



STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
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IN REPLY REFER TO:

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

SENATE COMMITTEE ON WAYS AND MEANS

March 29, 2012 9:00 a.m.,
Room 211, State Capitol

In consideration of
H.B. 1306, H.D. 2, S.D. 1
RELATING TO HOUSING.

The HHFDC supports H.B. 1306, H.D. 2, S.D. 1, which is similar to S.B. 2740, S.D. 1, previously heard by this Committee. The S.D. 1 increases the revenue bond authority for the Housing Loan and Mortgage program, popularly known as the Hula Mae Multifamily program, from \$500,000,000 to \$750,000,000.

The Hula Mae Multifamily program promotes the development of new or the preservation of existing affordable rental projects through the issuance of mortgage revenue bonds for interim or permanent financing at below-market interest rates. The bond authority is a cumulative ceiling on the total amount of revenue bonds that can be issued by HHFDC for this program. HHFDC's ability to issue these bonds in any given year is subject to the State's overall annual bond cap, and accordingly, the approval of the Department of Budget and Finance.

Since its first bond issuance in 1985, the Hula Mae Multifamily program has provided \$292,432,699 in revenue bond proceeds for 12 affordable rental projects totaling 2445 affordable units. Passage of the S.D. 1 will allow HHFDC to continue to assist in the development and preservation of affordable rental housing.

Thank you for the opportunity to provide written comments in support of this bill.



Testimony of C. Mike Kido
External Affairs
The Pacific Resource Partnership

Senate Committee on Ways and Means
Senator David Y. Ige, Chair
Senator Michelle N. Kidani, Vice Chair

HB 1306, HD2, SD1 – Relating to the Housing
Thursday, March 29, 2012
9:00 am
Conference Room 211

Aloha Chair Ige, Vice Chair Kidani and Members of the Committee:

My name is C. Mike Kido, External Affairs of the Pacific Resource Partnership (PRP), a labor-management consortium representing over 240 signatory contractors and the Hawaii Regional Council of Carpenters, formerly the Hawaii Carpenters Union.

PRP supports HB 1306, HD2, SD1 – Relating to Housing which increases the Hula Mae multifamily program revenue bond authorization.

The Hula Mae multifamily program has been successful in promoting new development and preserving existing affordable housing. With Hawaii's affordable housing crisis, we believe the State needs to continue to assist residents in obtaining affordable housing.

According to the Hawaii Housing Finance and Development Corporation (HHFDC), there are currently 17 affordable housing projects in progress valued at approximately \$558.3 million and 11 projects in the pipeline worth approximately \$1.5 billion. The increase in revenue bonds at this time is critical in allowing HHFDC to assist in the development and preservation of affordable rental housing in the years ahead.

Thank you for the opportunity to share our views with you and we respectfully ask for your support on HB 1306, HD2, SD1.