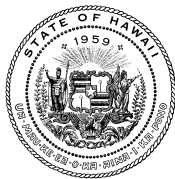


SB735



EXECUTIVE CHAMBERS
HONOLULU

LINDA LINGLE
GOVERNOR

Testimony of
Linda L. Smith
Senior Policy Advisor to Governor Lingle
Chairperson, Affordable Housing Regulatory Barriers Task Force

Before the
SENATE COMMITTEE ON EDUCATION AND HOUSING
Monday, February 9, 2009, 1:15 p.m.
Room 225, State Capitol

In consideration of
S.B. 735 RELATING TO AFFORDABLE HOUSING

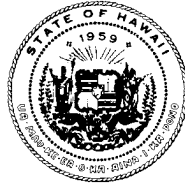
Chair Sakamoto, Vice Chair Kidani, and members of the Committee, thank you for the opportunity to provide testimony in support of Senate Bill 735 with amendments.

This bill authorizes the counties to identify and designate affordable housing receiving zones. The zones will qualify for incentives and exemptions that are tailored to encourage and expedite affordable housing development. Counties are encouraged to identify potential sites for affordable housing receiving zones in their general and development plans. The bill also prohibits establishing an affordable housing receiving zone on conservation or important agricultural lands.

The Administration recommends amending the bill to clarify that the counties are encouraged to identify potential affordable housing receiving zones in the next scheduled update to their general and development plans. It would be unreasonable to expect counties to add a new element to plans that are currently in development or are close to completion.

Thank you for the opportunity to provide testimony in strong support of this bill.

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
SENATE COMMITTEE ON TRANSPORTATION, INTERNATIONAL
AND INTERGOVERNMENTAL AFFAIRS**

February 9, 2009 1:15 p.m.
Room 225, State Capitol

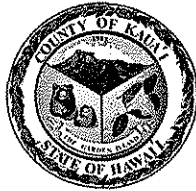
In consideration of
S.B. 735
RELATING TO AFFORDABLE HOUSING.

The Hawaii Housing Finance and Development Corporation (HHFDC) **supports the intent of S.B. 735.** The affordable housing receiving zones could enhance opportunities for a fair share of housing that is affordable to Hawaii's workforce and other low- and moderate-income households in areas that are most suitable for development.

Thank you for the opportunity to testify.

Bernard P. Carvalho, Jr.
Mayor

Gary K. Heu
Administrative Assistant



KAUAI COUNTY HOUSING AGENCY
Pi'ikoi Building 4444 Rice Street Suite 330
Lihu'e, Hawai'i 96766

Eugene K. Jimenez
Housing Director

Kenneth N. Rainforth
Executive Assistant

February 6, 2009

Senators Sakamoto and Kidani, Chair and Vice Chair
and Committee Members
Committee on Education and Housing
Senators English and Gabbard, Chair and Vice Chair
and Committee Members
Committee on Transportation, International and Intergovernmental Affairs
The Senate, State of Hawai'i
The Twenty-Fifth Legislature
Regular Session of 2009

SUBJECT: Testimony Opposing Senate Bill 735, Relating to Affordable Housing
Committees: EDH/TIA
Hearing: February 9, 2009 1:15 PM Conference Room 225

The subject bill would require each County to identify and nominate up to twenty sites for approval by Hawai'i Housing Finance and Development Corporation as affordable housing receiving zones. HHFDC would review and approve such designations, and create rules for development in the zones that would supersede all other inconsistent ordinances and rules relating to use, zoning, planning and development of land in the receiving zones. Incentives, waivers and regulatory flexibility would be determined at the time of designation of the zone, would apply to the zone in its entirety, and would be binding on the County. A minimum of twenty per cent of housing within such zones would be required to be affordable to households earning up to 140% of the Median Household Income.

Although we recognize that the bill attempts to establish zones where the exemption powers of 201H are pre-established and pre-approved, to expedite the development of affordable housing, we respectfully **oppose SB735**, for the following reasons:

1. We believe this is contrary to county home rule, and may conflict with the intent of HRS Chapter 46, in which various powers have been given to the counties.
2. Ordinance No. 860, the Housing Policy for the County of Kaua'i, is an inclusionary housing policy that requires up to 30% of all housing units to be affordable to households at specific incomes. Further, it requires that a minimum of 51% of a project's units must be affordable for the County's use of exemption authority pursuant to HRS 201H-38. We believe the proposed bill may be exclusionary, and allows the use of exemptions for entire districts that would contain substantially less affordable housing.



Senators Sakamoto and Kidani, Chair and Vice Chair
and Committee Members EDH

Senators English and Gabbard, Chair and Vice Chair
and Committee Members TIA

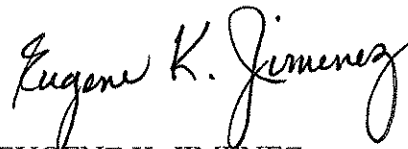
February 6, 2009

Page 2

3. We question whether authority is given to the Counties and HHFDC for some incentives as proposed in 201H-H, which may include exemptions from state environmental law, state procurement law, state wage requirement, other State and County laws relating to utilities and public facilities.

Thank you for the opportunity to provide testimony.

Sincerely,

A handwritten signature in black ink that reads "Eugene K. Jimenez". The signature is written in a cursive style with a large, looping "J" at the end.

EUGENE K. JIMENEZ
Housing Director

January 7, 2009

The Honorable Norman Sakamoto, Chair
Senate Committee on Education and Housing
The Honorable J. Kalani English, Chair
Senate Committee on Transportation
State Capitol, Room 225
Honolulu, Hawaii 96813

RE: S.B. 735 Relating to Affordable Housing

HEARING DATE: February 9, 2009 @ 1:15 p.m.

Dear Chair Sakamoto, Chair English, and member of the Joint Committees:

I am Myoung Oh, here to testify on behalf of the Hawai'i Association of REALTORS® ("HAR") and its 9,600 members in Hawai'i. HAR **supports** S.B. 735 which requires counties to identify and designate affordable housing zones to facilitate the development of affordable housing.

The lack of affordable housing remains a significant problem affecting Hawai'i. Policies that address the development, creation and production of affordable rentals and for-sale units in the state need to be adopted. S.B. 735 helps to promote affordable housing by allowing the counties to establish affordable housing zones, and providing financial and other incentives for the development of affordable housing projects within these zones. HAR believes that S.B. 735 takes a positive step towards encouraging and supporting the development of more housing for Hawai'i residents.

HAR looks forward to working with our state lawmakers in building better communities by supporting quality growth, seeking sustainable economies and housing opportunities, embracing the cultural and environmental qualities we cherish, and protecting the rights of property owners.

Mahalo for the opportunity to testify.



Housing Hawaii
Advocating Creating Maintaining Affordable Housing

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County of Honolulu

Director – Kamaile

Sombelon, Lokahi
Pacific

February 9, 2009

The Honorable Norman Sakamoto, Chair
Senate Committee on Education and Housing
Hawaii State Capitol, Room 230
Honolulu, HI 96813

Dear Chair Sakamoto and Members:

RE: SB 735, RELATING TO AFFORDABLE HOUSING

I am Nani Medeiros, Executive Director of Housing Hawaii, testifying in support of Senate Bill 735, Relating to Affordable Housing. This bill authorizes the designation of affordable housing receiving zones and creates mechanism to provide incentives for the development of affordable homes within these zones.

Housing Hawaii **strongly supports** the ideas contained in this measure. Thank you for the opportunity to comment.

Nani Medeiros
Executive Director

Executive Director
Nani Medeiros

Housing Hawaii, 841 Bishop Street, Suite 2208, Honolulu, HI 96813

Phone: 808-469-7774

Email: housinghawaii@hawaii.rr.com

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