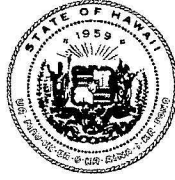


Linda Lingle  
GOVERNOR



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 FINANCE**

February 25, 2008, 12:30 p.m.  
Room 308, State Capitol

In consideration of  
**H.B. 2662, H.D. 1**  
**RELATING TO AFFORDABLE HOUSING.**

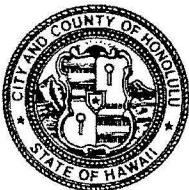
The HHFDC supports H.B. 2662, H.D. 1, which provides a limited exemption to the shared appreciation provision as well as a shorter buyback period for high density developments on private lands that do not utilize government financing or subsidies. It is our hope that this measure will encourage the production of more affordable housing by the private sector on private land.

To the extent that State resources are utilized in the development of a project, we believe that it is appropriate for the State to preserve long-term affordability and share in the appreciation of the value of the unit when exercising its 201H expedited approval authority. However, under the limited circumstances provided in the H.D. 1, we believe that such resale restrictions may not be necessary.

Thank you for the opportunity to testify.

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

February 22, 2008

The Honorable Marcus Oshiro, Chair  
and Members of the House Committee on  
Finance  
State Capitol, Room 306  
415 South Beretania Street  
Honolulu, Hawaii 96813

Dear Chair Oshiro and Members:

Subject: HB No. 2662, HD1 Relating to Affordable Housing  
Hearing: February 25, 2008, 12:30 pm, Agenda #3

The Department of Community Services strongly opposes H.B. No. 2662, HD1 which proposes a new section in Chapter 201H, Hawaii Revised Statutes.

The bill proposes special buyback and shared appreciation requirements for a narrowly defined housing project. Approving more lenient requirements for a project would establish an undesirable precedent by more quickly removing affordable units intended to be available for the normal ten-year period. Other housing projects built without government assistance but utilizing the exemption provisions have complied with the existing affordability requirements.

Thank you for the opportunity to provide this testimony.

Sincerely,

  
Deborah Kim Morikawa  
Director

DKM:gk

February 25, 2008

Representative Maile Shimabukuro  
Chair  
Committee on Human Services and Housing

Sent via email: [testimony@capitol.hawaii.gov](mailto:testimony@capitol.hawaii.gov)

Re: HB 2662 Relating to Affordable Housing **(In Support)**

Dear Chair Shimabukuro:

I am Tom Zimmerman, President of Central Pacific HomeLoans, Inc., testifying in support of HB 2662 both as a mortgage banker and as a concerned citizen.

This bill will encourage development of workforce housing by exempting new multi-family housing condominium developments of fifty units or more per acre on privately owned lands from shared appreciation requirements and by reducing the 10-year occupancy requirements to 3-years. The easing of these restrictions would increase the desirability of such housing and would encourage more 201-H developments.

Central Pacific Home Loans is one of the largest individual residential mortgage lenders in Hawaii. There is a large void in affordable housing inventory – this measure would encourage developers to build workforce housing in this price point.

Thank you for your consideration off this bill and for the opportunity to submit testimony.

Sincerely,

Tom Zimmerman  
President  
Email: [tzimmerman@cp-home-loans.com](mailto:tzimmerman@cp-home-loans.com)