



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

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Statement of
Richard C. Lim
Director

Department of Business, Economic Development and Tourism
before the

SENATE COMMITTEE ON WAYS AND MEANS

February 23, 2012, 9:00 a.m.

State Capitol, Room 210

In consideration of

S.B. 2740, S.D. 1

RELATING TO THE HOUSING LOAN AND MORTGAGE PROGRAM.

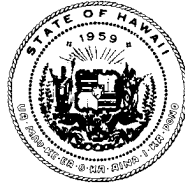
Chair Ige, Vice Chair Kidani, and members of the Senate Committee on Ways and Means.

DBEDT supports S.B. 2740, S.D. 1, an Administration bill. S.B. 2740, S.D. 1 increases the revenue bond authority of the Housing Loan and Mortgage program, known as the Hula Mae Multifamily program, from \$500,000,000 to \$750,000,000.

The Hula Mae Multifamily program is a very successful financing tool for affordable rental housing. Additional bond authority is needed to ensure the continued use of this valuable affordable rental financing mechanism going forward.

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

NEIL ABERCROMBIE
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 WAYS AND MEANS
February 23, 2012, 9:00 a.m.
Room 211, State Capitol

In consideration of
S.B. 2740, S.D. 1
RELATING TO THE HOUSING LOAN AND MORTGAGE PROGRAM.

The HHFDC **supports** S.B. 2740, S.D. 1, an Administration bill. S.B. 2740, S.D. 1 increases the Housing Loan and Mortgage program (popularly known as the Hula Mae Multifamily program) revenue bond authority 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 need for additional bond authority at this time is critical. Passage of this bill will allow HHFDC to assist in the development and preservation of affordable rental housing in the years ahead. Accordingly, HHFDC respectfully requests that this bill be favorably considered.

Thank you for the opportunity to provide written comments on this bill.



SB2740 SD1
RELATING TO THE HOUSING LOAN AND MORTGAGE PROGRAM
Senate Committee on Ways and Means

February 23, 2012

9:00 a.m.

Room 211

The Office of Hawaiian Affairs (OHA) **SUPPORTS** SB2740 SD1, which would increase the Hula Mae Multifamily Revenue Bond authorization amount from \$500,000 to \$750,000.

Hawai`i is in dire need of affordable housing. The lack of such housing creates instability for many families, including the families of OHA's beneficiaries. In an attempt to promote systemic change in this area, OHA's strategic plan identifies as a strategic result the building of affordable housing. This bill represents a step in the right direction toward the creation and approval of affordable housing projects and stability in the housing of OHA's beneficiaries and others in need.

OHA urges the committee to PASS SB2740 SD1. Mahalo for the opportunity to testify on this important measure.

February 23, 2012

The Honorable David Y. Ige, Chair
Senate Committee on Ways and Means
State Capitol, Room 211
Honolulu, Hawaii 96813

RE: S.B. 2740, S.D.1, Relating to the Housing Loan and Mortgage Program

HEARING: Thursday, February 23, 2012, at 9:00 a.m.

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

I am Myoung Oh, Government Affairs Director, submitting written comments on behalf of the Hawai'i Association of REALTORS® (“HAR”), the voice of real estate in Hawai'i, and its 8,500 members. HAR **supports** S.B. 2740, S.D.1, which increases the Hula Mae Multifamily Revenue Bond authorization amount.

HAR has historically supported mechanisms to help increase the supply of low and moderate income affordable housing such as the Hula Mae Multifamily and Rental Housing Trust Fund Programs which can help effectuate the development of mixed-income and mixed-use projects.

HAR also notes the importance of special purpose revenue bonds, low-interest loans, block grants, low-income housing tax credits and deferred loan programs to provide affordable housing opportunities.

Mahalo for the opportunity to submit written comments.