



STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
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Honolulu, Hawaii 96813
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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**

January 30, 2008, 9:00 a.m.
Room 229, State Capitol

In consideration of
S.B. 2647
RELATING TO AFFORDABLE HOUSING

The HHFDC opposes S.B. 2647. 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).

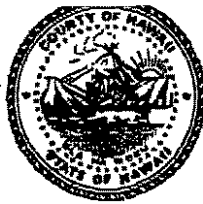
As required by S.B. 2647, HHFDC could focus on developing land in Kakaako (i.e., land in the Oahu urban core that is under the jurisdiction of the Hawaii Community Development Authority or "HCDA") and land in the urban core in other counties, based upon each county's general plan. We have awarded development 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 S.B. 2647. Thank you for the opportunity to testify.

Harry Kim
Mayor



Edwin S. Taira
Housing Administrator

County of Hawaii
OFFICE OF HOUSING AND
COMMUNITY DEVELOPMENT

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January 28, 2007

The Honorable Russell S. Kokubun, Chair
The Honorable David Y. Ige, Vice Chair
And Committee Members
Committee on Commerce, Consumer Protection, and Affordable
Housing

Twenty-Fifth Legislature
Regular Session of 2008

Subject: Senate Bill 2647
Relating to housing
Hearing Date: January 30, 2008,
Time: 9:00 A.M.
Conference Room 229

The Office of Housing and Community Development (OHCD) opposes
Senate Bill 2647.

The OHCD believes that the HHFDC and the HPHA 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.

A handwritten signature in black ink, appearing to read "Edwin S. Taira".

Edwin S. Taira
Housing Administrator



Bryan J. Baptiste
Mayor

Gary K. Heu
Administrative Assistant



Housing Director

Kenneth N. Rainforth
Executive on Housing

KAUAI COUNTY HOUSING AGENCY
Piikoi Building 4444 Rice Street Suite 330
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January 29, 2008

LATE TESTIMONY

The Honorable Russell S. Kokubun, Chair
The Honorable David Y. Ige, Vice Chair
And Committee Members
Committee on Commerce, Consumer Protection, and Affordable Housing

Twenty-Fourth Legislature
Regular Session of 2008

SUBJECT: Opposition to Senate Bill 2647
Relating to Affordable Housing
Committee: CPH
Hearing Date: January 30, 2008 9:00 AM
Conference Room 229

The Kauai County Housing Agency opposes Senate Bill 2647.

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

The KCHA 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.

Sincerely,

A handwritten signature in black ink, appearing to read "Kenneth N. Rainforth".

KENNETH N. RAINFORTH
Executive on Housing

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