilities in designated areas where the construction of new housing directly increases student enrollment. Other than direct appropriations from the legislature, school impact fees are the only other source of funding to support the development of new school facilities for the Department.

The Legislature created school impact fees in 2007, with amendments in 2010 and 2016. HRS Section 302A-1603 (a)(3) specifies that anyone who develops new residences in a school impact fee district must pay impact fees "including all government housing projects." Adding additional exemptions would limit the Department's potential for funding sources.

Thank you for this opportunity to provide testimony on SB 142, SD1.

The Hawai'i State Department of Education is committed to delivering on our promises to students, providing an equitable, excellent, and innovative learning environment in every school to engage and elevate our communities. This is achieved through targeted work around three impact strategies: school design, student voice, and teacher collaboration. Detailed information is available at www.hawaiipublicschools.org.

DAVID Y. IGE
GOVERNOR



HAKIM OUANSAFI
EXECUTIVE DIRECTOR

BARBARA E. ARASHIRO
EXECUTIVE ASSISTANT

STATE OF HAWAII
HAWAII PUBLIC HOUSING AUTHORITY
1002 NORTH SCHOOL STREET
POST OFFICE BOX 17907
HONOLULU, HAWAII 96817

Statement of
Hakim Ouansafi
Hawaii Public Housing Authority
Before the

SENATE COMMITTEE ON WAYS AND MEANS

Friday, February 26, 2021
9:30 AM - Room 211, Hawaii State Capitol

In consideration of
SB 142, SD1
RELATING TO HOUSING DEVELOPMENT

Honorable Chair Dela Cruz, and Members of the Senate Committee on Ways and Means, thank you for the opportunity to provide testimony concerning Senate Bill (SB) 142, SD1, relating to housing development.

The Hawaii Public Housing Authority (HPHA) **strongly supports** SECTION 1(c)(5) of SB 142, SD1, which exempts any housing project or property developed by the HPHA from school impact fee requirements.

With thousands of the most vulnerable people of our State on our public housing wait list, the only way to be able to assist them is by increasing our current inventory of affordable housing through P3 ventures. As all of HPHA's redevelopments include affordable rental units, they do create the need for gap financing, and the school impact fees will exacerbate this gap. The funding of this gap will be requested from the Legislature, and therefore, would be reallocating State funds between two State entities. In addition, these impact fees will increase the total cost of the redevelopment which in turn increases the Developer Fee.

The HPHA appreciates the opportunity to provide the Committee with the HPHA's testimony regarding SB 142, SD1. We thank you very much for your dedicated support.