



The Judiciary, State of Hawai'i

Testimony to the House Committee on Finance

Representative Sylvia Luke, Chair

Representative Scott Nishimoto, Vice Chair

Friday, February 27, 2015, 1:30 PM
State Capitol, Conference Room 308

by

Rodney A. Maile

Administrative Director of the Courts

Bill No. and Title: House Bill 827, House Draft 2 Relating to Mixed-Use Residential Projects.

Purpose: Authorizes the issuance of general obligation bonds and the appropriation of funds for plans, design, and construction of a juvenile services center as part of a mixed-use residential project at 902 Alder Street. (HB827 HD2)

Judiciary's Position:

The Judiciary strongly supports House Bill 827, House Draft 2, which authorizes the issuance of general obligation bonds and the appropriation of funds for the planning, design, and construction of a mixed-use project at 902 Alder Street. However, we respectfully request that this measure not replace or adversely affect priorities set forth in the Judiciary's current budget request, House Bill 290, House Draft 2.

The 1.45 acre parcel located at 902 Alder Street was historically used for Juvenile Detention and is ideal for the development of a Juvenile Services Center to assist youth and families entering the juvenile justice system to minimize their time and penetration into the system. The Judiciary understands the need for affordable housing and is pleased to partner with HHFDC to develop a joint-use project that combines the Juvenile Service Center with affordable rental housing. The Judiciary is aware that the central location of this property makes it ideal for joint development and that this will be the first joint development between the Executive and Judicial Branches of government.



House Bill No. 827, House Draft 2 Relating to Mixed-Use Residential Projects
House Committee on Finance
Friday, February 27, 2015 1:30 PM
Page 2

The Judiciary is currently operating two programs at the site. They are: 1) Home Maluhia, a 24/7 shelter that provides therapeutic counseling and rehabilitative services for status offenders, and 2) Hale Hilinai'i, which provides community-based services and programs for juveniles as part of the detention continuum, with the goal of reducing their recidivism and penetration into the juvenile justice system by providing counseling and treatment services, teaching accountability and building a sense of community.

House Bill 827, House Draft 2 would provide the necessary funding to cover the costs of development of the Juvenile Services Center which is an essential component of the mixed-use development. We again respectfully request that funding for this project not replace or adversely affect priorities in the Judiciary's current budget request in House Bill 290, House Draft 1. The Judiciary looks forward to working with HHFDC on the redevelopment of this parcel to help address the critical needs of our community.

Thank you for the opportunity to testify on this measure.



STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
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IN REPLY REFER TO:

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

HOUSE COMMITTEE ON FINANCE

February 27, 2015 at 1:30 p.m.
State Capitol, Room 308

In consideration of
H.B. 827, H.D. 2
RELATING TO A MIXED-USE RESIDENTIAL PROJECT.

HHFDC ***supports*** H.B. 827, H.D. 2 which authorizes the issuance of General Obligation bonds and the appropriation of funds for the planning, design, and construction of the juvenile services portion of the mixed-use project at 902 Alder Street, provided that its passage does not replace or adversely impact priorities set forth in the Executive Biennium budget.

The 1.45 acre parcel located at 902 Alder Street is ideal for the proposed development of 180 affordable rental housing units and a juvenile services/shelter. It is zoned A-2 (medium-density apartment), is within one-half mile of the planned Ala Moana rail station, and has adequate water and sewer capacity.

Presently, the Judiciary operates two programs at the site. Home Maluhia provides therapeutic counseling and rehabilitative services for status offenders. Hale Hilina'i provides community-based services and programs for juveniles as part of the detention continuum, with the goal of teaching accountability and building a sense of community.

HHFDC anticipates utilizing existing financing resources, such as tax-exempt revenue bonds, 4 percent Low-Income Housing Tax Credits, and Rental Housing Trust Funds for the **rental** housing component of the mixed-use project. H.B. 827, H.D. 2, would provide the necessary financing for the juvenile services/shelter component which will be owned and operated by the Judiciary, and is integral to the entire project. Such funding would enable the HHFDC-Judiciary partnership to redevelop an underutilized State-owned site into a mixed-use development that will help to simultaneously address the State's affordable rental housing and juvenile justice needs.

Thank you for the opportunity to testify.



TESTIMONY IN SUPPORT OF HB 827 HD2: RELATING TO A MIXED USE RESIDENTIAL PROJECT

TO: Representative Sylvia Luke, Chair; Representative Scott Y. Nishimoto, Vice Chair; and Members of the Committee on Finance

FROM: Betty Lou Larson, Legislative Liaison, Catholic Charities Hawai'i

Hearing: **Friday, February 27, 2015; 1:30 pm; Conference Room 308**

Chair Luke, Vice Chair Nishimoto, and Members of the Committee on Finance:

Catholic Charities Hawai'i supports H.B. 827, H.D. 2, which would finance the Judiciary's portion of an innovative mixed-use residential development at 902 Alder Street in Honolulu. I am Betty Lou Larson, the Legislative Liaison for Catholic Charities Hawai'i on homeless and affordable housing issues.

Catholic Charities Hawai'i (CCH) is a tax exempt, non-profit agency that has been providing social services in Hawai'i for over 60 years. CCH has programs serving elders, children, developmentally disabled, homeless and immigrants. Our mission is to provide services and advocacy to the most vulnerable of the people in Hawai'i. Catholic Charities Hawai'i has a long history of working on housing issues and solutions to homelessness. We strive to help people live in dignified circumstances and reach their full potential.

Catholic Charities Hawai'i believes that the Alder Street project could be a model of integrating public services, such as juvenile shelter and day services, with affordable rental housing on State properties. This particular mixed-use project will help the State meet the critical need for affordable rental housing and provide essential services for youth on probation.

This bill supports a creative process whereby State departments and even different branches of government can work together to maximize the best use of State land. The affordable housing challenge facing the State can be daunting. We appreciate that State departments are developing new initiatives and new models like this, to address multiple needs in one mix-use project.

This is an opportunity that should not be lost. This site has many positive features. It has sewer capacity, removing one large barrier and providing for a more timely construction period. It is near transit, making it ideal for both youth who need services and low income families who need transportation options. Most significantly, it marks a new way for the State to operate, breaking down silos and creating partnerships within state government and then with public-private partners to provide the construction. This is a model for new state endeavors, as we must maximize State resources creatively! We urge your support for this new model of government.

Thank you for the opportunity to testify. Please contact me at (808) 373-0356 or bettylou.larson@catholiccharitieshawaii.org if you have any questions.



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