

Linda Lingle
GOVERNOR



ORLANDO "DAN" DAVIDSON
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STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
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IN REPLY REFER TO

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

**SENATE COMMITTEE ON COMMERCE, CONSUMER PROTECTION, AND
AFFORDABLE HOUSING**

March 12, 2008, 9:00 a.m.
Room 229, State Capitol

In consideration of
H.B. 3058, H.D. 1
RELATING TO THE HOUSING LOAN AND MORTGAGE PROGRAM.

The HHFDC strongly supports H.B. 3058, H.D. 1, which would increase the Hula Mae Multifamily revenue bond authority to \$500 million. The Hula Mae Multifamily program promotes the development of new or the preservation/rehabilitation of existing affordable rental housing projects through the issuance of mortgage revenue bonds for interim or permanent financing at below-market interest rates. Hula Mae Multifamily revenue bonds are typically coupled with 4 percent noncompetitive federal and state low-income housing tax credits to provide financing for affordable rental housing projects.

Since its inception, the Hula Mae Multifamily program has provided \$125,878,000 in revenue bond proceeds for 7 affordable rental housing projects totaling 1,133 affordable units. An additional 5 affordable housing projects comprising a total of 829 units have been approved by the HHFDC and are pending bond issuance. These additional projects are requesting Hula Mae Multifamily program financing in the amount of \$119,500,000.

The HHFDC is proposing an increase in its revenue bond authority from \$400,000,000 to \$500,000,000 in order to ensure that sufficient authority is in place to meet increased future demand for program assistance. The increase in Hula Mae Multifamily bond authority does not impact any other state bond authority ceiling.

Thank you for the opportunity to testify.



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March 8, 2008

The Honorable Russell S. Kokubun, Chair
Senate Committee on Commerce, Consumer Protection,
And Affordable Housing
State Capitol, Room 229
Honolulu, Hawaii 96813

RE: H.B. 3058, HD1 Relating to the Housing Loan and Mortgage Program
Hearing Date: Wednesday, March 12, 2008 @ 9:00 a.m., Room 229

On behalf of our 10,000 members in Hawaii, the Hawaii Association of REALTORS®
(HAR) **supports** H.B. 3058, HD1

H.B. 3058, HD1 provides an increase in Hula Mae multifamily revenue bond authority from \$400 million to \$500 million to provide necessary financing assistance for the development and preservation/rehabilitation of affordable housing in the State of Hawaii. It is through measures like this and others that we can begin to help Hawaii's families find livable and affordable housing.

Mahalo for the opportunity to testify.

Castle & Cooke
Hawai'i



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March 12, 2008

To: Honorable Russell S. Kokubun, Chair
Senate Committee on Commerce, Consumer Protection and Affordable Housing

Fr: Bruce Barrett, Executive Vice President of Residential Operations
Castle & Cooke Homes Hawaii

Re: **HB 3058, HD1, RELATING TO THE HOUSING LOAN AND MORTGAGE PROGRAM- SUPPORT**

Senate Committee on Commerce, Consumer Protection and Affordable Housing - Wednesday, March 12, 2008 - 9 a.m., Conference Room 229

On behalf of Castle and Cooke Homes Hawaii, we would like to offer our testimony in support and our comments in regards to HB 3058, HD1 - Relating to the Housing Loan and Mortgage Program.

The purpose of this bill is to address the demand for affordable housing in the state by increasing Hawaii Housing Finance and Development Corporation's (HHFDC) revenue bond authority from \$400 million to \$500 million to support the Hula Mae Multifamily Revenue Bond Program.

The lack of housing inventory and supply for a wide range of housing needs plagues the industry. By expanding this important permanent financing tool, it broadens the opportunity for first-time home buyers. The Hula Mae program has been a key vehicle giving some Hawaii residents their only opportunity for home ownership.

For these reasons we ask you to support the passage of HB 3058, HD1.

Should you have any questions, feel free to contact me at 548-3746 or Carleton Ching, Vice President of Government and Community Relations, at 548-3793.



HB 3058, HD1
Relating to the Housing Loan and Mortgage Program
Senate Committee on Commerce, Consumer Protection, and
Affordable Housing

March 12, 2008
229

9:00 am

Room

The Office of Hawaiian Affairs supports the purpose and intent of HB 3058, HD 1 (HSCR932-08).

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 continued increased pressure on government to provide financing assistance for the development and preservation/rehabilitation of affordable housing has not ceased. The increase in Hula Mae multifamily revenue bond authority is a very viable way to address the high infrastructure cost to development.

Mahalo nui loa for this opportunity to provide testimony.