

NEIL ABERCROMBIE
GOVERNOR
STATE OF HAWAII



JOBIE M. K. MASAGATANI
CHAIRMAN
HAWAIIAN HOMES COMMISSION

DARRELL T. YOUNG
DEPUTY TO THE CHAIRMAN

**STATE OF HAWAII
DEPARTMENT OF HAWAIIAN HOME LANDS**

P. O. BOX 1879
HONOLULU, HAWAII 96805

TESTIMONY OF JOBIE M. K. MASAGATANI, CHAIRMAN
HAWAIIAN HOMES COMMISSION
BEFORE THE HOUSE COMMITTEE ON HOUSING
IN SUPPORT OF

HB 2286 HD 1, RELATING TO AFFORDABLE HOUSING ON HAWAIIAN HOME LANDS

February 10, 2014

Chair Hashem, Vice-Chair Woodson, and Members of the Committee:

The Department of Hawaiian Home Lands (DHHL) supports this bill which makes permanent provisions for affordable housing credits to be requested by DHHL and received from each county for units developed on Hawaiian home lands. This bill is part of the Governor's administrative package by request of our department.

Affordable housing credits have afforded the department greater opportunities to gain resources to develop homesteads and, thus, meet our mission to return native Hawaiians to our trust lands. DHHL completes (ready for families to move in) between 100 and 200 homes annually statewide per year on average, so the credits DHHL receives from the counties account for a small portion of total affordable housing created each year in the state. Since Act 141 was passed by the legislature in 2009, this program has been very successful for DHHL, but it is set to repeal in 2015. The current version of this measure extends the sunset, but we ask your committee to repeal the sunset altogether. By making this program permanent,

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DHHL can continue to form private-public partnerships through the exchange of credits creating resources for the department, and DHHL can earn these resources without requiring any state funds.

Thank you for your consideration of our testimony.

DEPARTMENT OF PLANNING AND PERMITTING
CITY AND COUNTY OF HONOLULU

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DIRECTOR

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DEPUTY DIRECTOR

February 10, 2014

The Honorable Mark J. Hashem, Chair
and Members of the Committee on Housing
State House of Representatives
Hawaii State Capitol
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Chair Hashem and Committee Members:

SUBJECT: House Bill No. 2286, HD1
Relating to Affordable Housing Credits

The Department of Planning and Permitting (DPP) ~~opposes~~ House Bill No. 2286, HD1, which extends the affordable housing credit program under the Department of Hawaiian Home Lands (DHHL) to June 30, 2019.

As we previously testified on House Bill No. 1568, the City strongly supports an increase in the inventory of affordable housing units. The City also recognizes the challenges faced by DHHL in fulfilling its obligations to its beneficiaries. However, we testified in opposition to this program at its inception in 2009. This program costs the State of Hawaii nothing. In fact, it creates credit value that DHHL can sell to developers who have an obligation to fulfill affordable housing requirements imposed by the counties. It undermines the ability of the counties to provide new affordable housing to all its residents within county-defined income need groups, on a time schedule commiserate with private sector construction, and in geographic areas where the counties believe affordable housing is warranted.

In the six years since this mandatory credit program was adopted as Act 141 (2009, Session Laws of Hawaii), the City and County of Honolulu awarded more than 600 affordable housing credits to DHHL. Other DHHL submittals involving 600 more credits may be forthcoming shortly. These are high figures compared to the total amount of affordable housing otherwise delivered; in high-construction years, the private sector delivers about 600 affordable housing annually.

The goal should not be to redirect the resources and/or opportunities from one branch of government at the expense of another. We all need to work together in addressing the affordable housing shortage.

The Honorable Mark J. Hashem, Chair
and Members of the Committee on Housing
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Moreover, it dampens the county's ability to focus affordable housing in our transit-oriented development (TOD) areas to take advantage of the synergies with rail. As a side note, we do have ongoing conversations with DHHL about the opportunities that TOD represents to DHHL in fulfilling its mission; whether as an independent housing developer or in partnership with other developers and landowners.

The affordable housing credit program would be more palatable if the issuance of credits was changed from "shall" to "may."

In summary, we believe Act 141 benefits the DHHL at the cost of the counties' programs. It infringes on home rule and the counties' ability to administer their affordable housing programs. If Act 141 cannot be repealed in its entirety, we ask that you hold House Bill No. 2286, HD1, in committee.

Thank you for this opportunity to testify.

Very truly yours,



George I. Atta, FAICP
Director

GIA:cl
HB2286, HD1

woodson1-Brina

From: mailinglist@capitol.hawaii.gov
Sent: Friday, February 07, 2014 9:08 PM
To: HSGtestimony
Cc: icalkins@hawaii.rr.com
Subject: Submitted testimony for HB2286 on Feb 10, 2014 09:00AM
Attachments: .~lock.DEMOCRATIC PARTY LINE.odt#

HB2286

Submitted on: 2/7/2014

Testimony for HSG on Feb 10, 2014 09:00AM in Conference Room 329

Submitted By	Organization	Testifier Position	Present at Hearing
IRA CALKINS	Individual	Support	No

Comments: IRA CALKINS GOVERNMENTAL RESEARCHER 730 Captain Cook Ave Unit 426 Honolulu, Hawaii 96813-2161 Your actions will prove my statements of the following to be a fact and true. The Democratic Party Line has taken away the voice of the people in the making of laws, taxation with out representation in the State of Hawaii. It appears the Hawaii State Legislators are being blackmailed in to voting the Democratic party line, or the Democratic Party will not support the State of Hawaii Legislator in the next state wide election. It does not matter what the people think, the Democratic Party has already decided for us on all bills before the State of Hawaii Legislature . The chairman's in all committee meetings has a script to follow that the Speaker of the House, and the Speaker of the Senate has given the Committee Chairs to follow, to instruct the committee how to vote on a any given measures, all Bills in all committees of the State of Hawaii Legislature. It is determined ahead of time by the Democratic Party members how a committee member will vote when staying with the party line on any given Bill in the State of Hawaii Legislature, Democracy has been taken away from the tax payers in the State of Hawaii. Ira Calkins Honolulu 4696434 or 3498667 FAX 808-545-4707 Washington D.C. 202-697-9782

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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