

DAVID Y. IGE
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LATE

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 HOUSING
ON
SENATE BILL NO. 878

**February 5, 2019
1:15 p.m.
Room 225**

RELATING TO HOUSING

Senate Bill (S.B.) No. 878: establishes the Home Ownership Housing Revolving Fund (HOHRF) to provide loans or grants for affordable housing projects or units in projects that are allocated low-income housing credits or that are funded by certain federal programs or agencies; appropriates an unspecified amount of general funds in both FY 20 and FY 21 to be deposited into the HOHRF; and appropriates an unspecified amount of revolving funds in both FY 20 and FY 21 from the HOHRF for the development of affordable for-sale housing projects.

The department does not support, as a matter of general policy, 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 S.B. No. 878, it is difficult to determine whether the proposed revolving fund would be self-sustaining.

Thank you for your consideration of our comments.



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

February 5, 2019 at 1:15 p.m.
State Capitol, Room 225

In consideration of
S.B. 878
RELATING TO HOUSING.

The HHFDC ***offers the following comments*** on S.B. 878. We appreciate the intent of this bill, provided that its passage does not replace or adversely impact priorities indicated in the Executive Supplemental Budget request.

This bill establishes a new Home Ownership Housing Revolving Fund to provide loans and grants for affordable homeownership housing projects. We note, however, that the language used to establish this proposed fund is similar to language establishing the Rental Housing Revolving Fund.

HHFDC respectfully suggests that language contained in Part II of S.B. 1186, a bill to help provide interim construction financing for the acquisition and rehabilitation, or development of affordable for-sale housing by qualified nonprofit housing trusts, among other things, be substituted. This language was drafted with the input of non-profit housing trust stakeholders who expressed the need for affordable financing sources to help carry out their respective missions and models that help low-income families become homeowners. HHFDC is willing to administer the new revolving fund created Part II of S.B. 1186 and the new loan program set forth therein.

Thank you for the opportunity to testify.



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for Humanity®
Hawai'i Island

*Building houses,
building hope*

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Patrick F. Hurney
Executive Director

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Community Partner

February 2, 2019

Senate Committee on Housings
Tuesday, February 5, 2019
Conference Room 225

SB878 – Relating to Housing – SUPPORT WITH AMENDMENTS

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

I am submitting testimony on behalf of Habitat for Humanity Hawaii Island (HFHHI), one of a few affordable housing organizations on the Big Island, to **SUPPORT SB878 WITH AMENDMENTS.**

Our self-help housing nonprofits have been responsible for a significant number of single- and multi-family homeownership units that are affordable for low-income households earning at or below 80% the HUD area median income.

These self-help housing nonprofits including Habitat for Humanity, Self-Help Housing Corporation of Hawaii, Hawaii Island Community Development Corporation make up the most robust portion of our nonprofit affordable housing industry in Hawaii.

Mahalo for your time, leadership and consideration. Please contact me directly at 808.937.7443 or pat@habitat-hawaii-island.org should you have any questions or need additional information.

Sincerely

Patrick F. Hurney
Executive Director



Hawaii
Habitat
for Humanity®
Association

February 3, 2019

Senate Committee on Housing
Tuesday, February 5, 2019
Conference Room 225

SB878- SUPPORT WITH AMENDMENTS

Aloha Committee Chair, Vice-Chair, and Members:

I am submitting testimony in my capacity as Executive Director of Hawaii Habitat for Humanity Association (HHFHA), a nonprofit community development financial institution and State Support Organization for the direct service Habitat for Humanity organizations across the state to **STRONGLY SUPPORT SB878 WITH AMENDMENTS.**

Our organization recommends amendments that are consistent with our request for amendments to HB959, which we drafted in partnership with the Hawaii Housing Finance and Development Corporation and was part of the Governor's package and includes the creation of an affordable homeownership revolving fund.

Amendments include:

1. **Add language recognizing the need for preservation of existing affordable rental units and the role of the homeownership revolving fund and self-help nonprofits in transitioning them to 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.

2. **Add language recognizing the role community development financial institutions (CDFIs) play in financing affordable homeownership units by leveraging public and private capital.** 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 critical role our local CDFIs can play in financing affordable homeownership opportunities is critical to help address our housing affordability crisis.
3. **Add language to allow CDFIs access to the homeownership revolving fund for relending and leveraging of public and private capital.** 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 on Oahu where land leases do not allow for mortgage financing through the mainstream marketplace.
4. **Strike language requiring eligible CDFIs to have Federal CDFI financial assistance awards in order to access funds and allow them to match homeownership revolving funds with any type of capital.** To ensure the greatest participation of local nonprofit CDFIs in accessing the fund for financing the development of affordable homeownership, it is critical to allow these nonprofit entities to match homeownership revolving funds not just with Federal CDFI financial awards, but any capital they secure from foundations, banks, and other public entities in Hawaii. As stated previously, Federal funds make up only 1/8 of a typical CDFIs total loan capital, are highly competitive and would unnecessarily limit access to homeownership revolving funds that could be put to work in self-help housing developments.
5. **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.

Please see the enclosed bill with recommended amendments for more information.

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. SB878 with recommended amendments would help us set in place a continuum in affordable housing by investing in affordable homeownership opportunities for our low- and moderate-income households as part of a comprehensive strategy. Please take action to create the homeownership revolving fund. **PASS SB878 WITH AMENDMENTS.**

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 pass this bill with the amendments, so that we can increase our work across Hawaii and give our low income families a chance at the benefits of homeownership. **PASS SB878 WITH AMENDMENTS.**

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,



Jean Lilley
Executive Director

S.B. NO.878

A BILL FOR AN ACT

RELATING TO HOUSING.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

SECTION 1. The legislature finds that homeownership is the primary factor in escaping poverty and that in the last fifty years, the number of full time residents in Hawaii who own homes in the State has steadily declined. Currently, Hawaii has one of the lowest homeowner rates of any state in the nation.

The legislature further finds that Hawaii is experiencing the worst housing crisis in the State's history, and that action is necessary to increase the availability of all types of housing including full time resident homeownership housing. The department of business, economic development, and tourism projects that Hawaii will need 66,000 new housing units by 2025 to address the critical shortage of housing.

The legislature further finds that the self-help housing model is a cost-effective means of assisting low-income families who would otherwise not have a homeownership opportunity. Self-help housing organizations leverage federal funds from the U.S. Department of Housing and Urban Development and the U.S.

Department of Agriculture - Rural Development and low-income families' own contributions of labor to build their own communities. However, an additional non-federal matching funding source is needed.

The legislature further finds that homeownership is a national strategy for preserving affordable housing units financed through Federal the Low-Income Housing Tax Credit and Section 8 programs. Currently, there are 7,486 affordable housing units in Hawaii developed with Low-Income Housing Tax Credits and Section 8 program funding that are at or beyond their mandatory affordability period and therefore be at-risk of becoming market-rate units. Action is needed to preserve our limited affordable housing opportunities for low- and moderate-income households in Hawaii.

The legislature further finds that nonprofit community development financial institutions are intermediaries that provide financing and technical assistance to assist self-help housing organizations in the development of affordable homeownership units in underserved communities. As private-sector organizations, community development financial institutions establish and maintain revolving loan funds to attract capital from the U.S. Department of the Treasury and other public and private sources of capital in order to increase the collective impact of affordable housing development by self-

help housing organizations. According to Opportunity Finance Network, community development financial institutions leverage Federal funding for affordable housing and community development activities at a ratio of 8:1. Additional funding would help community development financial institutions attract private and public capital for affordable housing development.

The purpose of this subpart is to establish a self-help homeownership housing revolving fund to provide 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.

SECTION 2. Chapter 201H, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

§201H-___ Affordable homeownership revolving fund. (a) There is established an affordable homeownership revolving fund to be administered by the corporation for the purpose of providing, in whole or in part, loans to nonprofit community development financial institutions and nonprofit housing development organizations for the development of affordable homeownership housing projects under a self-help housing program. Loans shall be awarded in the following order of priority:

(1) Projects or units in projects that are funded by programs of the United States Department of Housing and Urban Development, United States Department of Agriculture - Rural Development, and United States Department of Treasury community development financial institutions fund, wherein:

(A) At least fifty per cent of the available units are reserved for persons and families with incomes at or below eighty per cent of the median family income and of which at least five per cent of the available units are for persons and families with incomes at or below fifty per cent of the median family income; and

(B) The remaining units are reserved for persons and families with incomes at or below one hundred twenty per cent of the median family income; and

(2) Mixed-income affordable for-sale housing projects or units in a mixed-income affordable for-sale housing project wherein all of the available units are reserved for persons and families with incomes at or below one hundred forty per cent of the median family income.

(b) Moneys in the fund shall be used to provide loans for the development, pre-development, construction, acquisition,

mortgage financing or non-traditional financing for lands with title issues, preservation, and substantial rehabilitation of affordable for-sale housing units. Uses of moneys in the fund may include but are not limited to planning, design, land acquisition, including the costs of options, agreements of sale, and down payments, capacity building of nonprofit housing developers, as matching funds for nonprofit community development financial institutions, or other housing development services or activities as provided in rules adopted by the corporation pursuant to chapter 91. The rules may provide that money from the fund shall be leveraged with other financial resources to the extent possible.

(c) The fund may include sums appropriated by the legislature, private contributions, repayment of loans, interest, other returns, and moneys from other sources.

(d) An amount from the fund, to be set by the corporation and authorized by the legislature, may be used for administrative expenses incurred by the corporation in administering the fund; provided that moneys in the fund shall not be used to finance day-to-day administrative expenses of the projects allotted moneys from the fund.

(e) The corporation may provide loans under this section as provided in rules adopted by the corporation pursuant to chapter 91.

(f) The corporation shall submit a report to the legislature no later than twenty days prior to the convening of each regular session describing the projects funded.

(g) For the purposes of this section, "self-help housing program" shall have the same meaning as in section 201H-151(a)."

SECTION 6. There is appropriated out of the general revenues of the State of Hawaii the sum of \$25 million or so much thereof as may be necessary for fiscal year 2019-2020 to be deposited into the affordable homeownership revolving fund.

SECTION 7. There is appropriated out of the affordable homeownership revolving fund the sum of \$25 million or so much thereof as may be necessary for fiscal year 2019-2020 for loans to nonprofit community development financial institutions or nonprofit organizations operating a self-help housing program for the development of affordable for-sale housing project.

The sum appropriated shall be expended by the Hawaii housing finance and development corporation for the purposes of this Act.

SECTION 5. New statutory material is underscored.

SECTION 6. This Act, upon its approval, shall take effect on July 1, 2019.



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

BC License #32403

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Sherri K. Dodson

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February 4, 2019

Senate Committee on Housings
Tuesday, February 5, 2019
Conference Room 225

Re: SB878 – Relating to Housing – SUPPORT WITH AMENDMENTS

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

I am the Executive Director of Habitat for Humanity Maui who has been building homes on Maui for over 25 years. I am submitting testimony on behalf in **SUPPORT SB878 WITH AMENDMENTS**.

Habitat for Humanity Maui is a self-help housing nonprofit that has buildt ore renovated over 118 single- and multi-family homeownership units that are affordable for low-income households earning at or below 80% the HUD area median income.

Self-help housing nonprofits including Habitat for Humanity, Self-Help Housing Corporation of Hawaii, Hawaii Island Community Development Corporation contribute a significant amount of housing for families that may have never realized the dream of homeownership.

Thank you for your consideration in this matter. Please feel free to contact me should you have any questions or need additional information. My email is sherri@habitat-maui.org

Sincerely,

A handwritten signature in black ink that reads "Sherri K. Dodson".

Sherri K. Dodson
Executive Director



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

February 4, 2019

Senate Committee on Housing
Tuesday, February 5, 2019
Conference Room 225

SB878 - SUPPORT WITH AMENDMENTS

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 HB878 WITH AMENDMENTS**.

SB878 recognizes the need for us as a State 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.

Our organization recommends amendments that are consistent with our request for amendments to HB959, which we drafted in partnership with the Hawaii Housing Finance and Development Corporation and was part of the Governor's package and includes the creation of an affordable homeownership revolving fund.

Amendments include the following:

1. **Add language recognizing the need for preservation of existing affordable rental units and the role of the homeownership revolving fund and self-help nonprofits in transitioning them to 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.

2. **Add language recognizing the role community development financial institutions (CDFIs) play in financing affordable homeownership units by leveraging public and private capital.** 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 critical role our local CDFIs can play in financing affordable homeownership opportunities is critical to help address our housing affordability crisis.
3. **Add language to allow CDFIs access to the homeownership revolving fund for relending and leveraging of public and private capital.** 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.
4. **Add language requiring eligible CDFIs to match homeownership revolving funds with secured public and private capital any type of capital.** To ensure the State leverage's its investment to the greatest extent possible, we recommend to require CDFIs to match homeownership revolving funds with other secured public and private sources of capital. As stated previously, Federal funds make up only 1/8 of a typical CDFIs total loan capital and would unnecessarily limit access to homeownership revolving funds that could be put to work in self-help housing developments.
5. **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, affordable rentals, and ALOHA homes.

Please see the enclosed bill with recommended amendments for more information.

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. SB878 with recommended amendments would help us set in place a continuum in affordable housing by investing in affordable homeownership opportunities for our low- and moderate-income households as part of a comprehensive strategy. Please take action to create the homeownership revolving fund. **PASS SB878 WITH AMENDMENTS.**

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, flowing style.

Jeff Gilbreath
Executive Director

S.B. NO.878

A BILL FOR AN ACT

RELATING TO HOUSING.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

SECTION 1. The legislature finds that homeownership is the primary factor in escaping poverty and that in the last fifty years, the number of full time residents in Hawaii who own homes in the State has steadily declined. Currently, Hawaii has one of the lowest homeowner rates of any state in the nation.

The legislature further finds that Hawaii is experiencing the worst housing crisis in the State's history, and that action is necessary to increase the availability of all types of housing including full time resident homeownership housing. The department of business, economic development, and tourism projects that Hawaii will need 66,000 new housing units by 2025 to address the critical shortage of housing.

The legislature further finds that the self-help housing model is a cost-effective means of assisting low-income families who would otherwise not have a homeownership opportunity. Self-help housing organizations leverage federal funds from the U.S. Department of Housing and Urban Development and the U.S.

Department of Agriculture - Rural Development and low-income families' own contributions of labor to build their own communities. However, an additional non-federal matching funding source is needed.

The legislature further finds that homeownership is a national strategy for preserving affordable housing units financed through Federal the Low-Income Housing Tax Credit and Section 8 programs. Currently, there are 7,486 affordable housing units in Hawaii developed with Low-Income Housing Tax Credits and Section 8 program funding that are at or beyond their mandatory affordability period and therefore be at-risk of becoming market-rate units. Action is needed to preserve our limited affordable housing opportunities for low- and moderate-income households in Hawaii.

The legislature further finds that nonprofit community development financial institutions are intermediaries that provide financing and technical assistance to assist self-help housing organizations in the development of affordable homeownership units in underserved communities. As private-sector organizations, community development financial institutions establish and maintain revolving loan funds to attract capital from the U.S. Department of the Treasury and other public and private sources of capital in order to increase the collective impact of affordable housing development by self-

help housing organizations. According to Opportunity Finance Network, community development financial institutions leverage Federal funding for affordable housing and community development activities at a ratio of 8:1. Additional funding would help community development financial institutions attract private and public capital for affordable housing development.

The purpose of this subpart is to establish a self-help homeownership housing revolving fund to provide 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.

SECTION 2. Chapter 201H, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

§201H-___ Affordable homeownership revolving fund. (a) There is established an affordable homeownership revolving fund to be administered by the corporation for the purpose of providing, in whole or in part, loans to nonprofit community development financial institutions and nonprofit housing development organizations for the development of affordable homeownership housing projects under a self-help housing program. Loans shall be awarded in the following order of priority:

(1) Projects or units in projects that are funded by programs of the United States Department of Housing and Urban Development, United States Department of Agriculture - Rural Development, and United States Department of Treasury community development financial institutions fund, wherein:

(A) At least fifty per cent of the available units are reserved for persons and families with incomes at or below eighty per cent of the median family income and of which at least five per cent of the available units are for persons and families with incomes at or below fifty per cent of the median family income; and

(B) The remaining units are reserved for persons and families with incomes at or below one hundred twenty per cent of the median family income; and

(2) Mixed-income affordable for-sale housing projects or units in a mixed-income affordable for-sale housing project wherein all of the available units are reserved for persons and families with incomes at or below one hundred forty per cent of the median family income.

(b) Moneys in the fund shall be used to provide loans for the development, pre-development, construction, acquisition,

mortgage financing or non-traditional financing for lands with title issues, preservation, and substantial rehabilitation of affordable for-sale housing units. Uses of moneys in the fund may include but are not limited to planning, design, land acquisition, including the costs of options, agreements of sale, and down payments, capacity building of nonprofit housing developers, as matching funds for nonprofit community development financial institutions, or other housing development services or activities as provided in rules adopted by the corporation pursuant to chapter 91. The rules may provide that money from the fund shall be leveraged with other financial resources to the extent possible.

(c) The fund may include sums appropriated by the legislature, private contributions, repayment of loans, interest, other returns, and moneys from other sources.

(d) An amount from the fund, to be set by the corporation and authorized by the legislature, may be used for administrative expenses incurred by the corporation in administering the fund; provided that moneys in the fund shall not be used to finance day-to-day administrative expenses of the projects allotted moneys from the fund.

(e) The corporation may provide loans under this section as provided in rules adopted by the corporation pursuant to chapter 91.

(f) The corporation shall submit a report to the legislature no later than twenty days prior to the convening of each regular session describing the projects funded.

(g) For the purposes of this section, "self-help housing program" shall have the same meaning as in section 201H-151(a)."

SECTION 6. There is appropriated out of the general revenues of the State of Hawaii the sum of \$25 million or so much thereof as may be necessary for fiscal year 2019-2020 to be deposited into the affordable homeownership revolving fund.

SECTION 7. There is appropriated out of the affordable homeownership revolving fund the sum of \$25 million or so much thereof as may be necessary for fiscal year 2019-2020 for loans to nonprofit community development financial institutions or nonprofit organizations operating a self-help housing program for the development of affordable for-sale housing project.

The sum appropriated shall be expended by the Hawaii housing finance and development corporation for the purposes of this Act.

SECTION 5. New statutory material is underscored.

SECTION 6. This Act, upon its approval, shall take effect on July 1, 2019.

LATE

SB-878

Submitted on: 2/5/2019 11:07:53 AM

Testimony for HOU on 2/5/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	Testifying for O`ahu County Committee on Legislative Priorities of the Democratic Party of Hawai`i	Support	No

Comments:

SB-878

Submitted on: 2/4/2019 8:36:00 AM

Testimony for HOU on 2/5/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Gail Noeau	Testifying for Non profit-Habitat for Humanity	Support	No

Comments:

Please support: SB878

Humbly ask your support of SB878

SB-878

Submitted on: 2/4/2019 11:44:51 AM

Testimony for HOU on 2/5/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Toni Symons- HAPI	Individual	Support	No

Comments:

Thank you for moving this bill forward! We need to address the critical issue of homelessness by providing more housing options.