



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 HOUSING

February 8, 2018 at 9:30 a.m.
State Capitol, Room 423

In consideration of
H.B. 2633
RELATING TO HOUSING.

The HHFDC **opposes** H.B. 2633. This bill would set aside 5 percent of the Rental Housing Revolving Fund (RHRF) to be used exclusively for microloans to rehabilitate derelict rental units.

HHFDC believes that a permanent set aside of this nature is not a prudent use of the RHRF's limited resources, given the strong demand for RHRF by affordable rental housing developers for new construction or acquisition/rehabilitation of rental housing projects primarily for households at or below 60 percent of the area median income.

We also would like to provide the Committee with our Deputy Attorney General's comments and recommendations on this bill, as follows:

- Section 2 of the bill should be amended to include a definition for "low-interest."
- The phrase "the regulations under" in section 3, page 5, line 10 of the bill should be deleted.
- The definition of "derelict" in section 2, page 2, lines 10 and 11 of the bill should be amended to delete the phrase "basic standard living conditions required under," for purposes of clarity.
- The term "regulations" in section 2, page 7, line 7 of the bill should be deleted for accuracy.
- Finally, the term "holding" in section 3, page 7, line 12 of the bill should be deleted and replaced with the word "with" for purposes of consistency with Chapter 201H, HRS.

H.B. 2633 also duplicates county programs that address the need for rehabilitation loans. For example, the City and County of Honolulu has a Rehabilitation Loan Program operated by the Department of Community Services.

Thank you for the opportunity to testify.

HB-2633

Submitted on: 2/7/2018 8:53:54 AM

Testimony for HSG on 2/8/2018 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	OCC Legislative Priorities	Support	No

Comments:



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COMMITTEE ON HOUSING

THURSDAY, February 8, 2018, 9:30 AM, room 423

HB 2633, Relating to Housing

TESTIMONY

Nina Eejima, Legislative Committee, League of Women Voters of Hawaii

Chair Brower, Vice-Chair Nakamura, and Committee Members:

The League of Women Voters of Hawaii supports HB 2633 that provides low-interest microloans to assist landlords or derelict rental units in small apartment or condominium buildings to render these units habitable.

We agree that Hawaii needs to encourage the owners of derelict units to bring such units back onto the rental housing market by offering low-interest renovation loans of \$10,000 per unit or less. We note that traditional financing is often difficult to obtain and that these microloans will increase the availability of affordable homes by at least 1500 units across the State.

Thank you for the opportunity to submit testimony.

HB-2633

Submitted on: 2/5/2018 5:11:26 PM

Testimony for HSG on 2/8/2018 9:30:00 AM

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

Comments: