



GOV. MSG. NO. 196

EXECUTIVE CHAMBERS
HONOLULU

LINDA LINGLE
GOVERNOR

February 5, 2010

The Honorable Colleen Hanabusa, President
and Members of the Senate
Twenty-Fifth State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

Dear Sirs and Mesdames:

In accordance with the provisions of Article V, Section 6, of the Hawai'i State Constitution, I have the honor to submit herewith for your consideration and confirmation, the following nomination to the **HOUSING FINANCE AND DEVELOPMENT CORPORATION, Board of Directors of the Hawaii (HFD)**:

Allan Los Banos Jr.

Term to Expire: 6/30/2014

Sincerely,



LINDA LINGLE

Allan Los Banos

Nomination to the Board of Directors of the Hawaii Housing Finance and Development Corporation (HHFDC)

(a) Why do you wish to be a member of the Hawaii Housing Finance and Development Corporation (HHFDC)?

One of the major missions of HHFDC is to increase the supply of workforce and affordable housing this is why the State Legislature created it. Home prices and rental rates have increased faster than personal income and I feel this creates a need for more affordable housing throughout the state. There is a shortage of affordable housing which results in high housing prices and multiple generations living under one roof. An affordable home is the foundation that families and individuals build their lives upon. Health, education and quality of life are also built upon the same foundation. An affordable home in a healthy community with good schools and economic opportunity for all it the American Dream.

I believe in the HHFDC's mission and I want to do my part in this solution. Housing development helps spark the economy by providing jobs. I am a child of the 60s so as John Kennedy said in 1962 his speech:

“And so, my fellow Americans: ask not what your country can do for you - ask what you can do for your country. My fellow citizens of the world: ask not what America will do for you, but what together we can do for the freedom of man. “

(b) What do you perceive are the role and responsibilities of a member of this Board?

The HHFDC Board focuses on the mission and purpose by establishing pertinent policies and sets priorities for the agency. Each individual board member should fully understand and support the mission. The board should ensure that the Executive Director has the moral and professional support she needs to further the goals of the HHFDC and participate with the staff in an overall planning process and assist in implementing the plan's goals.

As a Board member I have the responsibility to:

- Attend board meetings and functions
- Be informed about the organization's mission, services, policies and programs
- Review agenda and supporting materials prior to board meetings
- Keep up-to-date on developments in the organization's field

(c) Given your understanding of the role and responsibilities of a member of the HHFDC why do you believe that you are qualified for this position? Please include a brief statement of your skills, expertise or knowledge that would aid in your decision-making ability as a member of this Council.

I represent the workforce and their families in the pursuit of affordable homes. I am from the construction industry and I know the construction process and what it takes from planning to the construction of a building. With this knowledge and my daily contact with the hard working workers and their pursuit of the American dream, I feel I can be a responsible board member.

(d) Name three qualities that best describe you and that would make you stand out. How would these qualities benefit the Board?

I firmly believe in the HHFDC's mission. My personal characteristics that I live by include:

I have the ability to listen, analyze, think clearly and creatively and work well with people individually and in a group. I believe that our role in providing affordable and workforce housing makes a difference in the community and I'm committed to fulfilling HHFDC's goals.

I have knowledge of construction and the industry. The Board is comprised of members with diverse backgrounds. Our decisions are made with full discussion and understanding of the issues. We draw upon our areas of expertise to ensure we serve the public interest.

I am objective and sensitive to and tolerant of differing views. I like to see all sides of an issue and engage in objective, constructive discussion with the state's housing mission in mind.

(e) Can you foresee any possible conflicts of interests that could arise during your service on the Board? How would you overcome any possible conflicts of interest?

I do not foresee any conflicts of interest. However, if I perceive any conflict of interest, I would advise the Board and recuse myself from discussion and decision-making.

(f) What are three ways that the Hawaii Housing Finance and Development Corporation should/must help meet the housing need in Hawaii?

1. HHFDC must stay on mission. We must continue to provide development incentives and financing tools to support for-profit and nonprofit developers to increase or preserve the supply of workforce and affordable housing.
2. HHFDC should aggressively leverage out limited State resources. We must seize opportunities to go after federal grants such as those under the American Recovery and Reinvestment Act, as well as partner with developers, housing coalitions, lending institutions and unions.
3. HHFDC must ensure that its resources are well invested in quality housing. Housing projects should be located in areas that are in proximity to jobs, schools and services.

Homes should be affordable to our workforce, built by reputable developers and well constructed.

(g) What goals should the HHFDC Board set and how would you propose to measure them?

Hawaii definitely faces an affordable housing shortage. The basic goal is to increase the affordable housing supply. The HHFDC Board holds annual strategic planning sessions where we review our progress in meeting our goals, confirm existing or develop new goals and identify strategies to reach them. We also identify measurable outcomes which include the number of newly constructed or preserved housing units, number and amount of loans made, number and amount of tax credit awards and types and amounts of new resources.

(h) What is your vision of “finishing the job” regarding government’s role in helping to supply affordable housing?

Government can help supply affordable housing by providing tools and resources that support private sector efforts. HHFDC expedites housing development using its Chapter 201H development powers and provides tax credits, loans and land to developers. That’s an appropriate and important role for government. But to “finish the job” in today’s economic environment, we need to commit more resources to get stalled projects moving. Government should not become a developer. However, government needs to invest more resources into a project to make it financially feasible to proceed.

(i) What are your thoughts on Transit Oriented Development as related to housing?

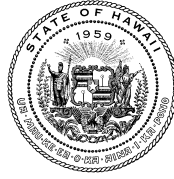
I fully support Transit Oriented Development. It is practical and makes a lot of good sense. By locating housing close to transit nodes, transportation costs and traffic congestion are significantly reduced and residents can more easily access jobs, schools and services. It also encourages more compact housing development which reduces housing development costs.

(j) There are/were four bills concerning HHFDC’s handling of GET exemptions. Please comment on them.

I understand that three of the GET bills add new eligibility criteria for rental housing projects that qualify under (4) above. The bills require tenants in these projects to be Hawaii residents and/or require HHFDC, in determining gross income, to utilize the HUD income calculations for the Section 8 housing choice voucher program. These bills create different standards for only projects that qualify under (4) above. This makes the GET exemption program more difficult to administer and discriminates against military personnel that reside in rental projects that were not developed under chapter 201H, a government assistance program approved by HHFDC, or under the sponsorship of a nonprofit entity. I believe we should treat everyone fairly. I agree with HHFDC’s position that if the basic allowance for housing must be included as income, then all housing allowances should be included as income. This would include HUD section 8 rent

subsidies; HPHA rent supplement payments and homeless stipends; and HHFDC rental assistance payments.

The fourth GET bill requires HHFDC to conduct periodic review of housing projects that were certified for GET exemption. I believe this places a tremendous and impossible burden on HHFDC. I have been informed an Advice Letter from the Attorney General's Office which states that taxpayer information is confidential. Therefore, HHFDC will not be able to obtain taxpayer information for housing projects that the counties have certified for GET exemption. Since HHFDC and the counties provide information to the Department of Taxation, I think it is more appropriate for the tax office to conduct the periodic reviews.



EXECUTIVE CHAMBERS
HONOLULU

LINDA LINGLE
GOVERNOR

Testimony of
Linda L. Smith
Senior Policy Advisor to the Governor

Before the
SENATE COMMITTEE ON EDUCATION & HOUSING

Monday, March 22, 2010, 1:15 PM
State Capitol, Room 225

GM196 Hawaii Housing Finance & Development Corporation
ALLAN LOS BANOS JR.

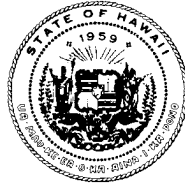
Chair Sakamoto, Vice Chair Kidani, and members of the Committee:

Thank you for the opportunity to testify in support of the confirmation of Allan Los Banos Jr. to the Hawaii Housing Finance and Development Corporation (HHFDC).

I have served alongside Mr. Los Banos as a HHFDC Board member since 2004. I have witnessed how his contributions have helped facilitate the Board's deliberations on various project and policy decisions. His extensive experience in the construction and building industry has provided the Board with valuable technical expertise, while his active involvement in many community organizations has demonstrated his sincere desire to help Hawaii's families.

Thank you for the opportunity to testify in support of the reappointment of Mr. Los Banos to the HHFDC Board.

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
Charles King
Chair, Board of Directors
Hawaii Housing Finance and Development Corporation
Before the

SENATE COMMITTEE ON EDUCATION AND HOUSING

March 22, 2010, 1:15 p.m.
Room 225, State Capitol

In consideration of

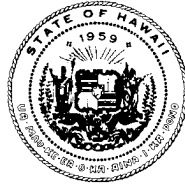
G.M. 196
GUBERNATORIAL NOMINEE ALLAN LOS BANOS, JR.
TO THE BOARD OF DIRECTORS OF THE HAWAII HOUSING FINANCE AND
DEVELOPMENT CORPORATION.

The Board of Directors of the Hawaii Housing Finance and Development Corporation (HHFDC) ***strongly supports*** the re-nomination of Allan Los Banos, Jr. to serve as the Oahu representative on the HHFDC Board of Directors.

Mr. Los Banos has extensive experience in the construction industry, which is invaluable during Board deliberations. His service credentials on various boards are similarly impressive and indicative of his commitment to the local community.

The Board of Directors appreciates Mr. Los Banos' continued willingness to serve on the HHFDC Board. We ask for the Committee to support his confirmation.

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
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IN REPLY REFER TO

Statement of
Karen Seddon
Hawaii Housing Finance and Development Corporation
Before the

SENATE COMMITTEE ON EDUCATION AND HOUSING

March 22, 2010, 1:15 p.m.
Room 225, State Capitol

In consideration of

GM 196
GUBERNATORIAL NOMINEE ALLAN LOS BANOS, JR.
TO THE BOARD OF DIRECTORS OF THE HAWAII HOUSING FINANCE AND
DEVELOPMENT CORPORATION.

The Hawaii Housing Finance and Development Corporation (HHFDC) **strongly supports** the nomination of Allan Los Banos, Jr. to serve as the Oahu representative on the HHFDC Board of Directors.

Mr. Los Banos has ample experience with affordable housing financing and development issues. In addition to his current service on the HHFDC Board of Directors, he has previously served on the Board of Directors of the Housing and Community Development Corporation of Hawaii, and as a Commissioner of the Hawaii Housing Authority, both predecessors of the HHFDC. Mr. Los Banos' vast knowledge and experience in the construction industry has been an asset to the HHFDC.

The HHFDC respectfully requests that Mr. Los Banos' nomination be confirmed. Thank you for the opportunity to testify.

TO THE SENATE COMMITTEE ON EDUCATION AND HOUSING
TWENTY-FIFTH LEGISLATURE
REGULAR SESSION 2010

TIME/DATE: 1:15 p.m., Monday, March 22, 2010

TESTIMONY ON GOVERNOR'S MESSAGE NO. 196 – "SUBMITTING
FOR CONSIDERATION AND CONFIRMATION TO THE BOARD OF
DIRECTORS OF THE HAWAII HOUSING FINANCE AND
DEVELOPMENT CORPORATION (HFD), GUBERNATORIAL
NOMINEE, ALLAN LOS BANOS, JR., FOR A TERM TO
EXPIRE 6-30-2014

TO SENATOR NORMAN SAKAMOTO, CHAIR AND
MEMBERS OF THE SENATE COMMITTEE ON EDUCATION AND HOUSING:

The International Union of Painters and Allied Trades, District Council 50, appreciates the opportunity to testify in support of Governor's Message No. 196 – Gubernatorial Nominee, Allan Los Banos, Jr., to the Board of Directors of the Hawaii Housing Finance and Development Corporation (HFD). My name is Lynn Kinney, and I am the Business Manager/Secretary-Treasurer of the District Council 50, which represents four (4) unions, the Painters, Local Union 1791; the Glaziers Architectural and Glass Metal Workers, Local Union 1889; the Carpet Linoleum and Soft Tile, Local Union 1926; and the Drywall, Tapers Finishers, Local Union 1944.

Mr. Los Banos possess a wealth of knowledge and has a strong background in the construction industry. His tenure with the Masons Union has enabled him to become a well-respected educator and trainer in the construction arena. He has been working diligently to bring green initiatives to the forefront in order for Hawaii's workforce to be able to comply with newly implemented environmental standards.

Because of Mr. Los Bonos' tenacity, many of us have benefited from his expertise in the training arena and are able to better equip the men and women in the labor force here in Hawaii.

For these reasons, I humbly request that Mr. Allan Los Banos, Jr., be confirmed to the Board of Directors of the Hawaii Finance and Development Corporation (HFD). Thank you for the opportunity to testify in support of Mr. Los Banos.