

DAVID Y. IGE
GOVERNOR



DENISE ISERI-MATSUBARA
INTERIM 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
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IN REPLY REFER TO:

Statement of
DENISE ISERI-MATSUBARA
Hawaii Housing Finance and Development Corporation
Before the

SENATE COMMITTEE ON HOUSING

February 11, 2020 at 1:45 p.m.
State Capitol, Room 225

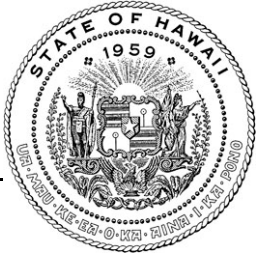
In consideration of
S.B. 2852
RELATING TO THE HOUSING LOAN AND MORTGAGE PROGRAM.

HHFDC ***strongly supports*** S.B. 2852, an Administration bill which increases the bond authorization ceiling for the Housing Loan and Mortgage Program, popularly known as the Hula Mae Multifamily Bond Program. The Hula Mae Multifamily Bond Program promotes the development of new or the acquisition and rehabilitation of existing rental housing projects through the issuance of mortgage revenue bonds for interim and permanent financing at rates below conventional market interest rates.

As of December 31, 2019, Hula Mae Multifamily bonds have assisted in financing the development or acquisition and rehabilitation of 44 projects totaling 5,449 affordable rental units statewide. An additional 11 projects, totaling an additional 1,392 units, are in the planning phase and are pending the issuance of approximately \$345,910,271 in bonds. However, HHFDC only has \$221,858,518 in uncommitted Hula Mae Multifamily bond authority remaining.

The requested increase in bond authority is needed for HHFDC to continue to issue bonds for much-needed affordable rental housing projects statewide.

Thank you for the opportunity to testify.



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

DAVID Y. IGE
GOVERNOR
MIKE MCCARTNEY
DIRECTOR

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Statement of
MIKE MCCARTNEY
Director
Department of Business, Economic Development and Tourism
before the
SENATE COMMITTEE ON HOUSING
Tuesday, February 11, 2020
1:45 p.m.
State Capitol, Conference Room 225

in consideration of
SB2852
RELATING TO THE HOUSING LOAN AND MORTGAGE PROGRAM.

Chair Chang, Vice Chair Kanuha, and Members of the Committee.

The Department of Business, Economic Development and Tourism (DBEDT) **strongly supports** SB2852, which increases the bond authorization ceiling for the private activity revenue bonds issued by Hawaii Housing Finance and Development Corporation to finance affordable rental housing development under the Housing Loan and Mortgage Program, which is better known as the Hula Mae Multifamily Bond Program.

This measure will increase the existing bond authorization ceiling from \$1.5 billion to \$2.5 billion. Doing so will allow the Hula Mae Multifamily Bond Program to continue financing affordable rental housing development going forward.

Thank you for the opportunity to testify.



SENATE COMMITTEE ON HOUSING
State Capitol, Conference Room 225
415 South Beretania Street
1:45 PM

February 11, 2020

RE: SENATE BILL NO. 2852, RELATED TO HOUSING LOAN AND MORTGAGE PROGRAM

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

My name is Dwight Mitsunaga, 2020 President 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 S.B. 2852, which proposes to increase the Hula Mae Multifamily Revenue Bond authorization ceiling amount to continue financing affordable rental housing statewide.

We understand that the Hula Mae Multifamily Bond Program which is overseen by the Hawaii Housing Finance and Development Corporation (HHFDC) promotes the development of new or the acquisition and rehabilitation of existing rental housing projects through the issuance of mortgage revenue bonds for interim and permanent financing at rates below conventional market interest rates. The requested increase in bond authority is needed for HHFDC to continue to issue bonds for much-needed affordable rental housing projects statewide.

We are in strong support of S.B. 2852 and appreciate the opportunity to provide our comments on this matter.

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SB-2852

Submitted on: 2/10/2020 12:58:17 PM

Testimony for HOU on 2/11/2020 1:45:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Kevin Carney	Testifying for EAH Housing	Support	Yes

Comments:

EAH Housing is pleased to provide strong support to SB2852 which increases the Hula Mae Multifamily Revenue Bond (HM MRB) authorization ceiling. EAH utilizes HM MRBs along with 4% Low Income Housing Tax Credits to finance our affordable rental housing projects serving those with incomes at or below 60% AMI. The state needs this increase in order to keep production of rental housing moving forward, please give this bill your strongest support.

Thank you,

Kevin Carney, (PB -16444)

Vice President, Hawaii

EAH Housing



Chamber *of* Commerce **HAWAII**
The Voice of Business

**Testimony to the Senate Committee on Housing
Tuesday, February 11, 2020 at 1:45 P.M.
Conference Room 225, State Capitol**

RE: SB 2852, RELATING TO THE HOUSING LOAN AND MORTGAGE PROGRAM

Chair Chang, Vice Chair Kanuha, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **supports** SB 2852, which proposes increase the Hula Mae Multifamily Revenue Bond authorization ceiling amount to continue financing affordable rental housing statewide.

The Chamber is Hawaii's leading statewide business advocacy organization, representing 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.

The Hula Mae Multifamily Bond Program, which is overseen by the State Hawaii Housing Finance and Development Corporation (HHFDC), promotes the development of new or the acquisition and rehabilitation of existing rental housing projects through the issuance of mortgage revenue bonds for interim and permanent financing at rates below conventional market interest rates. The requested increase in bond authority is needed for HHFDC to continue to issue bonds for much-needed affordable rental housing projects statewide.

Thank you for the opportunity to provide testimony in support of SB 2852.