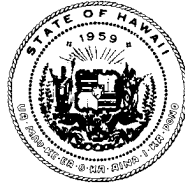


**HB 1045**

Linda Lingle  
GOVERNOR



KAREN SEDDON  
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  
**Karen Seddon**  
Hawaii Housing Finance and Development Corporation  
Before the

### SENATE COMMITTEE ON EDUCATION AND HOUSING

March 20, 2009, 1:30 p.m.  
Room 225, State Capitol

In consideration of  
**H.B. 1045, H.D. 1**  
**RELATING TO THE HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION.**

The HHFDC **supports** H.B. 1045, H.D.1, an Administration bill. This bill makes necessary housekeeping amendments to Chapter 201H, Hawaii Revised Statutes ("HRS") and clarifies the HHFDC's authority to collect service fees established by the Legislature to recoup program administrative expenses.

We would prefer to maintain the authority to set our own service fee schedule via administrative rulemaking processes. However, if it is the Committee's intent to concur with the H.D. 1 and mandate that such fees be established by the Legislature, we respectfully suggest that the fee schedule for the Hula Mae Multifamily, Rental Assistance Revolving Fund, and Rental Housing Trust Fund programs attached to our testimony be made a part of this bill.

Thank you for the opportunity to testify.

**Hawaii Housing Finance and Development Corporation  
Finance Program Fee Schedule**

<b>Program</b>	<b>Application Fee</b>	<b>Loan/ Origination Fee and Interest</b>	<b>Administrative Fee</b>	<b>Compliance Monitoring Fee</b>
<b>Hula Mae Multi-Family Program</b>	\$300	n/a	\$50,000 payable at bond issuance (one-time) and 1/8% (.125%) of the permanent Multi-Family loan amount (annual administrative fee)**	\$35* * Note: if a project utilizes more than one financing program, additional compliance monitoring fees of \$15 for each additional program also apply.
<b>Rental Assistance Revolving Fund</b>	\$300	<u>Origination Fee:</u> 2% of loan amount  <u>Interest:</u> 5% per annum	n/a	\$35* * Note: if a project utilizes more than one financing program, additional compliance monitoring fees of \$15 for each additional program also apply.
<b>Rental Housing Trust Fund</b>	\$300	<u>Interest:</u> Variable depending on project needs.	n/a	\$35* * Note: if a project utilizes more than one financing program, additional compliance monitoring fees of \$15 for each additional program also apply.

\*\* Reduced from 1/8% of the original bond issue amount.