

# LATE TESTIMONY



## Testimony to the House Committees on Housing & Water, Land & Ocean Resources

Wednesday, March 17, 2010

9:15 a.m.

Conference Room 325

**Subject: Senate Bill No. SB 2110 SD 2, Relating to Affordable Housing**

Dear Chairs Cabanilla and Ito, Vice Chairs Chong and Har, and Members of the Committees:

My name is Jim Tollefson and I am the President and CEO of The Chamber of Commerce of Hawaii. On behalf of the Chamber, I am here to state The Chamber's support to Senate Bill No. 2110 SD2.

The Chamber is the largest business organization in Hawaii, representing more than 1,000 businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of its members, which employ more than 200,000 individuals, to improve the state's economic climate and to foster positive action on issues of common concern.

The bill proposes to amend Chapters 201H and 46-15.1, HRS, by requiring all state and county ministerial permits for a "government assisted housing program" be issued within 60 days of the application.

The subject bill is the result of a United States Department of Housing and Urban Development program initiated in 2007 called the National Call to Action for Affordable Housing Thru Regulatory Reform. The Call to Action presented an opportunity for Hawaii to receive technical assistance from the federal government and collaborate with other states, counties, municipalities, and organizations to knock down the barriers imposed by governments in hopes of building more affordable housing.

The subject bill is intended to address this specific area and expedite the issuance of ministerial permits for government assisted housing projects.

We strongly support SB 2110 SD 2.

Thank you for this opportunity to express our views.

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Wednesday, March 17, 2010 7:32 AM  
**To:** HSGtestimony  
**Cc:** salvado@lurf.org  
**Subject:** Testimony for SB2110 on 3/17/2010 9:15:00 AM  
**Attachments:** 100317 SB 2110 SD2 Expedited Reviews LURF (HSG.WLO).pdf

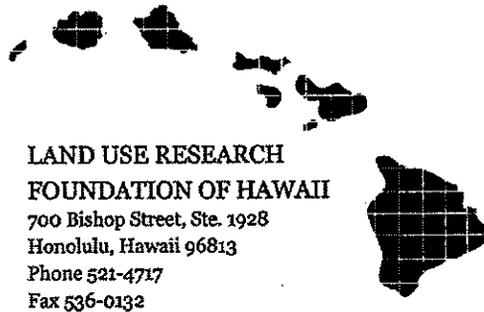
Testimony for HSG/WLO 3/17/2010 9:15:00 AM SB2110

Conference room: 325  
Testifier position: support  
Testifier will be present: No  
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Submitted on: 3/17/2010

**LATE TESTIMONY**

**Comments:**

Please accept Land Use Research Foundation of Hawaii's testimony in support. Please distribute to members. Thank you.



Via Capitol Website

March 17, 2010

**Testimony in Support of SB 2110, SD2. Relating to Affordable Housing**  
(Requires approval of ministerial permits w/in 60 days of completed permit application.)

**House Committees on Housing and  
Water, Land and Ocean Resources**  
**Hearing Date: Wednesday, March 17, 2010 at 9:15 a.m. in CR 325**

Honorable Chair Rida Cabanilla, Vice Chair Pono Chong, and Members of the House Committee on Housing and Honorable Chair Ken Ito, Vice-Chair Sharon Har and Members of the House Committee on Water, Land and Ocean Resources,

My name is Dave Arakawa, and I am the Executive Director of the Land Use Research Foundation of Hawaii (LURF), a private, non-profit research and trade association whose members include major Hawaii landowners, developers and a utility company. One of LURF's missions is to 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 appreciates the opportunity to provide testimony **in support** of **SB 2110 SD2**, which expedites the construction of affordable housing units by requiring ministerial permits associated with the project to be issued by the state or county within sixty days of receipt of a permit application deemed to be complete by the receiving state or county agency.

**Background.** The lack of affordable housing remains a significant problem affecting Hawaii. Finding ways to provide sufficient affordable housing and market housing for Hawaii's residents has been a major objective for our elected officials, and state and county agencies, and members of the housing industry and business community. For two years, from 2008-2009, LURF has participated in a statewide task force comprised of representatives from all four counties, business, labor, developers, architects, nonprofit providers of services, the State, and the legislature, whose purpose was to identify, address and propose regulatory reform and solutions to remove the barriers to the production of affordable housing.

**SB 2110, SD2.** The purpose of this bill is place a standard timeframe on agency issuance of ministerial permits for approved affordable housing projects. SB 2110, SD2 adds a new section to §201H of the Hawaii Revised Statutes as follows:

**"§201H- Ministerial permits; state and county review deadline.** (a) State and county agencies shall issue any ministerial permit associated with any project approved pursuant to section 201H-38 or section 46-15.1 within sixty days from the date of receipt of a permit application deemed to be complete by the receiving state or county agency.

(b) For purposes of this section, "ministerial permit" means any nondiscretionary permit for which the permit administrator needs to determine conformity with applicable ordinances before approving the project."

**LURF's Position.** Although there is a process in place that provides an opportunity to approve affordable housing project proposals in an expedited manner at the state and county levels, the ministerial permits that are issued subsequent to project approval may take a significant amount of time to issue. This type of delay adds to the cost of an affordable housing project, which usually trickles down to the buyer or renter. Moreover, the delay lengthens the time it takes for a unit to be constructed and habitable.

In expediting the construction of affordable housing units by accelerating the ministerial permitting process will be favorable to all involved in the development of an affordable housing project, but most of all to island residents who are in desperate need of housing.

The housing crisis in Hawaii has affected many families who are now forced to live with extended families because of high costs. Access to affordable housing is critical to our communities and any further delay of any affordable housing type projects will cause an even bigger crisis in the near future. The housing crisis is a statewide issue and requires state and county leaders to focus resources where they will have significant impact.

Based on the above, we respectfully request your **favorable consideration of SB 2110, SD2.**

Thank you for the opportunity to express our **support for SB 2110 SD2.**