

DAVID Y. IGE  
GOVERNOR



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

**SENATE COMMITTEE ON WAYS AND MEANS**

March 2, 2021 at 9:30 a.m.  
State Capitol, Room 211

In consideration of  
**S.B. 12**  
**RELATING TO HOUSING OBJECTIVES.**

The HHFDC ***offers the following comments*** on S.B. 12, a bill which amends the Hawaii State Planning Act objectives and policies for socio-cultural advancement – housing such that the HHFDC and the Hawaii Public Housing Authority are specifically charged with achieving the State's housing objectives. We support the intent of this bill, and note that HHFDC's mission is consistent with these objectives.

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

DAVID Y. IGE  
GOVERNOR



HAKIM OUANSAFI  
EXECUTIVE DIRECTOR

BARBARA E. ARASHIRO  
EXECUTIVE ASSISTANT

**STATE OF HAWAII**  
HAWAII PUBLIC HOUSING AUTHORITY  
1002 NORTH SCHOOL STREET  
POST OFFICE BOX 17907  
HONOLULU, HAWAII 96817

Statement of  
**Hakim Ouansafi**  
Hawaii Public Housing Authority  
Before the

**SENATE COMMITTEE ON WAYS AND MEANS**

**Tuesday, March 2, 2021**  
**9:30 AM – Room 211, Hawaii State Capitol**

In consideration of  
**SB 12**  
**RELATING TO HOUSING OBJECTIVES**

Honorable Chair Dela Cruz, and Members of the Senate Committee on Ways and Means, thank you for the opportunity to provide testimony concerning Senate Bill (SB) 12, relating to housing objectives.

The Hawaii Public Housing Authority (HPHA) **appreciates the intent** of SB 12 and offers the following comments. This measure requires the Hawaii Public Housing Authority and the Hawaii Housing Finance and Development Corporation to accomplish certain housing objectives.

The HPHA continues to embrace innovative approaches to redeveloping its aging and obsolete property inventory through higher density, mixed-income, mixed-use projects. The United States Department of Housing and Urban Development (HUD), who provides the majority of HPHA's annual operating funding, encourages this approach through Mixed-Finance strategies and other programs such as Rental Assistance Demonstration (RAD). These programs are typically executed through public private partnerships, better positioning HPHA properties to access the private capital and financing necessary to revitalize them into vibrant communities for future generations.

To execute this plan, HPHA has begun a major initiative to enter a series of public-private partnerships to redevelop its low-income public housing portfolio into vibrant, mixed-income/mixed-finance communities. The HPHA has identified several properties within its portfolio located in close proximity to the planned Honolulu Rail System stations currently being developed by The Honolulu Authority for Rapid Transportation (HART), that could

immediately benefit from this initiative, as well as identifying additional HPHA properties with the potential for redevelopment on neighbor islands. Undertaking redevelopment of these assets would not only allow the HPHA to rehabilitate functionally obsolete public housing units but would eliminate expensive repair and maintenance expenses required to maintain these units, while also significantly expanding the inventory of critically needed affordable housing units across the state.

In order for the HPHA to implement this plan, the financing component with funding assistance from the Legislature is needed. For example, the HPHA's Elderly Affordable Rental Housing Project at School Street has a total of 800 units, but due to the gap financing assistance needed from the Legislature and the unavailability of tax credits, the HPHA must construct the project in 8 years instead of 2 years.

The HPHA appreciates the opportunity to provide the Committee with the HPHA's testimony regarding SB 12. We thank you very much for your dedicated support.