

HB 2328, HD 1

Measure Title:	RELATING TO HOUSING.
Report Title:	Affordable Housing; Hawaii Housing Finance and Development Corporation
Description:	Makes technical and housekeeping amendments to Act 159, Session Laws of Hawaii 2017, to clarify the terms and applicability of the Hawaii Housing Finance and Development Corporation's (HHFDC) first option to purchase or transfer to a qualified nonprofit housing trust the first option to purchase affordable housing units developed with the Corporation's financing or assistance. Clarifies that Act 159 does not apply to any rights, duties, or obligations that were extended by the Corporation through contract or preliminary offering statement prior to Act 159's effective date. (HB2328 HD1)
Companion:	SB2755
Package:	Governor
Current Referral:	HOU, WAM
Introducer(s):	SAIKI (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

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804
Web site: www.hawaii.gov/dbedt

Telephone: (808) 586-2355
Fax: (808) 586-2377

Statement of
LUIS P. SALAVERIA
Director
Department of Business, Economic Development and Tourism
before the
SENATE COMMITTEE ON HOUSING
Tuesday, March 13, 2018
2:45 p.m.
State Capitol, Room 225

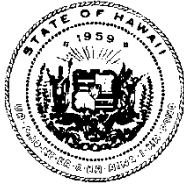
in consideration of
HB 2328, HD1
RELATING TO HOUSING.

Chair Espero, Vice Chair Harimoto, and Members of the Committee.

The Department of Business, Economic Development and Tourism (DBEDT) **supports** HB2328, HD1, an Administration bill making technical and clarifying amendments to Act 159, Session Laws of Hawaii 2017. This bill clarifies that any HHFDC-assisted project that was developed or sold prior to Act 159's enactment is grandfathered in to avoid unintended consequences and administrative burdens.

Thank you for the opportunity to offer support of HB 2328, HD1.

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

March 13, 2018 at 2:45 p.m.
State Capitol, Room 225

In consideration of
H.B. 2328, H.D. 1
RELATING TO HOUSING.

The HHFDC **strongly supports** H.B. 2328, H.D. 1, an Administration bill making technical and clarifying amendments to Act 159, Session Laws of Hawaii 2017.

Act 159 allows qualified non-profit housing trusts to utilize HHFDC's buyback restriction on affordable for-sale homes and condominium units resold by their original owner-occupants in situations when the HHFDC decides not to do so itself. However, during the interim, we found that some HHFDC projects may not be covered by the existing grandfather clause wording. This bill is intended to exclude any project developed or sold prior to Act 159's enactment. Doing so clarifies that HHFDC is not required to make a section 201H-50 notification to all existing HHFDC homebuyers still subject to the buyback restriction, which would be a significant administrative cost burden to the agency.

Thank you for the opportunity to testify.