

NEIL ABERCROMBIE  
GOVERNOR



DENISE M. WISE  
EXECUTIVE DIRECTOR

**STATE OF HAWAII**  
DEPARTMENT OF HUMAN SERVICES  
HAWAII PUBLIC HOUSING AUTHORITY  
1002 NORTH SCHOOL STREET  
Honolulu, Hawaii 96817

BARBARA E. ARASHIRO  
EXECUTIVE ASSISTANT

Statement of  
**Denise M. Wise**  
**Hawaii Public Housing Authority**  
Before the

**SENATE COMMITTEE ON HUMAN SERVICES**  
**SENATE COMMITTEE ON WATER, LAND, AND HOUSING**

February 8, 2011 2:30 P.M.  
Room 016, Hawaii State Capitol

In consideration of  
**S.B. 905**  
**RELATING TO HOUSING**

Madam Chair and Members of the Senate Committee on Human Services and Mister Chair and Members of the Senate Committee on Water, Land, and Housing, thank you for the opportunity to provide you with comments regarding Senate Bill 905, relating to housing.

The Hawaii Public Housing Authority (HPHA) supports enactment of this measure which would appropriate funds in fiscal years 2011-2012 and 2012-2013 to improve existing public housing stock and increase public housing units in the State of Hawaii to the extent that current appropriations are not offset. The HPHA is in critical need of funds from the State of Hawaii in order to address the current backlog of capital maintenance and repairs, and this bill would assist the agency in improving the living environment which we provide to this State's most vulnerable populations, such as those earning less than thirty percent of the Area Median Income, the disabled, and the elderly.

The agency has streamlined our capital planning process, which has allowed us to identify situations before they become critical in nature, but would respectfully request that any capital appropriation be made in the form of a lump sum appropriation. This would provide the agency with flexibility in determining funding amounts and allocations in response to dynamic market conditions and unforeseen situations.

The attached spreadsheet delineates the most current and critical needs being faced by the agency, and is provided for informational purposes only since our budget request will be included in the Executive Biennium Budget. The HPHA also respectfully requests the Committee to include a provision of funds for the administration of these appropriations, so that the agency may be able to defray costs for the administration and oversight incurred therein.

The HPHA appreciates the opportunity to provide the Senate Committee on Human Services and the Senate Committee on Water, Land, and Housing with the agency's position regarding S.B. 905. We respectfully request the Committee to pass this measure favorably.

Attachment (1)

Dated: 10/6/10

Hawaii Public Housing Authority  
Proposed Projects for CIP Budget Request

AMP	Project	Description	DIC	Projected CIP Costs	H&S	Roofs	ADA
				FY 11-12			
				FY 12-13			
40	Kuhio Park Terrace	Dry Standpipes, Raised Crossovers, Sewer, Interior, and Exterior Improvements and Site Work (Const)	C	\$ 9,200,000.00		X	X
32	Mayor Wright Homes	Remove Solar, Roof Replacement, Instant Hot Water System, Painting, Site Improvements	D	\$ 600,000.00		X	X
32	Mayor Wright Homes	Remove Solar, Roof Replacement, Instant Hot Water System, Painting, Site Improvements	C	\$ 2,500,000.00		X	X
50	Paliolo Valley Homes	Physical Improvements Ph 2 (construction)	C	\$ 5,000,000.00		X	X
50	Paliolo Valley Homes	Physical Improvements Ph 3 (construction)	C	\$ 5,000,000.00		X	X
37	Lanakia Homes	Master Plan for remaining demo parcel	D	\$ 100,000.00		X	X
37	Lanakia Homes	Renovation of Existing Buildings (Design)	D	\$ 750,000.00		X	X
30	Hale Luaniua	Major modernization, incl. roof replacement, extensive termite damage (const)	C	\$ 7,500,000.00		X	X
LIPH	Statewide	ADA Compliance for Various State and Federal Projects (Const)	C	\$ 5,000,000.00		X	X
31	Puuhala Homes	Phase IB Abatement and Modernization Buildings 4, 5, 6 (Design)	D	\$ 10,500,000.00		X	X
31	Puuhala Homes	Phase IB Abatement and Modernization Buildings 4, 5, 6 (Design)	C	\$ 103,721.00		X	X
31	Kalihi Valley Homes	Site and Dwelling Improvements Phase IV (Design)	D	\$ 1,900,000.00		X	X
31	Kalihi Valley Homes	Site and Dwelling Improvements Phase IV (Design)	C	\$ 700,000.00		X	X
31	Hauiki Homes	Site Work and roof repairs (Design)	D	\$ 65,000.00		X	X
31	Hauiki Homes	Site Work and roof repairs (Const)	C	\$ 600,000.00		X	X
33	Kaahumanu Homes	Spall Repair and Painting for 19 Buildings, Site Improvements, Interior Renovations (Design)	D	\$ 550,000.00		X	X
33	Kaahumanu Homes	Spall Repair and Painting for 19 Buildings, Site Improvements, Interior Renovations (Design)	C	\$ 1,800,000.00		X	X
37	Pomaikai	Major renovations: Roof replacement, interior repairs, exterior and site improvements (const)	C	\$ 2,000,000.00		X	X
39	David Molo Circle	Exterior Improvements Paint, Roof repairs, Site Work (Design)	D	\$ 200,000.00		X	X
39	David Molo Circle	Exterior Improvements Paint, Roof repairs, Site Work (Const)	C	\$ 1,600,000.00		X	X
34	Kailekua Homes	ADA & 504 Interior & Exterior, Exterior Paint & Miscellaneous Repairs (Const)	C	\$ 2,200,000.00		X	X
33	Kamehameha Homes	Roof Repairs: Replace Railings and Ext. Closet Doors, Termite and Rodent Control (Design)	C	\$ 200,000.00		X	X
33	Kamehameha Homes	Roof Repairs: Replace Railings and Ext. Closet Doors, Termite and Rodent Control (Const)	C	\$ 800,000.00		X	X
35	Punchbowl Homes	Major modernization; roof replacement; spalling; site improvements; interior repairs; dry standpipes (design)	D	\$ 600,000.00		X	X
35	Punchbowl Homes	Major modernization; roof replacement; spalling; site improvements; interior repairs; dry standpipes (const)	C	\$ 4,000,000.00		X	X
39	Kahekehi Terrace	Kahekehi Terrace: Roof & Solar Repairs, Ph 2 (Const)	C	\$ 3,000,000.00		X	X
44	Kaiokealani	Reroof, Paint, Interior Repairs Including Termite (Design)	D	\$ 400,000.00		X	X
44	Kaiokealani	Reroof, Paint, Interior Repairs Including Termite (Const)	C	\$ 3,500,000.00		X	X
LIPH	Statewide	Security Improvements at Various State and Federal Projects (DIC)	D	\$ 2,000,000.00		X	X
49	Waialea	Weatherproofing, Painting, Spalling (Design)	D	\$ 120,000.00		X	X
49	Waialea	Weatherproofing, Painting, Spalling (Const)	C	\$ 1,200,000.00		X	X
TOTAL BY FISCAL YEAR				\$ 49,688,721.00	\$ 80,100,000.00		
Design				\$ 4,188,721.00	\$ -		
Construction				\$ 43,500,000.00	\$ 80,100,000.00		
Both				\$ 2,000,000.00	\$ -		
Fund Administration Costs				\$ 49,688,721.00	\$ 60,100,000.00		
Total Request				\$ 4,988,872.10	\$ 6,010,000.00		
				\$ 54,657,593.10	\$ 66,110,000.00		

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 WATER, LAND AND HOUSING  
SENATE COMMITTEE ON HUMAN SERVICES**

February 8, 2011 at 2:30 p.m.  
Room 016, State Capitol

In consideration of  
**S.B. 905**  
**RELATING TO HOUSING.**

Chairs Dela Cruz and Chun Oakland, Vice Chairs Solomon and Ihara, and Members of the Committees on Water, Land and Housing and Human Services,

The HHFDC ***supports the intent*** of S.B. 905, which appropriates an unspecified amount of funds to the HCDA, the HPHA, the counties, and the HHFDC to support improvement of existing housing stock and increase the inventory of affordable housing. Given the substantial need for affordable housing, the HHFDC would be able to utilize fully any additional funds that can be made available for the development or rehabilitation of such housing.

Thank you for the opportunity to testify.



HAWAII COMMUNITY  
DEVELOPMENT AUTHORITY



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KALAELOA

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STATEMENT OF

ANTHONY J. H. CHING, EXECUTIVE DIRECTOR  
HAWAII COMMUNITY DEVELOPMENT AUTHORITY

BEFORE THE

SENATE COMMITTEE ON HUMAN SERVICES  
AND  
SENATE COMMITTEE ON WATER, LAND, AND HOUSING

TUESDAY, FEBRUARY 8, 2011

2:30 P.M.

State Capitol, Conference Room 016

**S.B. 905 - RELATING TO HOUSING**

**Purpose:** Appropriate funds to various State and County agencies to maintain and improve the existing affordable housing stock and/or increase the number of affordable housing units in Hawaii.

**Position:** The Hawaii Community Development Authority (HCDA) supports the intent of the proposal provided that its passage does not replace or adversely impact priorities indicated in the Executive Biennium Budget. Section 2 makes an appropriation to the HCDA for FY 12 and 13 to construct affordable housing units in Kakaako. The HCDA defers to the other specified agencies with respect to the remaining sections of the proposal.

In the event that the Legislature were to provide a total of \$20 million to the HCDA, the 52 unit Housing First or similar affordable rental housing project endorsed by homeless and affordable housing advocates could be constructed in Kakaako in approximately 3 years. It is my belief that this concept and a potential location has already been thoroughly vetted and is supported by homeless/affordable housing advocates and individual members of the Legislature's Urban Caucus.

Similarly, should another \$25 million be made available to the HCDA, it is my belief that a mixed use project containing at least 235 affordable rental units could also be constructed in Kakaako. While the particulars of such a project have not been finalized, these funds could be used in partnership with a willing merchant-builder to produce a significant number of units capable of satisfying existing and future reserved housing requirements incurred by area developers.

As the HCDA is committed being a “part of the solution”, I stand ready to work with the Legislature to increasing the number of affordable housing units in the Kakaako Community Development District. Commensurate to the amount of funds appropriated for these purposes.

Thank you for this opportunity to testify on the proposal.



CATHOLIC CHARITIES HAWAII

**TESTIMONY IN SUPPORT (with amendment)—SB 905: Relating to Housing**

TO: Senator Suzanne Chun Oakland, Chair, Senator Les Ihara, Vice Chair, and Members, Committee on Human Services; and Senator Donovan M. Dela Cruz, Chair, Senator Malama Solomon, Vice Chair, and Members, Committee on Water, Land and Housing

FROM: Betty Lou Larson, Legislative Liaison, Catholic Charities Hawaii

**Hearing: Tuesday, February 8, 2011; 2:30 pm; Conf. Room 016**

Chair Chun Oakland, Chair Donovan, and Members of the Committee on Human Services and the Committee on Water, Land, and Housing:

Thank you for the opportunity to testify in support of SB 905, which appropriates funds to improve the existing public and affordable housing stock and to increase the affordable housing stock throughout the State of Hawaii. I am Betty Lou Larson, the Legislative Liaison for housing issues at Catholic Charities Hawaii. Catholic Charities Hawaii supports the intent of this bill, and strongly supports appropriations to HHFDC to increase affordable housing units, as well as to HPHA to improve public housing units.

**Catholic Charities Hawaii would suggest one amendment: appropriate the funds to HHFDC to the Rental Housing Trust Fund (RHTF); we recommend funding at the \$20 million level.** The RHTF mandates that 5% of the units produced address the housing needs of people at 30% of Median Income or below. The Hawaii Housing Finance and Development Corporation (HHFDC) has the ability to quickly and efficiently utilize appropriations through the RHTF. Through its competitive process it can assist affordable housing projects on all islands. The RHTF can provide a steady stream of very affordable units for very low-income people as well as units for low-moderate income families. The crisis in affordable housing is well known to the Legislature. Funding HHFDC/RHTF will not only provide a legacy of affordable housing for generations to come, but it will also be an economic driver to help the State's economy to improve.

Catholic Charities Hawaii also strongly supports an appropriation to the Hawaii Public Housing Authority (HPHA) to improve its existing housing stock. Approximately 350 units are currently vacant and many may require extensive repairs to make them habitable. HPHA is a major resource to transition homeless families and elders off the streets. The federal rent subsidies enable even very low income homeless to obtain housing. Repairing these housing units is much less costly than developing new units.

Thank you for hearing this bill and for your support to appropriate funds to increase the availability of affordable housing. The human and economic impact will be great for the people of Hawaii.



TESTIMONY OF CYNTHIA REZENTES  
IN SUPPORT OF SB 905

February 8, 2011

To: Chairs Donovan M. Dela Cruz, and Suzanne Chun Oakland and members of the Committee on Water, Land, and Housing and Committee on Human Services

My name is Cynthia Rezendes and I am a resident of the Wai`anae Coast. In addition, while not speaking for the Nanakuli-Maili Neighborhood Board, I have been the Housing Committee Chair for over two years and deal with all issues relating to housing within the community, including issues dealing with the homeless. In that capacity, I am a member of the Leeward Housing Coalition which submitted a report to the Legislature this year in response to SCR 206 SD1 and HCR 262 HD1.

I am in **support** of SB 905 as it seeks to truly address the issue that we have at hand today for many of our at-risk families or homeless families, the lack of affordable housing within a rental range that they can afford.

The more affordable housing that may be provided to the very low income, low income and moderate income individuals within our State who are currently suffering from the high cost of real estate is welcome.

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

Cynthia K.L. Rezendes  
Wai`anae resident