



1050 Queen St. Suite 200
Honolulu, Hawai'i 96814
Ph: (808) 529-1627
Fax: (808) 357-3556

Kamaki Kanahale
Chair
O'ahu

Leah K. Pereira
Vice-Chair
Kaua'i

Louise M. Bush
Secretary
Moloka'i

M. Kanani Kapuniai
Treasurer
Hawai'i

Rev. N. Tasha Kama
Executive Officer
Maui

Richard Soo
Executive Director

February 9, 2009

To: **Senator Norman Sakamoto, Chair**
Senator Michelle Kidani, Vice Chair & Members of the
Committee on Education and Housing

From: **Kali Watson**
Chairman of Statewide Economic Development Committee
SCHHA
Honolulu, Hawaii 96792

Re: **Hearing on SB -1121 Relating to Sustainable Affordable Housing**
February 9, 2009 at 1:15 pm
Conference Room 225, State Capitol

TESTIMONY IN OPPOSITION

Dear Chair Sakamoto, Vice Chair Kidani and Members:

Thank you for the opportunity to provide testimony in opposition to SB 1121-relating to sustainable affordable housing. This bill relates to restrictions on the sale of state lands so as to ensure continued affordability over time. This bill basically ignores pending proposed legislation that either places a moratorium on the sale of "ceded lands" or requires two-thirds majority vote of the legislature to adopt concurrent resolution to sell or exchange certain public lands. This bill would breach the legislature's fiduciary responsibilities to the people of Hawaii, especially to its indigenous Hawaiian people. Until there is reconciliation concerning the theft of these lands, which is part of the intention of the Akaka Bill as well as the 1993 Resolutions passed by this body, any legislation facilitating the sale of ceded lands would be inappropriate.

The Sovereign Councils of the Hawaiian Homelands Assembly, formerly the State Council of Hawaiian Homestead Associations was founded more than 20 years ago to unite homestead communities and to advocate for the beneficiaries of the Hawaiian Homes Commission Act of 1921. The SCHHA is the oldest statewide advocacy organization representing the interests of more than 30,000 beneficiaries and families residing in the communities of the Hawaiian Home Land Trust. Its mission is to promote the self determination of native Hawaiians and the well being of homestead communities.

I urge you to please kill this measure, SB 1121.

Sincerely,

Kali Watson
Chairman of Economic Development

LATE TESTIMONY

February 10, 2009



Senator Norman Sakamoto, Chair
Senator Michelle Kidani, Vice Chair
Committee on Education and Housing
Hawaii State Capitol
Honolulu, HI 96813

Re: S.B. NO. 1121, RELATING TO SUSTAINABLE AFFORDABLE HOUSING

UniDev Hawaii is a "Mission Driven" company specializing in the development of "reserved housing" UniDev Hawaii is strongly supportive of this S.B. 1121 as follows.

The state of Hawaii has previously sponsored for sale and rental Affordable Housing projects within the state, for qualifying families with incomes at or below 140% of Area Median Income (AMI).

Unfortunately, under the current Statutes the affordability and price restrictions of these affordable homes sunset after a ten year period After the ten year "affordable period" all the state projects under current guidelines revert to market rate prices, eventually and permanently removing all affordable projects from the "affordable housing" category to current market rate pricing.

The current ten-year affordability period creates a "windfall" for families who keep the units beyond the ten-year sale restrictions and sell their "affordable home" at "Market Prices".

Under proposed S.B. 1121 affordability resale restrictions would remain in place beyond the current 10 year sunset, therefore all affordable housing (For Sale and Rental) built in Hawaii will remain affordable in perpetuity, because the prices would now be calculated by a coefficient established by the Consumer Price Index over the term of ownership (or rental) and the initial purchase price (or rent). In any event, the terms and conditions of resale restrictions are clearly incorporated in all sale or lease documents.

The proposed S.B. 1121 allows homebuyers all the benefits of homeownership i.e. to build equity in a home, take full advantage of all state and federal tax benefits associated with mortgage interest.

The primary and crucial point in S.B. 1121 is that these homes will remain affordable to families earning 140% of AMI or less at the same relative prices over the life of the dwelling. Under the proposed legislation a home sold in 2012 will have the same affordability in 2030 as it did in 2012 relative to the AMI. Thereby assuring that

UniDev Hawai'i, LLC

1100 Alakea Street

Suite 1550

Honolulu, Hawaii 96813

Phone: 808.536.1110

Fax: 808.536.1104

www.unidevllc.com


Senator Norman Sakamoto, Chair
Senator Michelle Kidani, Vice Chair
Committee on Education and Housing
February 10, 2009
Page 2 of 2



generations of Hawaiian families will have access to affordable housing, not just the lucky few that are “first in” under current conditions.

Very truly yours,

UniDev Hawaii, LLC

By 

Jeffery A. Minter
Its President

UniDev Hawai'i, LLC

1100 Alakea Street

Suite 1550

Honolulu, Hawaii 96813

Phone: 808.536.1110

Faxmile: 808.536.1104

www.unidevllc.com