

TESTIMONY
HB 2845 HD1

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 WATER, LAND, AGRICULTURE,
AND HAWAIIAN AFFAIRS
SENATE COMMITTEE ON EDUCATION AND HOUSING**

March 10, 2010, 1:25 p.m.
Room 225, State Capitol

In consideration of
H.B. 2845, H.D. 1
RELATING TO LANDS CONTROLLED BY THE STATE.

The HHFDC supports H.B. 2845, H.D. 1. This measure would allow HHFDC to resell individual dwelling units located on non-ceded lands previously encumbered by buyback or shared appreciation equity restrictions in fee simple without incurring the time and expense required to comply with section 171-64.7, Hawaii Revised Statutes (HRS). The legislative approval requirement prevents HHFDC from promptly selling a repurchased dwelling unit to another first-time homebuyer at an affordable sales price.

HHFDC holds vacant land for housing development, as well as individual single family homes and condominium units that were previously sold to eligible homebuyers but acquired through purchase at foreclosure sale or through exercise of its buyback rights. The units resold under this program will have new ten year buyback restrictions and shared appreciation equity restrictions placed upon them to prevent speculation and enable HHFDC to recoup any equity appreciation in the property if the homeowner sells it.

Complying with section 171-64.7, HRS cost the HHFDC approximately \$785 to \$924 per unit, depending on the county in which the property is located. These costs will continue to accrue until legislative approval to resell these units is granted. Additionally, approximately 40 hours of staff time per property was required to comply with these requirements. Passage of this bill would save HHFDC considerable administrative time and expenses in the management of its real estate portfolio, and allow HHFDC to focus on its mission of providing workforce and affordable housing.

Thank you for the opportunity to testify.

1

From: mailinglist@capitol.hawaii.gov
Sent: Friday, March 05, 2010 7:12 PM
To: WTLTestimony
Cc: jeannine@hawaii.rr.com
Subject: Testimony for HB2845 on 3/10/2010 1:25:00 PM

Testimony for WTL/EDH 3/10/2010 1:25:00 PM HB2845

Conference room: 225
Testifier position: oppose
Testifier will be present: No
Submitted by: Jeannine Johnson
Organization: Individual
Address: 5648 Pia Street Honolulu, HI
Phone: 808-373-2874
E-mail: jeannine@hawaii.rr.com
Submitted on: 3/5/2010

Comments:
I oppose HB 2845, HD1.

TESTIMONY
HB 2845 HD1
(END)