



EXECUTIVE CHAMBERS
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LINDA LINGLE
GOVERNOR

Testimony of
Linda L. Smith
Senior Policy Advisor to the Governor
Chairperson, Affordable Housing Regulatory Barriers Task Force

Before the
HOUSE COMMITTEE ON HOUSING
Wednesday, February 4, 2009, 9:00 a.m.
Room 325, State Capitol

H.B. 360 RELATING TO HOUSING

Chair Cabanilla, Vice Chair Chong, and members of the Committee, thank you for the opportunity to provide testimony in support of H.B. 360 with amendments.

House Bill 360 expands the eligibility for expeditious review currently offered to qualifying housing projects in section 201H-38, Hawaii Revised Statutes (HRS), to include mixed-use projects and infrastructure projects that are directly associated with an affordable housing development. Currently, mixed-use projects with an affordable housing component do not have an expedited review process in place. House Bill 360 will create this process.

Please note that the intent and purpose of this bill coincides with recommendations from the Affordable Housing Regulatory Barriers Task Force. The Task Force was convened by Governor Lingle in 2007 in response to an invitation from the United States Department of Housing and Urban Development to join the National Call to Action for Affordable Housing through Regulatory Reform. The Task Force included representatives from the counties, business, labor, developers, architects, non-profit service providers, the State, and the Legislature. These individuals worked to identify barriers to affordable housing development and recommended administrative and legislative solutions, such as House Bill 360.

On behalf of the Task Force, the Administration recommends that the Committee amend HB 360 by changing the definition of "mixed-use housing" which begins on page 2, line 21 and ends on page 3, line 7. The definition of "mixed-use housing" in HB 360 references section 201H-202(e)(2) as the threshold that determines affordable income eligibility, however, this reference is too narrow and only applies to a portion of

affordable housing projects developed pursuant to chapter 201H. It should be replaced with a broader reference to chapter 201H as well as recognize the role of the U.S. Department of Housing and Urban Development as a body that also determines affordable housing thresholds. HB 360 should be amended to read as follows:

""Mixed-use housing" means the combination of different types of structures in a housing project including commercial, public facilities, industrial, and residential uses, which may include single family, multi-family, for sale, lease, rental, low, moderate, workforce, affordable, and market housing, or combinations of all of the above, but at least twenty per cent of the housing units, developed under this chapter, shall be affordable to households with incomes at or below one hundred forty per cent of the median family income or as may be determined by the United States Department of Housing and Urban Development."

Thank you for the opportunity to testify on this important bill.

Linda Lingle
GOVERNOR



KAREN SEDDON
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
Karen Seddon
Hawaii Housing Finance and Development Corporation
Before the

HOUSE COMMITTEE ON HOUSING

February 4, 2009, 9:00 a.m.
Room 325, State Capitol

In consideration of
H.B. 360
RELATING TO HOUSING.

The HHFDC supports the intent of H.B. 360. This bill extends to infrastructure projects and mixed-use housing projects the 201H expedited review process.

Time is money, and delays in obtaining necessary permits and approvals drive up the costs of affordable housing development. Efforts to streamline this lengthy process, while ensuring that health and safety standards are met, will provide a needed incentive to affordable housing development.

Thank you for the opportunity to testify.



HB 360 Relating to Housing
Committee on Housing

February 4, 2009
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9:00 am

Room

The Office of Hawaiian Affairs supports the purpose and intent of HB 360.

The growing affordable housing problem is one of the most critical issues faced by our communities, especially our Native Hawaiian communities. This issue seems to have many of our families struggling to find adequate housing and to make ends meet.

OHA recognizes housing is the highest cost item for our families and more needs to be done to address the affordable housing issue or our families will continue to move down the economic and social ladder.

Urban cores with mixed-use housing need the affordable units because the jobs are there and until neighborhoods are built, instead of subdivisions, families need to be where the jobs are.

Policies addressing the need to develop and create partners to do affordable rentals and affordable for sale units timely in the urban cores need to be adopted. The resources obtained need to be able to devote full time attention to this process to expedite project reviews.

OHA also advocates a commitment to reestablishing the relationship between the art of building and the making of community, through citizen-based participatory planning and design. Therefore, the resources obtained to devote full time attention to the process of developing partners to do affordable rentals and for sale units timely need to include the related communities.

Mahalo nui loa for the opportunity to provide this testimony.



February 3, 2009

Representative Rida Cabanilla, Chair
House Committee on Housing
State Capitol, Room 442
Honolulu, Hawaii 96813

Subject: H.B. No. 357 and No. 360; Hearing February 4, 2009; Testimony in Support

Dear Representative Cabanilla and Members of the House Committee on Housing:

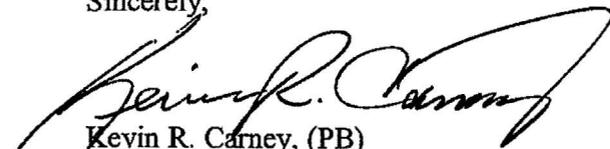
EAH Housing supports H.B. No. 357 and No. 360 and their intent to expedite the production of affordable housing developments. EAH Housing is a non-profit public benefit corporation dedicated to developing, managing, promoting and preserving affordable rental housing. EAH in its 41 year history has never sold a property, and is dedicated to permanently affordable and high quality housing.

The phrase, "Time is Money" is particularly applicable to the affordable rental housing development industry. The financing of affordable rental housing developments comes from many sources. Some of those sources come with time constraints that must be adhered to and met or you suffer the loss of funds. The various sources can be analogous to a house of cards whereby the loss of any one card means the collapse of the house and the loss of much needed affordable rental housing units.

Expediting affordable housing developments lessens the risk of time delays and provides an incentive and some comfort to potential investors that projects will be able to meet their deadlines.

Thank you for this opportunity to submit our thoughts.

Sincerely,



Kevin R. Carney, (PB)
Vice President, Hawaii



KAMEHAMEHA SCHOOLS

February 3, 2009

TESTIMONY TO THE HOUSE COMMITTEE ON HOUSING

By Michael G. Dang, Director
Endowment/Planning & Development

Hearing Date: Wednesday, February 4, 2009
9:00 a.m., Conference Room 325

To: Representative Rida Cabanilla, Chair
Representative Pono Chong, Vice Chair
Members of the Committee

Re: HB 357 – Relating to Affordable Housing
HB 360 – Relating to Housing

Kamehameha Schools supports the purpose and intent of these bills. Finding ways to expedite plan reviews for affordable housing development is a good step toward encouraging and supporting the actual building of more housing for Hawaii's people.

Thank you for the opportunity to testify on this legislation.