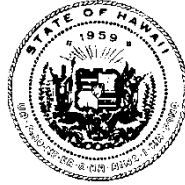


JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



DEAN MINAKAMI
EXECUTIVE DIRECTOR

STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
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Statement of DEAN MINAKAMI

Hawaii Housing Finance and Development Corporation
Before the

SENATE COMMITTEE ON HOUSING

February 6, 2024 at 1:15 p.m.
State Capitol, Room 225

In consideration of
S.B. 2077

RELATING TO THE DWELLING UNIT REVOLVING FUND.

HHFDC has comments on SB 2077, which establishes an Interim Construction Subaccount within the Dwelling Unit Revolving Fund (DURF) to be used for the interim financing of new construction projects, prioritizing projects located on State or county-owned lands in counties with a population of less than 500,000; provided that, for units in for-sale projects, the units shall be made available only to Hawaii residents who are owner-occupants and own no other real property.

HHFDC does not support restricting certain housing projects to be exclusively for Hawaii residents who own no other real property. We suggest that the bill be amended to use the below definition of "qualified resident" found in Section 201H-32, Hawaii Revised Statutes.

"Qualified resident" means a person who:

- (1) Is a citizen of the United States or a resident alien;
- (2) Is at least eighteen years of age;
- (3) Is domiciled in the State and physically resides in the dwelling unit purchased or rented under this chapter;
- (4) In the case of the purchase of real property in fee simple or leasehold, has a gross income sufficient to qualify for the loan to finance the purchase; or in the case of a rental, demonstrates an ability to pay rent as determined by the corporation and meets any additional criteria established by the corporation for the respective rental housing development for which the applicant is applying; and

(5) Meets the following qualifications:

(A) Is a person who either by the person's self, or together with spouse or household member, does not own a majority interest in fee simple or leasehold lands suitable for dwelling purposes or a majority interest in lands under any trust agreement or other fiduciary arrangement in which another person holds the legal title to the land; and

(B) Is a person whose spouse or household member does not own a majority interest in fee simple or leasehold lands suitable for dwelling purposes or more than a majority interest in lands under any trust agreement or other fiduciary arrangement in which another person holds the legal title to the land, except when husband and wife are living apart under a decree of separation from bed and board issued by the family court pursuant to section 580-71;

provided that for purchasers of market-priced units in an economically integrated housing project, the term "qualified resident" means a person who is a citizen of the United States or a resident alien; is domiciled in the State and shall physically reside in the dwelling unit purchased; is at least eighteen years of age; and meets other qualifications as determined by the developer.

Thank you for the opportunity to testify on this bill.

SB-2077

Submitted on: 2/1/2024 5:37:23 PM

Testimony for HOU on 2/6/2024 1:15:00 PM

| Submitted By | Organization | Testifier Position | Testify |
|---------------------|---------------------|---------------------------|---------------------------|
| Justin Silva | Individual | Oppose | Written Testimony Only |

Comments:

proceeds in the revolving fund may be used to establish and operate regional state infrastructure subaccounts pursuant to section 201H-191.5

SB-2077

Submitted on: 2/5/2024 11:54:32 AM

Testimony for HOU on 2/6/2024 1:15:00 PM

| Submitted By | Organization | Testifier Position | Testify |
|---------------------|---------------------|---------------------------|------------------------|
| Jennifer Chiwa | Individual | Support | Written Testimony Only |

Comments:

Aloha Chairperson Chang, Vice Chairperson Hashimoto and Members of the Committee on Housing.

Please support Senate Bill 2077 relating to the dwelling unit revolving fund. I absolutely am all for making units available only for Hawaii residents who are owner-occupants and who own no other real property.

Again, please support Senate Bill 2077.

Mahalo.

Jennifer Chiwa

Makiki