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IN REPLY REFER TO

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

HOUSE COMMITTEE ON HUMAN SERVICES AND HOUSING

February 12, 2008, 8:40 a.m.
Room 329, State Capitol

In consideration of
H.B. 2598
RELATING TO AFFORDABLE HOUSING.

The HHFDC opposes H.B. 2598. The HHFDC agrees with smart growth principles which include, but are not limited to, creating a range of housing opportunities and choices, creating walkable neighborhoods, providing a variety of transportation choices, and strengthening and directing development towards existing communities. We have funded numerous in-fill housing projects in the Oahu urban core including the "Vista" projects which total 451 affordable rental units in areas such as Makiki, Moiliili, and Waikiki. We have also assisted many housing projects located in the urban fringe (such as the 30-unit Senior Residence at Kaneohe, Palehua Terrace, Phases I and II totaling 148 family rentals in Makakilo, and the Courtyards at Mililani Mauka, a 48-unit family rental in Central Oahu,), as well as housing projects located in areas designated by the counties for urban expansion (such as the Villages of Kapolei located in Oahu's "Second City" or the Villages of La'i'opua in West Hawaii and the Villages of Leialii in West Maui).

As required by H.B. 2598, HHFDC could focus on developing land in Kakaako (i.e., land in the Oahu urban core that is under the jurisdiction of the Hawaii Community Development Authority or "HCDA") and land in the urban core in other counties, based upon each county's general plan. We have awarded development rights for Halekauwila Place, a 196-unit mixed use, family rental project in Kakaako, as well as are exploring the development potential for other parcels in Kakaako. We believe, however, that focusing on Kakaako could hinder housing opportunities and choice in areas outside of HCDA's jurisdiction but still within the Oahu urban core.

One of the HHFDC's most successful projects is the Villages of Kapolei, an 888 acre master planned community located in Oahu's Second City. When fully built out, the Villages of Kapolei will provide over 4,124 homes. To date, 2,899 homes are already occupied, and 1,225 units are in various stages of development. As currently drafted, this bill would limit HHFDC from engaging in similar development efforts in other urban expansion areas. The bill would also discourage the HHFDC from partnering with other counties on affordable housing in rural areas, where the counties have deemed it appropriate.

The bill also requires HHFDC to use its resources and funds to assist development of targeted areas, including addressing infrastructure and other planning needs. The upgrading and expansion of public infrastructure is a major undertaking which HHFDC cannot address without a substantial infusion of capital improvement funds from the State Legislature.

For these reasons, we cannot support the passage of H.B. 2598. Thank you for the opportunity to testify.



HB 2598 Relating to Affordable Housing
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 2598.

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.

OHA recognizes housing is the highest cost item for our families and more needs to be done to address the affordable housing issue or our families will continue to move down the economic and social ladder.

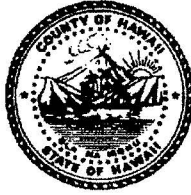
Until the building of affordable homes are done with building neighborhoods in mind instead of subdivisions, the urban cores where the jobs are need the affordable units.

Policies addressing the need to develop and create partners to do affordable rentals timely in the urban cores need to be adopted. The resources obtained need to be able to devote full time attention to this process.

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 and for sale units timely need to include the related communities.

Mahalo nui loa for the opportunity to provide this testimony.

Harry Kim
Mayor



Edwin S. Taira
Housing Administrator

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January 29, 2007

The Honorable Maile S.L. Shimabukuro, Chair
The Honorable Karl Rhoads, Vice Chair
And Committee Members
Committee on Human Services and Housing

Twenty-Fifth Legislature
Regular Session of 2008


Subject: House Bill 2598
Relating to Housing
Hearing Date: January 31, 2008,
Time: 8:40 A.M.
Conference Room 329

The Office of Housing and Community Development (OHCD) opposes House Bill 2598.

The OHCD believes that the HHFDC should not be constricted to core urban areas. We would advocate that allowing the State to develop or to support the development of rural areas is essential to the development of socio-economic balanced communities.

The OHCD also believes it is important for both the State and the Counties to remain committed to providing affordable housing in rural and urban communities alike.

Thank you for the opportunity to provide testimony.


Edwin S. Taira
Housing Administrator

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