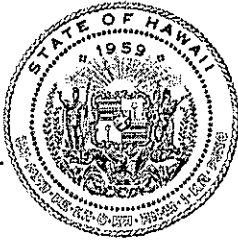


# SB 2799

Authorizes the Hawaii Housing Finance and Development Corporation Board of Directors to set the salary of the Hawaii Housing Finance and Development Corporation Executive Director.



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

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NEIL ABERCROMBIE  
GOVERNOR

RICHARD C. LIM  
DIRECTOR

MARY ALICE EVANS  
DEPUTY DIRECTOR

Statement of  
**Richard C. Lim**  
Director  
Department of Business, Economic Development and Tourism  
before the

**SENATE COMMITTEE ON ECONOMIC DEVELOPMENT,  
GOVERNMENT OPERATIONS AND HOUSING**

February 10, 2014 at 2:45 p.m.  
State Capitol, Room 016

In consideration of  
**S.B. 2799**  
**RELATING TO THE HAWAII HOUSING FINANCE AND DEVELOPMENT  
CORPORATION.**

Chair Dela Cruz, and Members of the Senate Committee on Economic  
Development, Government Operations and Housing.

DBEDT supports S.B. 2799, an Administration bill. S.B. 2799 authorizes the HHFDC Board of Directors to set the salary of the HHFDC Executive Director. Under current law, the HHFDC Board of Directors conducts an annual performance review of the Executive Director in order to set the salary level, up to the statutory maximum of eighty-five percent of the salary of the Director of the Department of Human Resources Development. This is the lowest of all state housing finance agencies nationwide. Passage of this bill would allow the HHFDC Board of Directors to set an appropriate compensation level for the current Executive Director and to attract and retain qualified individuals in the future.

DBEDT respectfully requests that the Committee pass this bill. Thank you for the opportunity to testify.

NEIL ABERCROMBIE  
GOVERNOR



CRAIG K. HIRAI  
EXECUTIVE DIRECTOR

**STATE OF HAWAII**

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM  
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IN REPLY REFER TO:

Statement of  
**Ralph Mesick**  
Chair, Board of Directors  
Hawaii Housing Finance and Development Corporation  
Before the

**SENATE COMMITTEE ON ECONOMIC DEVELOPMENT,  
GOVERNMENT OPERATIONS AND HOUSING**  
February 10, 2014 at 2:45 p.m.  
State Capitol, Room 016

In consideration of  
**S.B. 2799**  
**RELATING TO THE HAWAII HOUSING FINANCE AND DEVELOPMENT  
CORPORATION.**

The HHFDC supports S.B. 2799, an Administration bill. S.B. 2799 authorizes the HHFDC Board of Directors to set the salary of the HHFDC Executive Director.

The HHFDC is a comprehensive State housing finance and development agency with 71 authorized positions and over \$1,000,000,000 in assets. The HHFDC's programs include the Low-Income Housing Tax Credit, Rental Housing Trust Fund, and Hula Mae Single and Multi-Family Revenue Bond programs. The Executive Director is the chief administrator of an agency that assisted in the development of 3,263 affordable units statewide over the last five years, and has an additional 4,827 units in the development pipeline.

The HHFDC Board of Directors recently conducted a national search for an executive director. While over 50 applications were received, only a few applicants possessed the desired skill set for the position. We believe this is largely due to the statutory maximum salary of 85 percent of the salary of the Director of the Department of Human Resources Development. This salary is the lowest of all state housing finance agencies nationwide. HHFDC is fortunate to have hired a highly qualified and committed executive director who was willing to accept the set salary.

HHFDC is the primary state agency charged with overseeing affordable housing finance and development in Hawaii. This is accomplished by working in partnership with residents, government agencies, financiers and for-profit and nonprofit developers. Passage of this bill would allow the HHFDC Board to adequately compensate the executive director as he leads agency staff to fulfill the mission of increasing and preserving the supply of workforce and affordable housing statewide. Passage will also enable the Board to attract and retain qualified individuals in the future.

We respectfully request your favorable consideration of this bill. Thank you for the opportunity to testify.