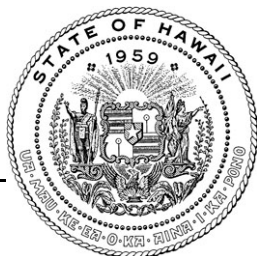


HB2293 HD1

Measure Title:	RELATING TO THE HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION.
Report Title:	Hawaii Housing Finance and Development Corporation; Mixed-use developments
Description:	Enables the Hawaii Housing Finance and Development Corporation to develop mixed-use developments in partnership with state and county departments and agencies. (HB2293 HD1)
Companion:	<u>SB2822</u>
Package:	Governor
Current Referral:	HOU/PSM, WAM
Introducer(s):	SOUKI (Introduced by request of another party)



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

DAVID Y. IGE
GOVERNOR

LUIS P. SALAVERIA
DIRECTOR

MARY ALICE EVANS
DEPUTY DIRECTOR

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Statement of
LUIS P. SALAVERIA
Director

Department of Business, Economic Development and Tourism
before the

**SENATE COMMITTEE ON HOUSING
SENATE COMMITTEE ON PUBLIC SAFETY, INTERGOVERNMENTAL,
AND MILITARY AFFAIRS**

March 17, 2016 at 2:45 p.m.
State Capitol, Room 225

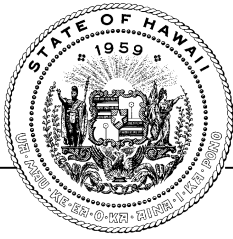
In consideration of
H.B. 2293, H.D. 1
**RELATING TO THE HAWAII HOUSING FINANCE AND DEVELOPMENT
CORPORATION.**

Chair Harimoto, Vice Chair Galuteria, Chair Nishihara, Vice Chair Espero, and members of the Senate Committees on Housing, and on Public Safety, Intergovernmental, and Military Affairs.

DBEDT supports H.B. 2293, H.D. 1, an Administration bill.

H.B. 2293, H.D. 1, enables the Hawaii Housing Finance and Development Corporation (HHFDC) to engage in mixed-use developments. DBEDT believes that this modest expansion of HHFDC's development powers can help ensure that affordable housing, particularly, affordable rental housing, is a component of transit-oriented development projects.

Thank you for the opportunity to testify.



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DAVID Y. IGE
GOVERNOR

LEO R. ASUNCION
DIRECTOR
OFFICE OF PLANNING

Statement of
LEO R. ASUNCION
Director, Office of Planning
before the
**SENATE COMMITTEE ON HOUSING
AND
SENATE COMMITTEE ON PUBLIC SAFETY, INTERGOVERNMENTAL, AND
MILITARY AFFAIRS**
Thursday, March 17, 2016
2:45 PM
State Capitol, Conference Room 225

in consideration of
HB 2293, HD 1
**RELATING TO THE HAWAII HOUSING FINANCE AND
DEVELOPMENT CORPORATION.**

Chairs Harimoto and Nishihara, Vice Chairs Galuteria and Espero, and Members of the Senate Committees on Housing and Public Safety, Intergovernmental, and Military Affairs.

The Office of Planning (OP) strongly supports HB 2293, HD 1, an Administration Bill, which enables the Hawaii Housing Finance and Development Corporation (HHFDC) to develop mixed-use developments in partnership with State and county departments and agencies.

OP is coordinating with HHFDC and the various State agencies with land holdings and jurisdictions to promote development and redevelopment in the transit-oriented development (TOD) corridor of the Honolulu Rail Transit Project. The TOD areas surrounding rail stations along this corridor hold the greatest opportunity for addressing the needs of future growth, development and affordable housing for Oahu.

HB 2293, HD 1 will enable HHFDC to extend the reach of their housing and financial programs to engage in joint development efforts with other agencies and the private sector to develop residential, commercial, office and public facilities in a mixed use context which is integral to developing compact, walkable, and more livable communities.

Thank you for the opportunity to testify on this measure.

DAVID Y. IGE
GOVERNOR



CRAIG K. HIRAI
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
FAX: (808) 587-0600

IN REPLY REFER TO:

Statement of
Craig K. Hirai
Hawaii Housing Finance and Development Corporation
Before the

**SENATE COMMITTEE ON HOUSING
SENATE COMMITTEE ON PUBLIC SAFETY, INTERGOVERNMENTAL,
AND MILITARY AFFAIRS**

March 17, 2016 at 2:45 p.m.
State Capitol, Room 225

In consideration of
H.B. 2293, H.D. 1
**RELATING TO THE HAWAII HOUSING FINANCE AND DEVELOPMENT
CORPORATION.**

The HHFDC **strongly supports** H.B. 2293, H.D. 1, an Administration bill. H.B. 2293, H.D. 1, is similar to S.B. 2822, which this joint Committee passed out with amendments.

This measure would broaden HHFDC's development powers to allow us to pursue mixed-use developments, as well as partnerships with other state and county departments and agencies to take advantage of mixed-use zoning, and encourage the development of communities that promote walking and active areas by locating affordable housing, jobs, shops, and governmental services within close proximity on state and county lands. It will also allow HHFDC to develop commercial, industrial, and other uses to enhance the lifestyles of homeowners and renters in mixed-use communities.

For these reasons, HHFDC respectfully requests that the Committees support this bill. Thank you for the opportunity to testify.



**Testimony to the Senate Committee on Housing and Committee on Public
Safety, Intergovernmental, & Military Affairs
Thursday, March 17, 2016 at 2:45 P.M.
Conference Room 225, State Capitol**

**RE: HOUSE BILL 2293 HD 1 RELATING TO THE HAWAII HOUSING FINANCE
AND DEVELOPMENT CORPORATION**

Chairs Harimoto and Nishihara, Vice Chairs Galuteria and Espero, and Members of the Committees:

The Chamber of Commerce Hawaii ("The Chamber") **strongly supports** HB 2293 HD 1, which enables the Hawaii Housing Finance and Development Corporation to develop mixed-use developments in partnership with state and county departments and agencies.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 1,000 businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

The Building Industry Association of Hawaii and the Hawaii Chamber of Commerce convened a conference (Houseless in Honolulu) in November of 2015 to raise awareness of one of Hawaii's most pressing issues - home affordability. With the median home price in the Islands now \$730,000, the repercussions are having a major impact on Honolulu's economy.

Without a solution to the State's shortage of residences, the number will soon surpass a million dollars. Every uptick in prices has increasing economic impact. Housing at all price points is desperately needed if we are to maintain the State's economic equilibrium. If potential employees cannot find affordable homes they will choose not to move to Hawaii and current residents affected by stratospheric home prices will leave. Employers across all spectrum of enterprises are already feeling the pinch. Mid-level employees are especially hard hit. Educators, medical professionals, and small businesses are especially hard hit.

The Department of Business, Economic Development and Tourism forecasted demand for additional housing units by county is 25,847 units for Honolulu, 19,610 for Hawaii, 13,949 for Maui, and 5,287 for Kauai during the 2015-2025 period (DBEDT Report—Measuring Housing Demand in Hawaii, 2015-2025).

We believe that in order to address the current "Housing Crisis," there needs to be a shift in the focus of how government views housing development and move from our current "Regulatory" stance to a more "Production Oriented" stance. For example, this shift would have



the City and County of Honolulu adopt a goal of approving an average of 2,500 new residential units each year over the next 10 year period to address the projected 25,847 unit demand.

The bill would allow HHFDC to assist other agencies in redeveloping its properties located within the urban core. Many of these agencies lack the experience and expertise necessary to assess and redevelop their real estate assets. Rather than have each agency develop its own “in-house” capabilities, we believe allowing HHFDC to assist on redevelopment efforts is a more practical and efficient means to address this problem.

We are in strong support of H.B. 2293 HD 1, and appreciate the opportunity to express our views on this matter.

March 17, 2016

The Honorable Breene Harimoto, Chair

Senate Committee on Housing

The Honorable Clarence K. Nishihara, Chair

Senate Committee on Public Safety, Intergovernmental, and Military Affairs

State Capitol, Room 225

Honolulu, Hawaii 96813

RE: H.B. 2293, H.D. 1, Relating to the Hawaii Housing Finance and Development Corporation

HEARING: Thursday, March 17, 2016 at 2:45 p.m.

Aloha Chair Harimoto, Chair Nishihara, and Members of the Committees:

I am Myoung Oh, Government Affairs Director, here to offer testimony on behalf of the Hawai'i Association of REALTORS® ("HAR"), the voice of real estate in Hawai'i, and its 8,800 members. HAR **supports** H.B. 2293, H.D.1 which enables the Hawaii Housing Finance and Development Corporation to develop mixed-use developments in partnership with State and County Departments and agencies.

Hawai'i is in a dire need for housing. According to the Department of Business and Economic Development and Tourism, nearly 66,000 housing units are needed to meet long-term demand over the next 10 years. We need to work together on creative solutions to address housing and homelessness.

As such, HAR believes this measure is an important step in addressing our housing crisis through partnership and collaboration between various agencies and departments. Mixed-use developments integrate housing, jobs, shops and services within a close proximity to transportation. This will help to facilitate walkable, sustainable communities where people have housing and transportation choices for all income levels and housing needs.

We need to meet today's housing needs of our working individuals and families, but also think about having a place where our keiki can call home in the future.

Mahalo for the opportunity to testify.

BIA-HAWAII

BUILDING INDUSTRY ASSOCIATION

THE VOICE OF THE CONSTRUCTION INDUSTRY

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Testimony to the Senate Committees on Housing; and Public Safety, Intergovernmental, and Military Affairs Thursday, March 17, 2016 2:45 p.m. State Capitol - Conference Room 225

RE: H.B. 2293 H.D. 1: Relating to Hawaii Housing Finance and Development Corporation.

Dear Chairs Harimoto & Nishihara, Vice-Chairs Galuteria & Espero, and members of the Committees:

My name is Gladys Marrone, Chief Executive Officer for the Building Industry Association of Hawaii (BIA-Hawaii), the Voice of the Construction Industry. We promote our members through advocacy and education, and provide community outreach programs to enhance the quality of life for the people of Hawaii. BIA-Hawaii is a not-for-profit professional trade organization chartered in 1955, and affiliated with the National Association of Home Builders.

BIA-HAWAII is in strong support of H.B. 2293 H.D. 1, which proposes to allow the Hawaii Housing Finance and Development Corporation (HHFDC) to develop mixed-use developments in partnership with state and county departments and agencies.

The Building Industry Association of Hawaii and the Hawaii Chamber of Commerce convened a conference (Houseless in Honolulu) in November of 2015 to raise awareness of one of Hawaii's most pressing issues - home affordability. With the median home price in the Islands now \$730,000, the repercussions are having a major impact on Honolulu's economy.

Without a solution to the State's shortage of residences, the number will soon surpass a million dollars. Every uptick in prices has increasing economic impact. Housing at all price points is desperately needed if we are to maintain the State's economic equilibrium. If potential employees cannot find affordable homes they will choose not to move to Hawaii and current residents affected by stratospheric home prices will leave. Employers across all spectrum of enterprises are already feeling the pinch. Mid-level employees are especially hard hit. Educators, medical professionals, and small businesses are especially hard hit.

The Department of Business, Economic Development and Tourism forecasted demand for additional housing units by county is 25,847 units for Honolulu, 19,610 for Hawaii, 13,949 for Maui, and 5,287 for Kauai during the 2015-2025 period (DBEDT Report— Measuring Housing Demand in Hawaii, 2015-2025).

We believe that in order to address the current "Housing Crisis," there needs to be a shift in the focus of how government views housing development and move from our current "Regulatory" stance to a more "Production Oriented" stance. For example, this shift would have the City and County of Honolulu adopt a goal of approving an average of 2,500 new residential units each year over the next 10 year period to address the project 25,847 unit demand.

The bill would allow HHFDC to assist other agencies in redeveloping its properties located within the urban core. Many of these agencies lack the experience and expertise necessary to assess and redevelop their real estate assets. Rather than have each agency develop its own "in-house" capabilities, we believe allowing HHFDC to assist on redevelopment efforts is a more practical and efficient means to address this problem.

We are in strong support of H.B. 2293 H.D. 1, and appreciate the opportunity to express our views on this matter.

From: mailinglist@capitol.hawaii.gov
To: [HOU Testimony](#)
Cc: mendezj@hawaii.edu
Subject: *Submitted testimony for HB2293 on Mar 17, 2016 14:45PM*
Date: Monday, March 14, 2016 2:01:36 PM

HB2293

Submitted on: 3/14/2016

Testimony for HOU/PSM on Mar 17, 2016 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
Javier Mendez-Alvarez	Individual	Oppose	No

Comments:

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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