

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 WAYS AND MEANS

April 5, 2019 at 10:15 a.m.
State Capitol, Room 211

In consideration of
H.B. 477, H.D. 1, S.D. 1
RELATING TO HOUSING.

The HHFDC supports H.B. 477, H.D. 1, S.D. 1. HHFDC is willing to administer the new revolving funds created in this bill and the new loan programs set forth herein.

Thank you for the opportunity to provide written comments on this bill.

DAVID Y. IGE
GOVERNOR



RODERICK K. BECKER
DIRECTOR

ROBERT YU
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
P.O. BOX 150
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

WRITTEN ONLY
TESTIMONY BY RODERICK K. BECKER
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEE ON WAYS AND MEANS
ON
HOUSE BILL NO. 477, H.D. 1, S.D. 1

April 5, 2019
10:15 a.m.
Room 211

RELATING TO HOUSING

House Bill (H.B.) No. 477, H.D. 1, S.D. 1: establishes the Home Ownership Housing Revolving Fund (HOHRF) within the Hawaii Housing Finance and Development Corporation (HHFDC) to provide loans to nonprofit housing development organizations and nonprofit community development financial institutions (CDFI) for the development of affordable homeownership housing projects under a self-help housing program; appropriates an unspecified amount of general funds in FY 20 to be deposited into the HOHRF; appropriates an unspecified amount of revolving funds from the HOHRF in FY 20 for the development of affordable for-sale housing projects; establishes the Qualified Nonprofit Housing Trust (QNHT) Program to authorize the HHFDC to provide loans to qualified nonprofit housing trusts and nonprofit CDFI to develop affordable housing units; establishes the QNHT Revolving Fund (QNHTRF) to provide loans (loan cap is unspecified) for the development, pre-development, construction, acquisition, preservation, and substantial rehabilitation of affordable housing units under the QNHT Program (funds cannot be used for the day-to-day

administrative expenses of projects that are allotted fund moneys); appropriates an unspecified amount of general funds in FY 20 to be deposited into the QNHTRF; and appropriates an unspecified amount of revolving funds in FY 20 from the QNHTRF.

As a matter of general policy, the department does not support the creation of revolving funds that do not meet the requirements of Section 37-52.4, HRS. Revolving funds should: 1) serve a need as demonstrated by the purpose, scope of work and an explanation why the program cannot be implemented successfully under the general fund appropriation process; 2) reflect a clear nexus between the benefits sought and charges made upon the users or beneficiaries or a clear link between the program and the sources of revenue; 3) provide an appropriate means of financing for the program or activity; and 4) demonstrate the capacity to be financially self-sustaining. In regards to H.B. No. 477, H.D. 1, S.D. 1, it is difficult to determine whether the two proposed revolving funds would be self-sustaining.

Thank you for your consideration of our comments.



Aloha United Way

Aloha United Way
200 N. Vineyard Blvd., Suite 700
Honolulu, Hawaii 96817

April 3, 2019

Senator Donovan M. Dela Cruz, Chair, Committee on Ways and Means
Senator Gilbert S. C. Keith-Agaran, Vice Chair, Committee on Ways and Means

HB 477, HD1, SD1: Relating to Housing - STRONG SUPPORT
April 5, 2019; Hearing Time 10:15; Conference Room 211

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran and Committee Members

Aloha United Way strongly supports HB 477, HD1, SD1 which establishes a Homeownership Housing Revolving Fund within HHFDC.

HB 477, HD1, SD1 recognizes the need for Hawaii to set in place a continuum in affordable housing units by creating a homeownership revolving fund that would provide loans for the development of permanent homeownership units by self-help housing nonprofits for our local low- and moderate-income households. With the State Department of Business, Economic Development, and Tourism projecting that we need 66,000 units of housing by 2025 to meet demand, we must consider all housing options to meet this goal.

The benefits of a homeownership revolving fund range from preservation of existing affordable housing units to engaging new sectors in the State's affordable housing plan to attracting hundreds of millions of dollars in capital for housing finance through CDFIs.

Thank you for the opportunity to submit testimony. We urge your favorable consideration of HB 477, HD1, SD1 .

Sincerely,

A handwritten signature in black ink, appearing to read "Cindy Adams", with a long horizontal line extending to the right.

Cindy Adams
President & CEO



April 4, 2019

Senate Committee on Ways and Means
Friday, April 5, 2019
Conference Room 211

HB477, HD1, SD1 - STRONG SUPPORT

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran, and Committee Members:

I am submitting testimony in my capacity as Executive Director of Honolulu Habitat for Humanity (HHH), a nonprofit affordable housing organization to **STRONGLY SUPPORT HB477, HD1, SD1.**

The benefits of a homeownership revolving fund range from preservation of existing affordable housing units to engaging new sectors in the State's affordable housing plan to attracting hundreds of millions of dollars in capital for housing finance through CDFIs.

According to recent data gathered by Hawaiian Community Assets, the new Affordable Homeownership Revolving Fund would allow self-help builders to double their production from approximately 80 units per year to 160 units in 2020 and more than triple their production to 260 units per year by 2021. Habitat for Humanity affiliates across the state will provide half or more of these units alone. This would result in 1,460 affordable homeownership units by 2025 for households earning \$75,000 and less in annual income. Self-help builders, like Hawaii Habitat for Humanity, plan to leverage the fund to cover 50% of their project costs in 2020-21 for an estimated demand of \$15.75M in immediate funding.

The homeownership revolving fund will help preserve existing affordable rental units as affordable homeownership units. Transitioning affordable rental units financed with Federal programs, such as Low-Income Housing Tax Credits, to affordable homeownership units once their affordability period ends is a strategy being implemented nationwide and promoted by Milken Institute and Kresge Foundation for preserving affordable housing for low-income households. The self-help homeownership revolving fund could be Hawaii's tool to implement this strategy for our families currently in affordable rentals scheduled to change to market rate. The fund would make it possible for organizations like Habitat for Humanity, Self-Help Housing Corporation, Hawaii Island Community Development Corporation, and Kapili Like to be major partners in preserving affordable

*922 Austin Lane, #C-1
Honolulu, HI 96817
808-538-7373
honoluluhabitat.org*

units for our households that are most in-need and interested in aging in place.

The homeownership revolving fund would engage two new industries - self-help housing developers and CDFIs - in the State's affordable housing plan. Eight self-help housing nonprofits and nine CDFIs would be able to step up and participate in meeting the State's demand for 66,000 housing units by 2025 instead of us relying solely on rental housing developers to meet this goal. While self-help housing organizations are able to build affordable units by using volunteer labor, CDFIs are nonprofit intermediaries that are helping communities build affordable housing across the United States by pooling together public and private capital for deployment to underserved populations through loans.

The homeownership revolving fund would attract hundreds of millions of dollars in capital for affordable for-sale housing development. Locally, we have community-based and credit union CDFIs that are uniquely positioned to offer flexible mortgage financing, down payment assistance loans, and non-traditional financing for lands with title issues. Together, our CDFIs could leverage State investments in a significant manner. The Carsey Institute cites that CDFIs are leveraging Federal investments at a rate of up to 8:1. By allowing CDFIs access to the fund, these nonprofit intermediaries could finance emergency and permanent homeownership housing for households residing on Hawaii Island in areas ravaged by lava eruptions, on Kuleana Lands in Kauai or in Maui where floods and fires have recently taken place, or in the valleys of Waiahole and Kahana where land leases do not allow for mortgage financing through the mainstream marketplace.

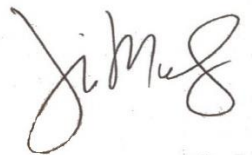
Finally, we recommend the committee appropriate \$25 million to establish the fund and for expenditure by the Hawaii Housing Finance and Development Corporation. Based on CDFIs' standard leverage ratio alone (8:1), a \$25 million investment in the fund by the State could result in \$200 million of total housing financing activity to bring an estimated 1,500 affordable homeownership units on-line by the end of 2020. This strategy would open opportunities for current renters to move into homeownership, making their rental units available for lower-income households and our houseless residents so there is adequate stock available to them. Further, this amount of investment would assist in integrating affordable homeownership within our overall affordable housing strategy that includes ohana zone housing and affordable rentals.

Habitat for Humanity and all of the Habitat organizations in Hawaii, know that homeownership is important. People who own their homes have better health, find it is a pathway out of poverty, provides safety, leads to stable

neighborhoods and thriving families and leverages educational investment. Please take action to create the homeownership revolving fund. **PASS HB477, HD1, SD1.**

Mahalo for your time, leadership and consideration. Please contact me directly at 808.538-7373 or jmurphy@honoluluhabitat.org should you have any questions or need additional information.

Sincerely,

A handwritten signature in black ink that reads "Jim Murphy". The signature is written in a cursive style with a large, looping "J" and "M".

Jim Murphy
Executive Director



Hawaii
Habitat
for Humanity®
Association

April 3, 2019

Senate Committee on Ways and Means
Friday, April 5, 2019
Conference Room 211

HB477, HD1, SD1 - STRONG SUPPORT

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran, and Committee Members:

I am submitting testimony in my capacity as Executive Director of Hawaii Habitat for Humanity Association (HHFHA), a nonprofit community development financial institution (CDFI) and State Support Organization for the direct service Habitat for Humanity organizations across the state to **STRONGLY SUPPORT HB477, HD1, SD1.**

The benefits of a homeownership revolving fund range from preservation of existing affordable housing units to engaging new sectors in the State's affordable housing plan to attracting hundreds of millions of dollars in capital for housing finance through CDFIs.

According to recent data gathered by Hawaiian Community Assets, the new Affordable Homeownership Revolving Fund would allow self-help builders to double their production from approximately 80 units per year to 160 units in 2020 and more than triple their production to 260 units per year by 2021. Habitat for Humanity affiliates across the state will provide half or more of these units alone. This would result in 1,460 affordable homeownership units by 2025 for households earning \$75,000 and less in annual income. Self-help builders, like Hawaii Habitat for Humanity, plan to leverage the fund to cover 50% of their project costs in 2020-21 for an estimated demand of \$15.75M in immediate funding.

The homeownership revolving fund will help preserve existing affordable rental units as affordable homeownership units. Transitioning affordable rental units financed with Federal programs, such as Low-Income Housing Tax Credits, to affordable homeownership units once their affordability period ends is a strategy being implemented nationwide and promoted by Milken Institute and Kresge Foundation for preserving affordable housing for low-income households. The self-help homeownership revolving fund could be Hawaii's tool to implement this strategy for our families currently in affordable rentals scheduled to change to market rate. The fund would make it possible for organizations like Habitat for Humanity, Self-Help Housing Corporation, Hawaii Island Community Development Corporation,

2051 Young St.#82
Honolulu, HI 96826
808-847-7676
www.hawaiihabitat.org

and Kapili Like to be major partners in preserving affordable units for our households that are most in-need and interested in aging in place.

The homeownership revolving fund would engage two new industries - self-help housing developers and CDFIs - in the State's affordable housing plan. Eight self-help housing nonprofits and nine CDFIs would be able to step up and participate in meeting the State's demand for 66,000 housing units by 2025 instead of us relying solely on rental housing developers to meet this goal. While self-help housing organizations are able to build affordable units by using volunteer labor, CDFIs are nonprofit intermediaries that are helping communities build affordable housing across the United States by pooling together public and private capital for deployment to underserved populations through loans.

The homeownership revolving fund would attract hundreds of millions of dollars in capital for affordable for-sale housing development. Locally, we have community-based and credit union CDFIs that are uniquely positioned to offer flexible mortgage financing, down payment assistance loans, and non-traditional financing for lands with title issues. Together, our CDFIs could leverage State investments in a significant manner. The Carsey Institute cites that CDFIs are leveraging Federal investments at a rate of up to 8:1. By allowing CDFIs access to the fund, these nonprofit intermediaries could finance emergency and permanent homeownership housing for households residing on Hawaii Island in areas ravaged by lava eruptions, on Kuleana Lands in Kauai or in Maui where floods and fires have recently taken place, or in the valleys of Waiahole and Kahana where land leases do not allow for mortgage financing through the mainstream marketplace.

Finally, we recommend the committee appropriate \$25 million to establish the fund and for expenditure by the Hawaii Housing Finance and Development Corporation. Based on CDFIs' standard leverage ratio alone (8:1), a \$25 million investment in the fund by the State could result in \$200 million of total housing financing activity to bring an estimated 1,500 affordable homeownership units on-line by the end of 2020. This strategy would open opportunities for current renters to move into homeownership, making their rental units available for lower-income households and our houseless residents so there is adequate stock available to them. Further, this amount of investment would assist in integrating affordable homeownership within our overall affordable housing strategy that includes ohana zone housing and affordable rentals.

Habitat for Humanity and all of the Habitat organizations in Hawaii, know that homeownership is important. People who own their homes have better health, find it is a pathway out of poverty, provides safety, leads to stable neighborhoods and thriving families and leverages educational investment. Please take action to create the homeownership revolving fund. **PASS HB477, HD1, SD1.**

Mahalo for your time, leadership and consideration. Please contact me directly at 808.847.76786 or jean@hawaiihabitat.org should you have any questions or need additional information.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jean Lilley". The signature is fluid and cursive, with the first name "Jean" and last name "Lilley" clearly distinguishable.

Jean Lilley
Executive Director

HB-477-SD-1

Submitted on: 4/3/2019 4:46:26 PM

Testimony for WAM on 4/5/2019 10:15:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Patrick F. Hurney	Testifying for Habitat for Humanity Hawaii Island, Inc.	Support	No

Comments:

Aloha Chair, Vice Chair, and committee members,

I am contacting you, as the Executive Director of Habitat for Humanity Hawaii Island, to request HB477 be scheduled for a hearing.

HB477 would create a new **Affordable Homeownership Revolving Fund** that would provide affordable housing opportunities for Hawaii households and your constituents earning \$75,000 annually or less.

Currently, NLIHC RATED Hawaii as the highest rate in the USA of Housing Wage at \$32.75 per hour in order to afford fair market rent. Our local families are pricing out of the housing market. We need to combat the affordable housing crisis now!

According to recent data gathered by Hawaiian Community Assets, the new Affordable Homeownership Revolving Fund would allow self-help builders to double their production from approximately 80 units per year to 160 units in 2020 and more than triple their production to 260 units per year by 2021. Habitat for Humanity affiliates across the state will provide half or more of these units alone. This would result in 1,460 affordable homeownership units by 2025 for households earning 30-80% area median income. Self-help builders, like Hawaii Habitat for Humanity, plan to leverage the fund to cover 50% of their project costs in 2020-21 for an estimated demand of \$15.75M in immediate funding.

Furthermore, HB477 would create the opportunity for **nine** Department of Treasury certified Community Development Financial Institutions (CDFI), including Hawaii Habitat for Humanity Association, to access and leverage every State \$1 with \$8 of other public and private investments - all to increase the development of affordable, for-sale units for Hawaii's people.

Please take action to address our housing affordability crisis. Schedule HB477 for hearing.

Mahalo for your support! We look forward to providing any further information you may need to support this bill.

Patrick Hurney
Executive Director

Partners in Housing



Co Chairs:

Greg Thielen
BIA Hawaii

Jean Lilley
Hawaii Habitat for Humanity

Participating Organizations:

AIA Hawaii State Council

AIA Honolulu

AIA Maui

BIA-Hawaii

Chamber of Commerce of
Hawaii

EAH Housing

FACE

Hawaii Appleseed Center for
Law & Economic Justice

Hawaiian Community Assets

Hawaii Community
Development Board

Hawaii Habitat for Humanity

Self-Help Housing Corporation
of Hawaii

TESTIMONY TO THE SENATE COMMITTEE ON WAYS AND MEANS
State Capitol, Conference Room 211
415 South Beretania Street
10:15 AM

April 5, 2019

RE: HOUSE BILL NO. 477 HD 1, SD 1, RELATING TO HOUSING

Partners in Housing (PIH) was created by the Building Industry Association leaders and leaders from various non-profit developers and affordable housing advocates. We are committed to working with our community leaders to help solve the housing shortage in our beloved state and to be a solution to providing housing, specifically to people in Hawaii that are struggling with housing costs.

This new alliance has a basic tenet: Everyone in Hawaii should be able to afford stable, permanent rental or for-sale housing at all price points and income levels. Hawaii's current housing crisis requires that everyone involved in housing needs to work together toward addressing the housing need across the state. Our Partners in Housing support broad policies regarding housing and support services. We will advocate for planning, funding and building of infrastructure focusing on transit-oriented development areas and for more government support of affordable housing via funding, improved permitting and creative use of government lands.

PIH is in strong support of H.B. 477 HD 1, which proposes to establish a homeownership housing revolving fund to provide funds for the development of affordable for-sale housing projects by nonprofit housing development organizations under a self-help housing program to facilitate greater homeownership opportunities for Hawaii residents.

Building our way out of our housing crisis requires increasing the supply of housing at all price points. The bill appropriately focuses government funding to nonprofit housing development organizations for the development of affordable homeownership housing projects under a self-help housing program. Involving nonprofit housing organizations will reach a certain segment of the housing market.

We are in strong support of H.B. 477 HD 1, and appreciate the opportunity to express our views on this matter.

From: [Erin Ah Sue](#)
To: [WAM Testimony](#)
Subject: PASS HOUSE BILL 477
Date: Friday, April 5, 2019 12:15:47 AM

Senator Dela Cruz,

Please pass House Bill 477. I am a recently graduated nurse that moved to Utah six months ago to take a job to gain work experience so that I could move home in 6 more months and start my life and family. The rising cost of an average home threaten my dream of returning home and owning a home. I work hard daily and would like to think that if I continue to work hard that it will be enough to afford to live at home in Hawaii.

Please pass House Bill 477.

Mahalo,
Erin Ah Sue

From: [TORI YUEN](#)
To: [WAM Testimony](#)
Subject: House Bill 477
Date: Thursday, April 4, 2019 9:10:15 PM

With more opportunities to slow local families to remain in Hawaii, this bill will be the answer for many. I recently purchased my home being a single mother of 5, not being able to qualify for much subsidy assistance for food, extra financial because I either just went over the house hold income for my family size and working 2 jobs trying to keep a roof over my children's head. It was tough and sometimes unbearable. With programs like Honolulu community assets have me the opportunity to now see more for my income. I was able make my dream come true owning my own home, get financial advice, and pay my own mortgage and a lower amount than I was paying rent. Successful story I could pay off debt and become debt free, a home owner, and actually have a savings. Using the same paycheck to paycheck income. Please pass this bill and help our future generations make a difference in Hawaii. Living the all time American dream of becoming a home owner or having affordable housing.

Thank you,
Victoria

Sent from my iPhone

From: [Gary Colton](#)
To: [WAM Testimony](#)
Subject: house Bill 477
Date: Thursday, April 4, 2019 9:02:03 PM

Senator Dela Cruz,
Please pass house Bill 477. Much Mahalo!!!
Father Gary Colton

Retired Catholic Pastor on Maui

From: [Trina Alani](#)
To: [WAM Testimony](#)
Subject: PASS House Bill 477
Date: Thursday, April 4, 2019 11:27:03 AM

Aloha! On behalf of myself Trina Alani and ohana. We ask you kindly to please PASS House Bill 477.

I have a family of 6 and living pay check to paycheck is very hard especially here in Hawaii. Although me and my other half both work, we barely have anything left. Please help my ohana secure stable, affordable housing. Give my children a chance to live, work and raise their own children in Hawaii when they get older. I believe it will also save us money each month so we can afford basic needs and invest for our children. It will definitely also take off a lot of stress on myself and ohana and not to worry if will ever end up homeless again. As a young mom of 5 kids I've learned so much through them! They are my #1 priority and I want them to be able to live happy, comfortably and not have to worry when I am gone.

I thank you for your time and hope to hear from you soon!

Sincerely,

Trina Alani

From: poouahi123@gmail.com
To: [WAM Testimony](#)
Subject: House Bill 477
Date: Thursday, April 4, 2019 11:25:24 AM

PASS House Bill 477.

House Bill 477 would...

- **help my family secure stable, affordable housing**
- **give my children a chance to live, work, and raise their own children in hawaii**
- **save us money each month so we can afford other basic needs and invest in our children's education and healthcare**
- **reduce stress on my family and keep us from worrying if we will become homeless**

Sent from my iPhone

From: [Haunani Kaulia](#)
To: [WAM Testimony](#)
Subject: House Bill 477
Date: Thursday, April 4, 2019 11:09:50 AM

Please help my keiki to be able to continue living here in Hawaii by passing House Bill 477. I am urging you to pass this bill to perpetuate our Hawai'i. Too many of us who are born and raised here are moving away from Hawai'i because they are afraid of becoming homeless in our own land! Many of my 'ohana had to make that move already because we are only living just to make ends meet and when the ends do not meet, we become houseless!

Some of us work a few jobs just to make ends meet and then we have less time to spend with family because of our jobs! As a single mother of three, I have just been getting by and would love to become a homeowner. It has always been a dream to own my house for my keiki. My daughter will soon be graduating from high school and I am still not able to make that dream come true because I am just making ends meet and have sacrificed a lot just to have some family time with my 3 keiki who are growing so fast..

Passing this bill will allow us to buy a home or our own, something that should not be so hard to do especially for us who are FROM here!

Mahalo,
Haunani Kaulia
808.258.2994

From: [Kaili Kamai](#)
To: [WAM Testimony](#)
Subject: House Bill 477
Date: Thursday, April 4, 2019 10:44:03 AM

Hi,

My name is Kaili keikiokaainaikamakaniokakai Kamai. The purpose of this mail is to ask for your support with House Bill 477. I am 32 years old and have had the opportunity to own my very own home with the support of House Bills like these and Non- Profit Organizations. I currently reside in Maluohai, was first tenant in residence, and after 15 years of rent to own, I am happy to say that I am mortgaging same current residence. Thank you for taking the time to read this email and I dont want to tell a story, but thank you.

From: [Monika Mira](#)
To: [WAM Testimony](#)
Subject: Support for HB477
Date: Thursday, April 4, 2019 10:42:09 AM

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran, and members of the Senate Committee on Ways and Means:

I am contacting you to request HB477 be passed.

Despite having a college degree and working 4 jobs, I still cannot afford rent at market rate, if my rent goes up again, I fear my family could be homeless.

Hawaii needs WORKERS to service our visitors, staff our schools and hospitals. If WORKING families cannot afford housing, how will we service the community and our visitor industry?

House Bill 477 would...

- **help my family secure stable, affordable housing**
- **give my children a chance to live, work, and raise their own children in hawaii**
- **save us money each month so we can afford other basic needs and invest in our children's education and healthcare**
- **reduce stress on my family and keep us from worrying if we will become homeless**

Please take action to address our housing affordability crisis.

MAHALO!
Monika Mira

From: [Henry Kanoa](#)
To: [WAM Testimony](#)
Subject: House Bill 477
Date: Thursday, April 4, 2019 10:34:19 AM

House Bill 477 would...

- **help my family secure stable, affordable housing**
- **give my children a chance to live, work, and raise their own children in hawaii**
- **save us money each month so we can afford other basic needs and invest in our children's education and healthcare**
- **reduce stress on my family and keep us from worrying if we will become homeless**

Thank You..!!

Sent from my iPad

From: [Ann Au Hoon](#)
To: [WAM Testimony](#)
Subject: PASS Bill 477
Date: Thursday, April 4, 2019 10:04:48 AM

Aloha Senator Dela Cruz,

Pass HB477.

It would create an affordable homeownership revolving fund to...

- -Put more local families in stable homes
- -Reduce monthly housing costs for low-income households
- -Free up money for our workers and working families to spend on other basic needs
- -Leverage millions of dollars in public and private funds for affordable housing
- -Increase property tax revenue for our counties
- -Create a legacy of homeownership for our children and grandchildren so they don't have to leave Hawaii in order to afford to live

Best Regards,

Ann Au Hoon
Managing Agent
Mark Development Inc.
Email: anniea@mdihawaii.com
Office: 808.620.9037
Cell: 808.754.7559

See Other Rental Properties!

<https://www.mdihawaii.com/properties>

NOTICE TO RECIPIENT: *If you are not the intended recipient of this e-mail, you are prohibited from sharing, copying, or otherwise using or disclosing its contents. If you have received this e-mail in error, please notify the sender immediately by reply e-mail and permanently delete this e-mail and any attachments without reading, forwarding or saving them. Thank you.*

From: [Randy Ching](#)
To: [WAM Testimony](#)
Subject: In strong support of HB477
Date: Thursday, April 4, 2019 11:29:59 AM

Chair Dela Cruz, Vice Chair Keith-Agaran and members of the committee,

Please pass HB477. HB477 would create the new Affordable Homeownership Revolving Fund to build for-sale homes for households earning \$75,000 annually or less.

It would create an affordable homeownership revolving fund to:

- Put more local families in stable homes.
- Reduce monthly housing costs for low-income households.
- Free up money for our workers and working families to spend on other basic needs.
- Leverage millions of dollars in public and private funds for affordable housing.
- Increase property tax revenue for our counties.
- Create a legacy of homeownership for our children and grandchildren so they don't have to leave Hawaii in order to afford to live.

The housing crisis is real. People need shelter -- whether it be buying or renting, people need a place to stay. According to the latest statistics, almost 80% of people making less than \$15 an hour are one paycheck away from being on the streets. These are the folks who are ALICE -- asset limited, income constrained, employed.

I know that the Legislature can't solve this problem entirely. But HB477 would be a major step in addressing one of the main causes of the housing crisis. The inventory of homes is shrinking because so much money from outside the state is being invested in our housing stock -- mainly for a place to park "excess" money. Hawaii has very low property taxes so there is almost no penalty for leaving investment homes empty most or all of the year.

Please help build homes which will be occupied every day of the year -- we need to encourage more owner/occupants.

Mahalo for your consideration and much mahalo for helping residents to find shelter in these troubled times. Please pass HB477.

Randy Ching (Honolulu)

From: [Richard Tardiff](#)
To: [WAM Testimony](#)
Subject: Support for HB477
Date: Wednesday, April 3, 2019 8:41:06 PM

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran, and members of the Senate Committee on Ways and Means:

I am contacting you, on behalf of Habitat for Humanity Hawaii Island, in support of HB477.

In creating a new **Affordable Homeownership Revolving Fund** HB477 would help provide affordable housing opportunities for Hawaii households and your constituents earning \$75,000 annually or less.

As you may be aware, in order to afford fair market rent, a Hawaiian worker must earn \$32.75 per hour. Clearly, local families are pricing out of the housing market. We at Habitat are doing the best we can to make housing more affordable in Hawaii, but we need your help. That's why we're supporting legislation such as HB477.

According to recent data gathered by Hawaiian Community Assets, the new Affordable Homeownership Revolving Fund would allow self-help builders to double their production from approximately 80 units per year to 160 units in 2020 and more than triple their production to 260 units per year by 2021. Habitat for Humanity affiliates across the state will provide half or more of these units alone. This would result in 1,460 affordable homeownership units by 2025 for households earning 30-80% area median income. Self-help builders, like Hawaii Habitat for Humanity, plan to leverage the fund to cover 50% of their project costs in 2020-21 for an estimated demand of \$15.75M in immediate funding.

Furthermore, HB477 would create the opportunity for nine Department of Treasury certified Community Development Financial Institutions (CDFI), including Hawaii Habitat for Humanity Association, to access and leverage every State \$1 with \$8 of other public and private investments - all to increase the development of affordable, for-sale units for Hawaii's people.

Please take action to address our housing affordability crisis. Let's add HB477 to our toolbox. Hawaiian families, deserve a simple, decent place to live.

Thank you for all your good work.

Sincerely,

Dr. Richard A. Tardiff

President, Board of Directors

Habitat for Humanity, Hawaiian Island

406-390-6714

...and what does the LORD require of you
but to do justice, and to love mercy,
and to walk humbly with your God?

Micah 6:8

From: [Ann Marie Muramoto](#)
To: [WAM Testimony](#)
Subject: Testimony HB477
Date: Wednesday, April 3, 2019 6:00:51 PM

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran, and members of the Senate Committee on Ways and Means:

I am contacting you, as the Vice President of Habitat for Humanity Hawaii Island, to request HB477 be scheduled for a hearing.

HB477 would create a new **Affordable Homeownership Revolving Fund** that would provide affordable housing opportunities for Hawaii households and your constituents earning \$75,000 annually or less.

Currently, Hawaii has the highest rate in the USA of Housing Wage at \$32.75 per hour in order to afford fair market rent. Our local families are pricing out of the housing market. We need to combat the affordable housing crisis now!

According to recent data gathered by Hawaiian Community Assets, the new Affordable Homeownership Revolving Fund would allow self-help builders to double their production from approximately 80 units per year to 160 units in 2020 and more than triple their production to 260 units per year by 2021. Habitat for Humanity affiliates across the state will provide half or more of these units alone. This would result in 1,460 affordable homeownership units by 2025 for households earning 30-80% area median income. Self-help builders, like Hawaii Habitat for Humanity, plan to leverage the fund to cover 50% of their project costs in 2020-21 for an estimated demand of \$15.75M in immediate funding.

Furthermore, HB477 would create the opportunity for **nine** Department of Treasury certified Community Development Financial Institutions (CDFI), including Hawaii Habitat for Humanity Association, to access and leverage every State \$1 with \$8 of other public and private investments - all to increase the development of affordable, for-sale units for Hawaii's people.

Please take action to address our housing affordability crisis. Schedule HB477 for hearing. Should it not be scheduled for a hearing, please waive it for a conference scheduling.

Mahalo for your support! We look forward to providing any further information you may need to support this bill.

Aloha

Dr AnnMarie Muramoto

From: [Julie Ziemelis](#)
To: [WAM Testimony](#); [Sen. Donovan Dela Cruz](#); [Sen. Gilbert Keith-Agaran](#)
Cc: [Patrick Hurney](#)
Subject: In Support of HB477- Affordable Homeownership Revolving Fund Needed Now
Date: Wednesday, April 3, 2019 9:24:58 AM

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran, and members of the Senate Committee on Ways and Means:

I am contacting you, as a member of the Board of Habitat for Humanity Hawaii Island, to request HB477 be scheduled for a hearing.

HB477 would create a new **Affordable Homeownership Revolving Fund** that would provide affordable housing opportunities for Hawaii households and your constituents earning \$75,000 annually or less.

Currently, Hawaii has the highest rate in the USA of Housing Wage at \$32.75 per hour in order to afford fair market rent. Our local families are priced out of the housing market. We need to combat the affordable housing crisis now!

Personally, my family of four is living in a two bed/two bath condo because we can not afford a single family home in West Hawaii. I have been a housing advocate for many years and strongly encourage you to make affordable housing opportunities a priority on our island.

According to recent data gathered by Hawaiian Community Assets, the new Affordable Homeownership Revolving Fund would allow self-help builders to double their production from approximately 80 units per year to 160 units in 2020 and more than triple their production to 260 units per year by 2021. Habitat for Humanity affiliates across the state will provide half or more of these units alone. This would result in 1,460 affordable homeownership units by 2025 for households earning 30-80% area median income. Self-help builders, like Hawaii Habitat for Humanity, plan to leverage the fund to cover 50% of their project costs in 2020-21 for an estimated demand of \$15.75M in immediate funding.

Furthermore, HB477 would create the opportunity for **nine** Department of Treasury certified Community Development Financial Institutions (CDFI), including Hawaii Habitat for Humanity Association, to access and leverage every State \$1 with \$8 of other public and private investments - all to increase the development of affordable, for-sale units for Hawaii's people.

Please take action to address our housing affordability crisis. Schedule HB477 for hearing. Should it not be scheduled for a hearing, please waive it for a conference scheduling.

Mahalo for your support! We look forward to providing any further information you may need to support this bill.

Julie Ziemelis
Owner
Ziemelis Communications
P: 808-785-2898
E: Julie@Ziemelis.com
Web: JulieZiemelis.com

Digital Marketing/PR/Event Planning Consulting

Creator of "365 Things to Do in Kona" and 365Kona.com

From: [Sherri Dodson](#)
To: [WAM Testimony](#)
Subject: HB477
Date: Wednesday, April 3, 2019 9:07:49 AM

Aloha Members of the Ways and Means Committee,

I am the Executive Director for Habitat for Humanity Maui, a nonprofit affordable housing provider. To date Habitat Maui has improved the living situation for over 100 families on Maui by providing stable housing with homeownership.

HB477 would create a new **Affordable Homeownership Revolving Fund** that would provide more affordable housing opportunities for the families of Maui and give us the opportunity to increase our efforts of providing stable housing.

According to recent data gathered by Hawaiian Community Assets, the new Affordable Homeownership Revolving Fund would allow self-help builders to double their production from approximately 80 units per year to 160 units in 2020 and more than triple their production to 260 units per year by 2021. Habitat for Humanity affiliates across the state will provide half or more of these units alone. This would result in 1,460 affordable homeownership units by 2025 for households earning 30-80% area median income. Self-help builders, like Hawaii Habitat for Humanity, plan to leverage the fund to cover 50% of their project costs in 2020-21 for an estimated demand of \$15.75M in immediate funding.

Please take action to address our housing affordability crisis. Schedule HB477 for hearing. Should it not be scheduled for a hearing, please waive it for a conference scheduling.

Mahalo for your support! We look forward to providing any further information you may need to support this bill.

Sherri K. Dodson, NMLS #1600289
Executive Director
Habitat for Humanity Maui
1162 Lower Main Street
Wailuku, HI 96793
Ph: (808) 242-1140
Fax: (808) 242-1141
sherri@habitat-maui.org
www.habitat-maui.org

Habitat for Humanity Maui builds strength, stability and self-reliance through shelter.

From: [Stephen Spears](#)
To: [WAM Testimony](#)
Subject: Hearing for HB477
Date: Tuesday, April 2, 2019 9:27:14 PM

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran, and members of the Senate Committee on Ways and Means:

I am contacting you, as the Executive Director of Kauai Habitat for Humanity Inc., to request HB477 be scheduled for a hearing.

HB477 would create a new **Affordable Homeownership Revolving Fund** that would provide affordable housing opportunities for Hawaii households and your constituents earning \$75,000 annually or less.

According to recent data gathered by Hawaiian Community Assets, the new Affordable Homeownership Revolving Fund would allow self-help builders to double their production from approximately 80 units per year to 160 units in 2020 and more than triple their production to 260 units per year by 2021. Habitat for Humanity affiliates across the state will provide half or more of these units alone. This would result in 1,460 affordable homeownership units by 2025 for households earning 30-80% area median income. Self-help builders, like Hawaii Habitat for Humanity, plan to leverage the fund to cover 50% of their project costs in 2020-21 for an estimated demand of \$15.75M in immediate funding.

Furthermore, HB477 would create the opportunity for **nine** Department of Treasury certified Community Development Financial Institutions (CDFI), including Hawaii Habitat for Humanity Association, to access and leverage every State \$1 with \$8 of other public and private investments - all to increase the development of affordable, for-sale units for Hawaii's people.

Please take action to address our housing affordability crisis. Schedule HB477 for hearing. Should it not be scheduled for a hearing, please waive it for a conference scheduling.

Mahalo for your support!

Stephen L Spears

Stephen L Spears
Executive Director

Kauai Habitat for Humanity | [facebook\kauai-habitat-for-humanity](#) | [@kauaihabitat](#) | [kauaihabitat.org](#)



PO Box 28, Ele`ele, HI 96705 | T: 808.335.0296 ext. 211 | F: 808.335.0569 | C: 808.631.9157

Kauai Habitat for Humanity is a 501(c)(3) nonprofit organization dedicated to helping low-income Kaaui families afford decent and safe housing.

From: [Jean Lilley](#)
To: [WAM Testimony](#)
Cc: [Sen. Donovan Dela Cruz](#); [Sen. Gilbert Keith-Agaran](#)
Subject: Hearing for HB477
Date: Tuesday, April 2, 2019 12:04:59 PM

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran, and members of the Senate Committee on Ways and Means:

I am contacting you, as the Executive Director of Hawaii Habitat for Humanity Association, to request HB477 be scheduled for a hearing.

HB477 would create a new **Affordable Homeownership Revolving Fund** that would provide affordable housing opportunities for Hawaii households and your constituents earning \$75,000 annually or less.

According to recent data gathered by Hawaiian Community Assets, the new Affordable Homeownership Revolving Fund would allow self-help builders to double their production from approximately 80 units per year to 160 units in 2020 and more than triple their production to 260 units per year by 2021. Habitat for Humanity affiliates across the state will provide half or more of these units alone. This would result in 1,460 affordable homeownership units by 2025 for households earning 30-80% area median income. Self-help builders, like Hawaii Habitat for Humanity, plan to leverage the fund to cover 50% of their project costs in 2020-21 for an estimated demand of \$15.75M in immediate funding.

Furthermore, HB477 would create the opportunity for **nine** Department of Treasury certified Community Development Financial Institutions (CDFI), including Hawaii Habitat for Humanity Association, to access and leverage every State \$1 with \$8 of other public and private investments - all to increase the development of affordable, for-sale units for Hawaii's people.

Please take action to address our housing affordability crisis. Schedule HB477 for hearing.

Mahalo for your support! We look forward to providing any further information you may need to support this bill.

Jean

--

Jean Lilley
Executive Director



[Hawaii Habitat for Humanity Association](#)
2051 Young St. #82
Honolulu, HI 96826
office: (808) 847-7676
cell: (808) 291-2969

From: [ben guerrero](#)
To: [WAM Testimony](#)
Subject: Request a hearing for HB477
Date: Monday, April 1, 2019 12:23:51 PM

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran, and members of the Senate Committee on Ways and Means:

I am contacting you to request HB477 be scheduled for a hearing.

HB477 would create a new Affordable Home ownership Revolving Fund that would provide affordable housing opportunities for Hawaii households and your constituents earning \$75,000 annually or less.

According to recent data gathered by Hawaiian Community Assets, the new Affordable Home ownership Revolving Fund would allow self-help builders to double their production from approximately 80 units per year to 160 units in 2020 and more than triple their production to 260 units per year by 2021. This would result in 1,460 affordable home ownership units by 2025 for households earning 30-80% area median income. Self-help builders plan to leverage the fund to cover 50% of their project costs in 2020-21 for an estimated demand of \$15.75M in immediate funding.

Furthermore, HB477 would create the opportunity for 9 Department of Treasury certified community development financial institutions to access and leverage every State \$1 with \$8 of other public and private investments - all to increase the development of affordable, for-sale units for our people.

Please take action to address our housing affordability crisis. Schedule HB477 for hearing.

From: [Randy Ching](#)
To: [WAM Testimony](#)
Subject: Please hear HB477
Date: Monday, April 1, 2019 11:22:42 AM

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran, and members of the Senate Committee on Ways and Means:

I am contacting you to request HB477 be scheduled for a hearing.

HB477 would create a new Affordable Homeownership Revolving Fund that would provide affordable housing opportunities for Hawaii households and your constituents earning \$75,000 annually or less.

According to recent data gathered by Hawaiian Community Assets, the new Affordable Homeownership Revolving Fund would allow self-help builders to double their production from approximately 80 units per year to 160 units in 2020 and more than triple their production to 260 units per year by 2021. This would result in 1,460 affordable homeownership units by 2025 for households earning 30-80% area median income. Self-help builders plan to leverage the fund to cover 50% of their project costs in 2020-21 for an estimated demand of \$15.75M in immediate funding.

Furthermore, HB477 would create the opportunity for 9 Department of Treasury certified community development financial institutions to access and leverage every State \$1 with \$8 of other public and private investments - all to increase the development of affordable, for-sale units for our people.

Please take action to address our housing affordability crisis. Schedule HB477 for hearing. Mahalo.

Randy Ching (Honolulu)

From: [Jeff Gilbreath](#)
To: [WAM Testimony](#)
Subject: Schedule Hearing for HB477 to Create New Affordable Homeownership Revolving Fund
Date: Monday, April 1, 2019 10:48:41 AM
Importance: High

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran, and members of the Senate Committee on Ways and Means:

I am contacting you to request HB477 be scheduled for a hearing.

HB477 would create a new Affordable Homeownership Revolving Fund that would provide affordable housing opportunities for Hawaii households and your constituents earning \$75,000 annually or less.

According to data gathered by our organization from local self-help organizations, the new Affordable Homeownership Revolving Fund would allow self-help builders to double their production from approximately 80 units per year to 160 units in 2020 and more than triple their production to 260 units per year by 2021. This would result in 1,460 affordable homeownership units by 2025 for households earning 30-80% area median income. Self-help builders plan to leverage the fund to cover 50% of their project costs in 2020-21 for an estimated demand of \$15.75M in immediate funding.

Furthermore, HB477 would create the opportunity for 9 Department of Treasury certified community development financial institutions to access and leverage every State \$1 with \$8 of other public and private investments - all to increase the development of affordable, for-sale units for our people.

Please take action to address our housing affordability crisis. Schedule HB477 for hearing.

Jeff Gilbreath

Executive Director

Hawaiian Community Assets

200 N Vineyard Boulevard, Suite B140

Honolulu, HI 96817

Direct: 808-587-7653

Main: 808-587-7886

Toll Free: 866-400-1116

TTY: 877-477-5990

Fax Direct: 808-628-6879

Web: www.hawaiiancommunity.net



Hawaiian Community Assets is a 501c3 nonprofit HUD-certified housing counseling agency and Native community development financial institution that builds the capacity of low- and moderate-income communities to achieve and sustain economic self-sufficiency with a particular focus on Native Hawaiians. Our philosophy – *kahua waiwai* – supports permanent housing, culturally-relevant financial education, and asset building and community lending programs to achieve our mission.

 Please consider the environment before printing this email

The information transmitted is intended only for the person or entity to which it is addressed and may contain confidential, proprietary and or privileged material. Any review, retransmission, dissemination or other use of, or taking of any action in reliance upon this information by persons or entities other than the intended recipient is prohibited. If you received this email in error, please contact the sender and delete the material from all computers.



LATE

Board Members

President

Jason Okuhama
Managing Partner,
Commercial & Business Lending

Secretary

Marcus Kawatachi
Deputy Director,
Hawai'i Civil Rights Commission

Trina Orimoto
Clinical & Research
Psychologist

Kaipo Kukahiko
HMSA Foundation

Miwa Tamanaha
Deputy Director,
Kua'aina Ulu 'Auamo

HACBED Staff

Brent N. Kakesako
Executive Director

Keoki Noji
Chief Operating Officer

Athena T. Esene
Bookkeeper & Office Manager

Foley Pfalzgraf
Program Specialist

Chelsie Onaga
AmeriCorps VISTA

Eden Jablon
AmeriCorps VISTA

Date: April 4, 2019

To: Senator Donovan M. Dela Cruz, Chair, Senator Gilbert S.C. Keith Agaran, Vice-Chair, and members of the Committee on Ways and Means

From: Brent Kakesako, Hawai'i Alliance for Community-Based Economic Development (HACBED)

Re: Support for HB477 HD1 SD1

Aloha Chair Dela Cruz, Vice-Chair Keith-Agaran, and Committee Members,

The Hawai'i Alliance for Community-Based Economic Development (HACBED) supports HB477 HD1 SD1, which establishes a Homeownership Housing Revolving Fund within Hawai'i Housing Finance and Development Corporation (HHFDC) to provide loans to nonprofit housing development organizations for the development of affordable homeownership housing projects under a self-help program. It also establishes the qualified nonprofit housing trust program to authorize HHFDC to provide loans to qualified nonprofit housing trusts and nonprofit community development financial institutions to develop affordable housing units and makes appropriations to the housing trust revolving fund.

HACBED was established in 1992 as a nonprofit statewide intermediary to address social, economic, and environmental justice concerns through community-based economic development. It advances its mission with core competencies in the areas of community and organizational capacity building, community and economic development planning, and asset policy development and advocacy. HACBED played a facilitating role in the State Asset Policy Task Force and was a key contributor to the State Asset Policy Road Map.

The 2015 State Housing Demand Study made it clear that 75% of the housing needed by 2026 must be for households earning \$75,000 annually or less. This includes our families, friends, co-workers, and employees. There is an immediate need for an annual commitment of resources in the development of housing options that are truly affordable for families who call this place home. The passage of HB477 HD1 SD1 would put more local families in stable homes, reduce monthly housing costs for low-income households, free up money for our workers and working families to spend on other basic needs, leverage millions of dollars in public and private funds for affordable housing, increase property tax revenue for our counties, and create a legacy of homeownership for our children and grandchildren so they don't have to leave Hawai'i in order to afford to live.

Mahalo for this opportunity to testify,

Brent N. Kakesako
Executive Director



**Testimony to the Senate Committee on Ways and Means
Friday, April 5, 2019 at 10:15 A.M.
Conference Room 211, State Capitol**

RE: HB 477 HD1 SD1, RELATING TO HOUSING.

Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Committee:

The Chamber of Commerce Hawaii (“The Chamber”) supports HB477 HD1 SD1 which proposes to establish a homeownership housing revolving fund to provide funds for the development of affordable for-sale housing projects by nonprofit housing development organizations under a self-help housing program to facilitate greater homeownership opportunities for Hawaii residents.

The Chamber is Hawaii’s leading statewide business advocacy organization, representing about 2,000+ 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.

Building our way out of our housing crisis requires increasing the supply of housing at all price points. The bill appropriately focuses government funding to nonprofit housing development organizations for the development of affordable homeownership housing projects under a self-help housing program. Involving nonprofit housing organizations will help to reach a certain segment of the housing market.

Thank you for the opportunity to testify.



200 North Vineyard Boulevard, B140
Honolulu, HI 96817
Ph: 808-587-7886
Toll Free: 1-866-400-1116
www.hawaiiancommunity.net

April 4, 2019

Senate Committee on Ways and Means
Friday, April 5, 2019, 10:20am
Conference Room 211

HB477, HD1, SD1 – SUPPORT

Aloha Committee Chair, Vice-Chair, and Members:

I am submitting testimony in my capacity as Executive Director of Hawaiian Community Assets (HCA), a nonprofit community development corporation, HUD-approved housing counseling agency, and community development financial institution to **STRONGLY SUPPORT HB477, HD1, SD1.**

HB477, HD1, SD1 would create an affordable homeownership revolving fund to increase our homeownership opportunities that are affordable for our local workers and working families earning \$75,000 annually or less. With the State Department of Business, Economic Development, and Tourism projecting that we need 66,000 units of housing by 2025 to meet demand, we must consider all housing options to meet this goal.

Right now the State focuses its investments only on rental housing for very-low income households (at or below 60% area median income). HB477 would expand the State's investments to include funding for low-income households (at or below 80% area median income), opening the door for nonprofit builders and lenders to leverage these funds with other public and private capital for greater affordable homeownership opportunities we desperately need.

The benefits of a homeownership revolving fund range from preservation of existing affordable housing units to engaging new sectors in the State's affordable housing plan to attracting hundreds of millions of dollars in capital for housing finance through CDFIs.

The homeownership revolving fund will help preserve existing affordable rental units as affordable homeownership units. Transitioning affordable rental units financed with Federal programs, such as Low-Income Housing Tax Credits, to affordable homeownership units once their affordability period ends is a strategy being implemented nationwide and promoted by Milken Institute and Kresge Foundation for preserving affordable housing for low-income

households. The self-help homeownership revolving fund could be Hawaii's tool to implement this strategy for our families currently in affordable rentals scheduled to change to market rate. The fund would make it possible for organizations like Habitat for Humanity, Self-Help Housing Corporation, Hawaii Island Community Development Corporation, and Kapili Like to be major partners in preserving affordable units for our households that are most in-need and interested in aging in place.

The homeownership revolving fund would engage two new industries - self-help housing developers and CDFIs - in the State's affordable housing plan. 8 self-help housing nonprofits and 9 CDFIs would be able to step up and participate in meeting the State's demand for 66,000 housing units by 2025 instead of us relying solely on rental housing developers to meet this goal. While self-help housing organizations are able to build affordable units by using volunteer labor, CDFIs are nonprofit intermediaries that are helping communities build affordable housing across the United States by pooling together public and private capital for deployment to underserved populations through loans. Understanding the important role our local self-help housing nonprofits and CDFIs can play in both building and financing affordable homeownership opportunities is critical to help address our housing affordability crisis, especially for those households at 60-80% area median income that currently not being served through the rental housing revolving fund.

The homeownership revolving fund would attract hundreds of millions of dollars in capital for affordable for-sale housing development. Locally, we have community-based and credit union CDFIs that are uniquely positioned to offer flexible mortgage financing, down payment assistance loans, and non-traditional financing for lands with title issues. Together, our CDFIs could leverage State investments in a significant manner. The Carsey Institute cites that CDFIs are leveraging Federal investments at a rate of up to 8:1¹. By allowing CDFIs access to the fund, these nonprofit intermediaries could finance emergency and permanent homeownership housing for households residing on Hawaii Island in areas ravaged by lava eruptions, on Kuleana Lands in Kauai or in Maui where floods and fires have recently taken place, or in the valleys of Waiahole and Kahana where land leases do not allow for mortgage financing through the mainstream marketplace.

Finally, we recommend the committee appropriate \$25 million to establish the fund and for expenditure by the Hawaii Housing Finance and Development Corporation. According to data gathered by our organization from local self-help organizations, the new Affordable Homeownership Revolving Fund would allow self-help builders to double their production from approximately 80 units per year to 160 units in 2020 and more than triple their production to 260 units per year by 2021. This would result in approximately 1,460 affordable homeownership units by 2025 for households earning \$75,000 annually or less (or 30-80% area median income). Self-help builders plan to leverage the fund to cover 50% of their project costs in 2020-21 for an estimated demand of \$15.75 million in immediate funding. Our organization was unable to collect data from all local self-help housing developers, including those that are just opening their doors. With these additional self-help builders coming on-line, we encourage the Committee to appropriate \$25 million to establish the fund and for expenditure by the HHFDC.

¹ CDFI Industry Analysis: Summary Report. Carsey Institute, Spring 2012.
<https://www.cdfifund.gov/Documents/Carsey%20Report%20PR%20042512.pdf>

With the highest homeless rate per capita and some of the highest housing cost burdens of any state in the nation, we must expand our focus on producing all types of housing for our residents. There is no silver bullet that will address this crisis. HB477, HD1, SD1 would create an affordable homeownership revolving fund to increase our homeownership opportunities that are affordable for our local workers and working families earning \$75,000 annually or less. The fund would assist in preserving existing affordable housing units, engages new sectors in the State's affordable housing plan, and attracts hundreds of millions of dollars in public and private capital for housing finance through CDFIs. Please take action to create the homeownership revolving fund. **PASS HB477, HD1, SD1.**

Mahalo for your time, leadership and consideration. Please contact me directly at 808.587.7653 or jeff@hawaiiancommunity.net should you have any questions or need additional information.

Sincerely

A handwritten signature in black ink that reads "Jeff Gilbreath". The signature is written in a cursive, slightly slanted style.

Jeff Gilbreath
Executive Director

LATE

HB-477-SD-1

Submitted on: 4/4/2019 3:54:53 PM

Testimony for WAM on 4/5/2019 10:15:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
karen bohner	Testifying for Kona Alano Club	Support	No

Comments:

Committee of Ways and Means,

I am contacting you as President of the Kona Alano Club. We respectfully request HB477 be scheduled for a hearing. Affordable housing is needed by your constituents earning less the \$75000 annually or less. Passing this will help our community unite and decrease homelessness.

Please take action now to support our fellows who are currently suffering due to very little or no low income housing in Hawaii.

Resectfully,

Karen Bohner



LATE

Inspiring Hope, Changing Lives

Visit us on the web: www.hopeserviceshawaii.org

Connect via email: info@hopeserviceshawaii.org

HOPE Help Line: 808-935-3050

Hearing: HB 477 in support
Date: April 5, 2019
Location: State Capitol, Room 211

Aloha Committee Chair, Vice-Chair, and Committee Members:

I am submitting testimony on behalf of HOPE Services Hawai'i, a nonprofit homelessness service provider, in support of HB 477.

Stable, affordable housing be available to people at all income levels, and homeownership should not be a luxury only reserved for the wealthy. One way to make homeownership more accessible is to partner with the nonprofit housing development organizations, who will ensure that housing is built that meets the needs of the community, rather than the desires of rich investors. This bill would establish a Homeownership Housing Revolving Fund within HHFDC to provide loans to nonprofit housing development organizations for the development of affordable homeownership housing projects under a self-help housing program.

In Hawai'i County, a person earning minimum wage needs to work 101 hours per week in order to afford a 2-bedroom apartment. A former client from Kona shared their family's struggle: "I had 2 part time jobs and a full-time job. I was always working. I ended up keeping my full-time job. I then later struggled with my rent payments. Me and my family were close from being evicted from our home. I called multiple places that would help me. HOPE services helped me with my rent, because of them me and my family still have a roof over our heads."

For so many families like this one, the struggle to pay rent is so pervasive that the thought of homeownership is nothing but a pipe dream. If we want to continue our work to reduce homelessness and help people to overcome poverty, we need to build for the needs of our community—not luxury condos, but affordable living spaces.

Hawai'i's hard working residents deserve stable housing, and the opportunity to buy a home shouldn't be out of reach for anyone who works full-time. We have the power to put the dream of homeownership within reach, and I strongly urge you to support HB 477.

Mahalo nui for your consideration.

Sincerely,

Handwritten signature of Brandee Menino
Brandee Menino,
Chief Executive Officer

JOIN OUR COMMUNITY



HOPE SERVICES HAWAII, INC.
ADMINISTRATIVE OFFICE
357 Waiuanue Avenue
Hilo, HI 96720
phone: (808) 935-3050
fax: (808) 935-3794

HALE MALUHIA
EMERGENCY SHELTER
110 Ululani Street
Hilo, HI 96720
phone: (808) 443-4717
fax: (808) 934-7456

KIHEI PUA
EMERGENCY SHELTER
115 Kapi'olani Street
Hilo, HI 96720
phone: (808) 933-6053
fax: (808) 934-0904

VETERAN HOUSING
PROGRAMS
21 West Ohea Street
Hilo, HI 96720
phone: (808) 934-8658
fax: (808) 934-8658

FRIENDLY PLACE
RESOURCE CENTER
74-5593 Pawai Place
Kailua-Kona, HI 96740
phone: (808) 933-6062
fax: (808) 329-6219

WEST HAWAII EMERGENCY
HOUSING PROGRAM
74-5593 Pawai Place
Kailua-Kona, HI 96740
phone: (808) 217-5560
fax: (808) 327-2171

BOARD OF DIRECTORS
President
Anne Harpham

Interim Vice-President/
Treasurer
Charlene Iboshi

Secretary
Rev. Robert Stark, SSS

Directors
Carol R. Ignacio
Gwen DeCoito
Patrick Hurney
Dean Au

EXECUTIVE LEADERSHIP
Chief Executive Officer
Brandee Menino

LATE



**TESTIMONY TO THE SENATE COMMITTEE ON WAYS AND MEANS
State Capitol, Conference Room 211
415 South Beretania Street
10:15 AM**

April 5, 2019

RE: HOUSE BILL NO. 477 HD 1, SD 1, RELATING TO HOUSING

Chair Chang, Vice Chair Kanuha, and members of the committee:

My name is Gladys Quinto-Marrone, CEO of the Building Industry Association of Hawaii (BIA-Hawaii). Chartered in 1955, the Building Industry Association of Hawaii is a professional trade organization affiliated with the National Association of Home Builders, representing the building industry and its associates. BIA-Hawaii takes a leadership role in unifying and promoting the interests of the industry to enhance the quality of life for the people of Hawaii. Our members build the communities we all call home.

BIA-Hawaii is in **strong support** of H.B. 477 HD 1, SD 1, which proposes to establish a homeownership housing revolving fund to provide funds for the development of affordable for-sale housing projects by nonprofit housing development organizations under a self-help housing program to facilitate greater homeownership opportunities for Hawaii residents.

Building our way out of our housing crisis requires increasing the supply of housing at all price points. The bill appropriately focuses government funding to nonprofit housing development organizations for the development of affordable homeownership housing projects under a self-help housing program. Involving nonprofit housing organizations will reach a certain segment of the housing market.

We are in strong support of H.B. 477 HD 1, SD 1, and appreciate the opportunity to express our views on this matter.

HB-477-SD-1

Submitted on: 4/4/2019 1:12:47 PM

Testimony for WAM on 4/5/2019 10:15:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Heidi Teraoka	Individual	Support	No

Comments:

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran, and members of the Senate Committee on Ways and Means:

I am contacting you to request HB477 be scheduled for a hearing. HB477 would create a new **Affordable Homeownership Revolving Fund** that would provide affordable housing opportunities for Hawaii households and your constituents. Please take action to address our housing affordability crisis and schedule HB477 for hearing. Mahalo for your support!

Sincerely,

Heidi Teraoka

808-331-8777

HB-477-SD-1

Submitted on: 4/4/2019 4:29:48 PM

Testimony for WAM on 4/5/2019 10:15:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
George Nabea	Individual	Support	Yes

Comments:

THE THIRTIETH LEGISLATURE

REGULAR SESSION OF 2019

COMMITTEE ON WAYS AND MEANS

Senator Donovan M. Dela Cruz, Chair

Senator Gilbert S.C. Keith-Agaran, Vice Chair

GEORGE NABEA, MSW Candidates

2226 Wilson st, Honolulu, HI 96819.

UNIVERSITY OF HAWAII AT MANOA

MBT. SCHOOL OF SOCIAL WORK

Friday April 5, 2019

Support for H.B. 477, HD1, SD1, Relating to Housing.

I am a student at University of Hawaii at Manoa; I'm here to *strongly H.B 477, HD1, SD1. Relating to housing.* Which I believe, when passed, people who are struggling with income, and unable to maintain homeownership, can get some support from the revolving fund to house individuals who might be out of work. As they try to get

back on the workforce. Many of residents in Hawaii who wants to have a roof over their head are very disadvantaged in the sense that, Hawaii State is extremely expensive and the cost of living keeps going up. I believe no one wants to be houseless, None.

With the Home ownership revolving funds, The HUD, and HHFDC can tap into the fund and provide loans to the development organization, that can develop affordable homes for the low income families and individuals. Currently, the only people who can afford a home are the ones with enough wealth, or have heirs. When we can successfully have these projects in place, I hope; Hawaii State, and City and County of Honolulu will eliminate homelessness. Many of you already knows that, young people out of college are very disadvantaged due to Student loans debts, which is about \$ 80,000, and COL. The median property in Hawaii at the moment is about \$ 750,000. Which based in our Annual income, it impossible to afford. Also the Job Market is not very forthcoming.

Thank you for your time and service, and the opportunity you have accorded me to testify.

I Strongly support this Measure HB 477, and hope the Senate Committee, will pass this H.B. 477, HD1, SD1.

LATE

HB-477-SD-1

Submitted on: 4/4/2019 5:32:40 PM

Testimony for WAM on 4/5/2019 10:15:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Lahela Williams	Individual	Support	No

Comments:

Aloha Chair Dela Cruz, Vice Chair Keith-Agaran and Committee Members,

I respectfully submit this testimony to STRONGLY SUPPORT HB477, HD1 SD1.

The Homeownership Housing Revolving Fund and Qualified Nonprofit Housing Trust Program would greatly benefit the low- and moderate-income families of Hawaii by creating opportunities for partnership/collaboration and leveraging public/private dollars to develop truly affordable housing, in a state with one of the highest cost of living rates in the nation.

HB477 HD1 SD1 could be the only opportunity for my family to achieve homeownership. My husband, two children and myself moved out of our family home 7 years ago with a desire establish our independance and provide our children a healthy, stable home life. We intended to rent for a few years while saving and building our credit, with a 5-year plan to qualify for a mortgage. In the last 7 years we have experienced 4 rent increases, 2 furlough/temporary reduction in income, took on 2 additional part-time jobs, numerous medical emergencies and family deaths and have experiences a roller coaster of credit/financial crisis', making the dream of homeownership a fading memory.

The Homeownership Housing Revolving Fund would support non-profit developers to build more affordable homes for families like mine. The Qualified Nonprofit Housing Trust Program would support CDFI's to develop and sell more affordable homes for families like mine.

HB477 HD1 SD1 could be the answer for thousands of low and moderate income families like mine to provide our children a safe, stable, healthy foundation for them to grow, learn and eventually stay home and raise their own families. I was born and raised on the foothills of Puowaina in the homestead of Kewalo. I am native Hawaiian, my family has lived in Hawaii since before the days of King Kamehameha I, my children are native hawaiian - This is our home.

I encourage you to look onto the streets of Hawaii, watch the people commuting to work, the people in the service industry making your lunch, the nurses tending to your wounds, the teachers educating our keiki, the police officers and fire fighters keeping us

safe, the janitors cleaning your buildings, the clerks taking your notes... We could all benefit from HB 477 HD1 SD1. I respectfully urge you to pass HB 477 HD1 SD1 for me, for us, for Hawaii.

Mahalo piha for your time, consideration and attention to this very important matter.

Respectfully submitted by: Lahela Williams