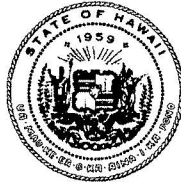


Linda Lingle
GOVERNOR



ORLANDO "DAN" DAVIDSON
EXECUTIVE DIRECTOR

STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
677 QUEEN STREET, SUITE 300
Honolulu, Hawaii 96813
FAX: (808) 587-0600

IN REPLY REFER TO

Statement of
Orlando "Dan" Davidson
Hawaii Housing Finance and Development Corporation
Before the

HOUSE COMMITTEE ON HUMAN SERVICES AND HOUSING

January 31, 2008, 9:45 a.m.
Room 329, State Capitol

In consideration of
H.B. 2514
RELATING TO THE CONVEYANCE TAX

The HHFDC supports H.B. 2514, which extends for an additional 5 years the sunset date of the allocation of 50 percent of the conveyance tax to the Rental Housing Trust Fund, after which the allocation reverts to 30 percent. However, we prefer H.B. 3057, an Administration bill, which makes the 50 percent allocation permanent.

The Rental Housing Trust Fund provides equity gap financing for the construction or preservation of affordable rental housing projects throughout the State. Through the end of calendar year 2007, the HHFDC has leveraged the Rental Housing Trust Fund to facilitate the development or preservation of 2,391 rental housing units in 32 projects statewide.

Pursuant to section 247-7, HRS, 30 percent of conveyance tax revenues is deposited into the Rental Housing Trust Fund. Legislation enacted in 2006 and 2007 increased the share of conveyance tax revenues for the Rental Housing Trust Fund from 30 percent to 50 percent until June 30, 2008. As a result of this increase, along with an appropriation of \$15 million in 2007, there are 1,021 additional rental units in 12 projects in the production pipeline. The list of pipeline projects is attached for your information.

A permanent dedication of 50 percent of conveyance tax revenues, along with an infusion of \$25 million into the Rental Housing Trust Fund will allow the HHFDC to continue to finance a substantial amount of affordable rental housing units.

Thank you for the opportunity to testify

RENTAL HOUSING TRUST FUND
Pipeline Projects as of January 2008

Date Awarded	Project	Location	Units	Commitment	Present Status	Estimated Completion Date
Oct. 2005	Senior Residence at Kapolei Pacific Housing Oahu Corporation Kapolei Residence	Oahu	60	\$1,000,000	Under construction	2009
Jun. 2006	Hale Wai Vista Phase I Hawaii Housing Development Corporation	Oahu	84	\$4,500,000	Planning	2009
Jun. 2006	Building 34, Kalaeloa Residence Hall Cantwell-Anderson, Inc.	Oahu	70	\$1,000,000	Planning	2008
Nov. 2006	Hale Wai Vista Phase II Hawaii Housing Development Corporation	Oahu	132	\$16,235,762	Planning	2010
Apr. 2007	Ainakea Senior Residences Hawaii Island Community Development Corporation	Hawaii	30	\$5,300,000	Planning	2009
Apr. 2007	Ewa Villages Phase II EAH, Inc.	Oahu	76	\$6,768,000	Planning	2009
Apr. 2007	Hale Makana O' Nanakuli Hawaii Community Development Board	Oahu	48	\$3,000,000	Planning	2009
Apr. 2007	Kahikolu Ohana Hale O' Waianae Hawaii Coalition of Christian Churches	Oahu	72	\$2,356,000	Under construction	2009
Apr. 2007	Kahului Town Terrace (preservation) EAH, Inc.	Maui	72	\$8,331,609	Planning	2009
Nov. 2007	Hale Mohalu II Coalition for Specialized Housing	Oahu	164	\$16,150,000	Planning	2010
	Hale Mohalu II - Grant Coalition for Specialized Housing			\$850,000		
Jan. 2008	Franciscan Vistas Ewa	Oahu	149	\$11,725,000	Planning	2010
	Ewa Villages Phase 1	Oahu	308	\$1,300,000	Pre-development	2009
		Total	1021	\$77,516,371		



HB 2514 Relating to the Conveyance Tax
Committee on Human Services & Housing

January 31, 2008
329

8:40 am

Room

The Office of Hawaiian Affairs supports the purpose and intent of HB 2514.

The growing affordable housing problem is one of the most critical issues faced by our communities, especially our Native Hawaiian communities. This issue seems to have many of our families struggling to find adequate housing and to make ends meet.

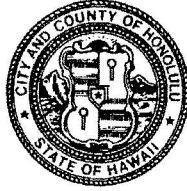
The 2006 Housing Study confirms the need to do affordable rental housing and doing innovative housing types. Policies addressing the need to develop and create partners to do affordable rentals timely need to be adopted. The resources obtained need to be able to devote full time attention to this process along with the appropriate funding. The needed rental housing units have not been met, therefore, more time is needed to accumulate the necessary funding.

OHA also advocates a commitment to reestablishing the relationship between the art of building and the making of community, through citizen-based participatory planning and design. Therefore, the resources obtained to devote full time attention to the process of developing partners to do affordable rentals timely need to include the related communities.

Mahalo nui loa for the opportunity to provide this testimony.

DEPARTMENT OF COMMUNITY SERVICES
CITY AND COUNTY OF HONOLULU

715 SOUTH KING STREET, SUITE 311 • HONOLULU, HAWAII 96813 • AREA CODE 808 • PHONE: 768-7762 • FAX: 768-7792



MUFI HANNEMANN
MAYOR

DEBORAH KIM MORIKAWA
DIRECTOR

ERNEST Y. MARTIN
DEPUTY DIRECTOR

January 29, 2008

The Honorable Maile S. L. Shimabukuro, Chair
and Members of the Committee on
Human Services and Housing
House of Representatives
State Capitol, Room 326
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Chair Shimabukuro and Members:

Subject: HB No. 2514 Relating to Housing
Hearing: January 31, 2008

The Department of Community Services strongly supports H.B. No. 2514's proposed amendment of Act 100, Session Laws of Hawaii 2006, amended by Act 222, Session Laws of Hawaii 2007, to extend the sunset date for earmarking of 50 percent of the conveyance tax to the Rental Housing Trust Fund. Ideally, the allocation of conveyance tax revenues to the Rental Housing Trust Fund would be made permanent; however, until such allocation is made permanent, we support the five-year extension. The need for affordable housing is as acute as it was in 2006 when Act 100 was passed. With the ever increasing costs of land and development and no decline in the number of Hawaii households in need of affordable rental units, a continuing source of funds for the trust fund is critical.

Thank you for the opportunity to provide this testimony.

Sincerely,


Deborah Kim Morikawa
Director

DKM:gk

A JOINT LEGISLATIVE EFFORT

E-Mail to: testimony@Capitol.hawaii.gov
Regarding: House HSM hearing
Hearing on: January 31, 2008 @ 9:45 a.m. in room 329

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Date: January 30, 2008
To: House Committee Human Services & Housing
The Honorable Maile Shimabukuro, Chair
The Honorable Karl Rhoads, Vice Chair
From: Kelly M. Rosati, JD
Executive Director, Hawaii Family Forum
Lobbyist, Roman Catholic Church in the State of Hawaii
Re: **Support for HB 2514 Relating to the Conveyance Tax**

Honorable Chair and members of the House Committee on Human Services & Housing, I am Kelly Rosati, representing both the Hawaii Family Forum and the Roman Catholic Church in the State of Hawaii. Hawaii Family Forum is a non-profit, pro-family education organization committed to preserving and strengthening families in Hawaii. The Hawaii Catholic Conference is the public policy voice for the Roman Catholic Church in Hawaii, which under the leadership of Bishop Larry Silva, represents over 230,000 Catholics in Hawaii.

I am testifying in support of HB 2514 which provides funding to create solutions for affordable housing as well as for homelessness.

Along with our community partner, Catholic Charities Hawaii, we suggest an amendment to delete the sunset date of June 30, 2013; which would then establish a **permanent allocation**. We also support increasing the percentage of the conveyance tax allocated to the Rental Housing Trust Fund (RHTF) to 65% to provide consistent funding which is critical for developers to bring greater numbers of affordable rental projects forward. Increasing the share of the conveyance tax to the Rental Housing Trust Fund and making it permanent is a direct avenue for the development of low-income rental housing. The working poor need this housing. Currently there are too many residents of Hawaii who are currently homeless or living in substandard or crowded conditions. The development of low cost rental housing must be a priority. This funding needs to be permanent to address ongoing housing needs.

With the state's commitment to reducing homelessness, we are excited about the possibilities to come. The passage of HB 2514 would help provide the resources to create low income rentals and provide the supportive services that are needed to help individuals and families who are homeless.

Mahalo for the opportunity to testify.

Waikiki Health Center, Care-A-Van Program
1640 South King Street, Honolulu, Hawaii 96826
Phone: 791-9380 Cell: 295-9605 Fax: 947-6454

Testimony for: Committee on Human Services and Housing

Hearing Date and Time: Thursday, January 31, 2008 at 8:40 a.m.

Place: Conference room 329

H.B. 2514 Relating to Conveyance Tax

Dear Chair Shimabukuro, Vice-Chair Rhoads and members of the Committee

Thank you for the opportunity to provide testimony. I am Darlene Hein, Program Director of the Waikiki Health Center's Care-A-Van Program, and I am writing in favor of H.B. 2514 which provides funding to create solutions for affordable housing as well as for homelessness.

The Care-A-Van program works with hundreds of individuals and families who are homeless. As a drop-in and outreach medical and social service program we work everyday to assist both sheltered and unsheltered individuals and families to attain a better quality of life. The path for an individual or family out of homelessness is often complex, but the way to assist them is fairly straight forward. Provide supportive services and increase the number of low income rentals in our neighborhoods. This bill provides a pathway to increase the number of low income rentals in Hawaii .

We suggest an amendment to delete the sunset date of June 30, 2013; which would than establish a **permanent allocation.** We also support increasing the percentage of the conveyance tax allocated to the Rental Housing Trust Fund (RHTF) to 65% to provide consistent funding which is critical for developers to bring greater numbers of affordable rental projects forward. Increasing the share of the conveyance tax to the Rental Housing Trust Fund and making it permanent is a direct avenue for the development of low-income rental housing. The working poor need this housing.

The passage of HB 2514 would help provide the resources to create low income rentals that are needed to help individuals and families who are homeless. Please pass HB 2514 out of this Committee.

Mahalo,

Darlene W. Hein, Program Director
Submitted: January 31, 2008



The REALTOR® Building
1136 12th Avenue, Suite 220
Honolulu, Hawaii 96816

Phone: (808) 733-7060
Fax: (808) 737-4977
Neighbor Islands: (888) 737-9070
Email: har@hawaiiirealtors.com

January 31, 2008

The Honorable Maile S.L. Shimabukuro, Chair
House Committee on Human Services & Housing
State Capitol, Room 329
Honolulu, Hawaii 96813

RE: H.B. 2514 Relating to the Conveyance Tax
Hearing Date: January 31, 2008 @ 8:40 a.m., Room 329

On behalf of our 10,000 members in Hawaii, the Hawaii Association of REALTORS® (HAR) **supports HB 2514** which extends the sunset date for the allocation of 50% of the Conveyance Tax to the Rental Housing Trust Fund from June 30, 2008 to June 30, 2013.

We believe Smart Growth is our road map to sustaining and enhancing the quality of life in our communities and we believe that this bill aligns with our core principle of *providing housing opportunities*.

HAR supports mechanisms to help increase the supply of low and moderate income affordable housing such as the Rental Housing Trust Fund Program which can help integrate the use of mixed-income and mixed-use projects, special purpose revenue bonds, low-interest loans, block grants, low-income housing tax credit programs and deferred loan programs to provide rental housing opportunities.

HAR looks forward to working with our state lawmakers in building better communities by supporting quality growth, seeking sustainable economies and housing opportunities, embracing the cultural and environmental qualities we cherish, and protecting the rights of property owners.

Mahalo for the opportunity to testify.

Sincerely,

A handwritten signature in black ink, appearing to read "Craig Hirai", is written over a light grey circular stamp.

Craig Hirai, Member
Subcommittee on Taxation and Finance
Government Affairs Committee

From: Darryl J. Vincent [mailto:djvincent@usvetsinc.org]
Sent: Tuesday, January 29, 2008 4:01 PM
To: HSHtestimony
Subject: HB 2514 Testimony



PARTNERS IN CARE

Testimony for: Committee on Human Services and Housing

Hearing Date and Time: Thursday, January 31, 2008 at 8:40 a.m.

Place: Conference room 329

H.B. 2514 Relating to Conveyance Tax

Dear Chair Shimabukuro, Vice-Chair Rhoads, and members of the Committee

Thank you for the opportunity to provide testimony. I am Darryl Vincent the Chairperson of the Advocacy Committee for Partners In Care and Director of US VETS-Hawaii. I am testifying in strong support of HB 2514 which provides funding to create solutions for affordable housing as well as for homelessness.

Partners in Care is a membership organization of providers of homeless services, concerned professionals, units of local and state government, consumers, and other community representatives located in the City and County of Honolulu. We are a coordinating body that develops recommendations for programs and services to fill gaps in the Continuum of Care on O'ahu and provides direction in response to HUD's Continuum of Care annual announcement for homeless assistance funds.

We suggest an amendment to delete the sunset date of June 30, 2013; which would then establish a **permanent allocation**. We also support increasing the percentage of the conveyance tax allocated to the Rental Housing Trust Fund (RHTF) to 65% to provide consistent funding which is critical for developers to bring greater numbers of affordable rental projects forward. Increasing the share of the conveyance tax to the Rental Housing Trust Fund and making it permanent is a direct avenue for the development of low-income rental housing. The working poor need this housing. Currently there are too many residents of Hawaii who are currently homeless or living in substandard or crowded conditions. The development of low cost rental

housing must be a priority. This funding needs to be permanent to address ongoing housing needs.

With the state's commitment to reducing homelessness, we are excited about the possibilities to come. The passage of HB 2514 would help provide the resources to create low income rentals and provide the supportive services that are needed to help individuals and families who are homeless. Please pass HB 2514 out of this Committee.

Mahalo,

Darryl J. Vincent, Partners In Care
Submitted: January 31, 2008

Darryl J. Vincent, B.S., C.S.A.C.
Hawaii Director
United States Veterans Initiative-Hawaii
P.O.Box 75329
Kapolei, Hawaii 96707
Tel:(808) 682-9016 Fax: (808) 682-9006
Cell: (808) 330-2825
email: djvincent@usvetsinc.org
website: www.usvetsinc.org

Testimony for: Committee on Human Services and Housing

Hearing Date and Time: Thursday, January 31, 2008 at 8:40 a.m.

Place: Conference room 329

H.B. 2514 Relating to Conveyance Tax

Dear Chair Shimabukuro, Vice-Chair Rhoads, and members of the Committee

Thank you for the opportunity to provide testimony before this committee. I am Alika Campbell, a member of Partners In Care. As someone who has worked with people experiencing homelessness for the last 10 years, I am testifying in strong support of HB 2514 which provides funding to create solutions for affordable housing.

Partners in Care is a membership organization of providers of homeless services, concerned professionals, units of local and state government, consumers, and other community representatives located in the City and County of Honolulu. We are a coordinating body that develops recommendations for programs and services to fill gaps in the Continuum of Care on O'ahu and provides direction in response to HUD's Continuum of Care annual announcement for homeless assistance funds.

We suggest an amendment to delete the sunset date of June 30, 2013; which would than establish a permanent allocation. We also support increasing the percentage of the conveyance tax allocated to the Rental Housing Trust Fund (RHTF) to 65% to provide consistent funding which is critical for developers to bring greater numbers of affordable rental projects forward. Increasing the share of the conveyance tax to the Rental Housing Trust Fund and making it permanent is a direct avenue for the development of low-income rental housing. The working poor need this housing. Currently there are too many residents of Hawaii who are homeless or living in substandard or over crowded conditions. The development of low cost rental/workforce housing must be a priority. With the state's commitment to reducing homelessness, we are excited about the possibilities to come. The passage of HB 2514 would help provide the resources to create low income rentals which is a vital piece of the puzzle to addressing the issues of poverty and homelessness. Please pass HB 2514 out of this Committee.

Thank you for your time and attention,
Alika Campbell