



SB 973

Measure Title:	RELATING TO THE HAWAII PUBLIC HOUSING AUTHORITY.
Report Title:	Hawaii Public Housing Authority; Appropriation; General Obligation Bonds; Housing; Redevelopment (\$)
Description:	Authorizes the issuance of general obligation bonds and appropriates funds for the redevelopment, design, and construction of the Hawaii public housing authority administrative offices, the creation of public housing and affordable rental housing, and the development of a small commercial space at the Hawaii public housing authority's North School street location.
Companion:	
Package:	Housing and Homeless Legislative Package
Current Referral:	HSH, WAM
Introducer(s):	CHUN OAKLAND, GALUTERIA, GREEN, KIDANI, Dela Cruz, Riviere

TESTIMONY BY WESLEY K. MACHIDA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE SENATE COMMITTEE ON HUMAN SERVICES AND HOUSING
ON
SENATE BILL NO. 973

January 31, 2015

RELATING TO HAWAII PUBLIC HOUSING AUTHORITY

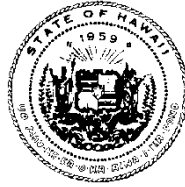
Senate Bill No. 973 authorizes, among other things, the issuance of general obligation bonds and the appropriation of funds for the redevelopment, design, and construction of the Hawaii public housing authority administrative offices, the creation of public housing and affordable rental housing, and the development of a small commercial space at the Hawaii public housing authority's North School street location.

The Department has technical comments on this bill. Federal tax law requires, among other things, that tax-exempt general obligation bond proceeds be used to finance projects/programs that serve public purposes. As it appears that private entities will derive benefit from this legislation, tax-exempt general obligation bonds cannot be used for this purpose. The State would need to issue taxable general obligation bonds at a higher cost.

In addition, as funding for these programs is not in the proposed Executive Budget, should this bill proceed or pass the Legislature, an amount for the corresponding annual debt service will need to be included in the Legislature's version of the budget.

Thank you for the opportunity to provide our testimony on this bill.

DAVID Y. IGE
GOVERNOR



HAKIM OUANSAFI
EXECUTIVE DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
HAWAII PUBLIC HOUSING AUTHORITY
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Honolulu, Hawaii 96817

BARBARA E. ARASHIRO
EXECUTIVE ASSISTANT

Statement of
Hakim Ouansafi
Hawaii Public Housing Authority
Before the

SENATE COMMITTEE ON HUMAN SERVICES

January 31, 2015 1:15 P.M.
Room 229, Hawaii State Capitol

In consideration of

Senate Bill 973

Relating to the Hawaii Public Housing Authority

Honorable Chair Chun Oakland and Members of the Senate Committee on Human Services, thank you for the opportunity to provide you with comments regarding Senate Bill (S.B.) 973, relating to the Hawaii Public Housing Authority.

The Hawaii Public Housing Authority (HPHA) strongly supports the enactment of this measure, which would provide the HPHA with \$10,000,000 in general obligation bonds for its predevelopment needs with the future redevelopment of its North School Street property.

These much needed funds are a great start for the HPHA is to add to the State's low-income rental housing stock by redeveloping its North School Street property to include a mixed-income, mixed use development that will include new administrative offices, innovative public housing units, and possible commercial uses.

The Request for Qualifications for this redevelopment project was release on January 13, 2015, and will look for creative housing units that will include but not be limited to micro units, modular, and pre-fabrication units.

The HPHA appreciates the opportunity to provide the Senate Committee on Human Services with the agency's position regarding S.B. 973. We respectfully request the Committee to pass this measure favorably, and we thank you very much for your dedicated support to address the affordable housing crisis facing Hawaii.



HPCA

HAWAII PRIMARY CARE ASSOCIATION

Senate Committee on Human Services

The Hon. Suzanne Chun Oakland, Chair

The Hon. Josh Green, Vice Chair

Testimony in Support of Senate Bill 973
Relating to the Hawaii Public Housing Authority
Submitted by Robert Hirokawa, Chief Executive Officer
January 31, 2015, 1:15pm, Room 229

The Hawaii Primary Care Association (HPCA), which represents the federally qualified community health centers in Hawaii, supports Senate Bill 973, which issues bonds and appropriates funds for the construction of the Housing Authority offices and building of affordable housing.

The HPCA is a staunch believer in the social determinants of health, those economic and social conditions that influence an individual and a community's health status. These conditions serve as risk factors endemic to a person's living and working environment, rather than their behavioral or genetic histories. Factors such as income, education, access to recreation and healthy foods, housing, and employment, can and do have measurable impacts on a person and a community, both in health and financial outcomes.

Senate Bill 973 speaks to one of these major determinants by seeking to alleviate the growing affordable housing crisis in Hawaii. For that reason, we strongly support this measure and thank you for the opportunity to testify.