



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

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Statement of  
**Richard C. Lim**  
Director

Department of Business, Economic Development and Tourism  
before the

**HOUSE COMMITTEE ON HOUSING**

March 21, 2012, 9:00 a.m.

State Capitol, Room 325

In consideration of

**S.B. 2740, S.D. 1  
RELATING TO THE HOUSING LOAN AND MORTGAGE PROGRAM.**

Chair Cabanilla, Vice Chair Ito, and members of the House Committee on  
Housing.

DBEDT supports S.B. 2740, S.D. 1, an Administration bill. S.B. 2740, S.D. 1  
increases the revenue bond authority of the Housing Loan and Mortgage program,  
known as the Hula Mae Multifamily program, from \$500,000,000 to \$750,000,000.

The Hula Mae Multifamily program is a very successful financing tool for  
affordable rental housing. Additional bond authority is needed to ensure the continued  
use of this valuable affordable rental financing mechanism going forward.

Thank you for the opportunity to testify.

NEIL ABERCROMBIE  
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**  
March 21, 2012 9:00 a.m.,  
Room 325, State Capitol

In consideration of  
**S.B. 2740, S.D. 1**  
**RELATING TO THE HOUSING LOAN AND MORTGAGE PROGRAM.**

The HHFDC **supports** S.B. 2740, S.D. 1, which is part of the Administration's legislative package. S.B. 2740, S.D. 1 is similar to H.B. 2478, H.D. 1, which was heard previously by this Committee.

S.B. 2740, S.D. 1 increases the Housing Loan and Mortgage program, popularly known as the Hula Mae Multifamily program, revenue bond authority from \$500,000,000 to \$750,000,000.

The Hula Mae Multifamily program promotes the development of new or the preservation of existing affordable rental projects through the issuance of mortgage revenue bonds for interim or permanent financing at below-market interest rates. The bond authority is a cumulative ceiling on the total amount of revenue bonds that can be issued by HHFDC for this program. HHFDC's ability to issue these bonds in any given year is subject to the State's overall annual bond cap, and accordingly, the approval of the Department of Budget and Finance.

Since its first bond issuance in 1985, the Hula Mae Multifamily program has provided \$292,432,699 in revenue bond proceeds for 12 affordable rental projects totaling 2445 affordable units. Passage of this bill will allow HHFDC to continue to assist in the development and preservation of affordable rental housing. Accordingly, HHFDC respectfully requests that this bill be favorably considered.

Thank you for the opportunity to testify.



**SB2740 SD1**  
**RELATING TO THE HOUSING LOAN AND MORTGAGE PROGRAM**  
House Committee on Housing

March 21, 2012

9:00 a.m.

Room 325

The Office of Hawaiian Affairs (OHA) **SUPPORTS** SB2740 SD1, which would increase the Hula Mae Multifamily Revenue Bond authorization amount from \$500,000 to \$750,000.

Hawai'i is in dire need of affordable housing. The lack of such housing creates instability for many families, including the families of OHA's beneficiaries. In an attempt to promote systemic change in this area, OHA's strategic plan identifies as a strategic result the building of affordable housing. This bill represents a step in the right direction toward the creation and approval of affordable housing projects and stability in the housing of OHA's beneficiaries and others in need.

OHA urges the committee to PASS SB2740 SD1. Mahalo for the opportunity to testify on this important measure.

The Pacific Resource  
**PARTNERSHIP**



Testimony of C. Mike Kido  
External Affairs  
The Pacific Resource Partnership

Committee on Housing  
Representative Rida T.R. Cabanilla, Chair  
Representative Ken Ito, Vice Chair

SB 2740, SD1 – Relating to the Housing Loan and Mortgage Program  
Wednesday, March 21, 2012  
9:00 am  
Conference Room 325

Aloha Chair Cabanilla, Vice Chair Ito and Members of the Committee:

My name is C. Mike Kido, External Affairs of the Pacific Resource Partnership (PRP), a labor-management consortium representing over 240 signatory contractors and the Hawaii Regional Council of Carpenters, formerly the Hawaii Carpenters Union.

PRP supports SB 2740, SD1 – Relating to the Housing Loan and Mortgage Program which increases the Hula Mae multifamily program revenue bond authorization amount.

The Hula Mae multifamily program has been successful in promoting new development and preserving existing affordable housing. With Hawaii's affordable housing crisis, we believe the State needs to continue to assist residents in obtaining affordable housing.

According to the Hawaii Housing Finance and Development Corporation (HHFDC), there are currently 17 affordable housing projects in progress valued at approximately \$558.3 million and 11 projects in the pipeline worth approximately \$1.5 billion. The increase in revenue bonds at this time is critical in allowing HHFDC to assist in the development and preservation of affordable rental housing in the years ahead.

Thank you for the opportunity to share our views with you and we respectfully ask for your support on SB 2740, SD1.



STANFORD CARR DEVELOPMENT, LLC

March 19, 2012

House Committee on Housing  
State Capitol, Hearing Conference Room 325  
415 South Beretania Street  
Honolulu, Hawaii 96813

RE: Testimony Supporting SB2740 SD1: Relating To The Housing Loan and Mortgage Program.

Hearing date Wednesday, March 21, 2012 at 9:00 a.m.

via Capitol website: <http://www.capitol.hawaii.gov/emailtestimony/>

Dear Honorable Chair Representative Rida T.R. Cabanilla:

I am writing in **SUPPORT** to SB2740 SD1 which increases the Hula Mae multifamily revenue bond authority from \$500,000,000 to \$750,000,000. The loan program is an important financing tool used to develop and/or preserve affordable housing units.

The Hula Mae multifamily bond program is used in conjunction with the Low Income Housing Tax Credit program for new construction or preservation of affordable housing units throughout the state. During this challenging economic climate, construction and preservation of affordable projects is important to the local economy.

Thank you for considering our testimony. Please feel free to contact Jesse Wu (808-547-2274) if you have any questions.

Sincerely,

Stanford S. Carr, President



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March 21, 2012

**The Honorable Rida T.R. Cabanilla, Chair**  
House Committee on Housing  
State Capitol, Room 325  
Honolulu, Hawaii 96813

**RE: S.B. 2740, S.D.1, Relating to the Housing Loan and Mortgage Program**

**HEARING: Wednesday, March 21, 2012, at 9:00 a.m.**

Aloha Chair Cabanilla, Vice Chair Ito, and Members of the Committee:

I am Myoung Oh, Government Affairs Director, here to testify on behalf of the Hawai'i Association of REALTORS® ("HAR"), the voice of real estate in Hawai'i, and its 8,500 members. HAR supports S.B. 2740, S.D.1, which increases the Hula Mae Multifamily Revenue Bond authorization amount.

HAR has historically supported mechanisms to help increase the supply of low and moderate income affordable housing such as the Hula Mae Multifamily and Rental Housing Trust Fund Programs which can help effectuate the development of mixed-income and mixed-use projects.

HAR also notes the importance of special purpose revenue bonds, low-interest loans, block grants, low-income housing tax credits and deferred loan programs to provide affordable housing opportunities.

Mahalo for the opportunity to testify.



## ito2-Kalani

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Tuesday, March 20, 2012 11:14 AM  
**To:** HSGtestimony  
**Cc:** gfurukido@castlecooke.com  
**Subject:** Testimony for SB2740 on 3/21/2012 9:00:00 AM

Testimony for HSG 3/21/2012 9:00:00 AM SB2740

Conference room: 325  
Testifier position: Support  
Testifier will be present: No  
Submitted by: Garret Furukido  
Organization: Castle & Cooke Homes Hawaii, Inc.  
E-mail: [gfurukido@castlecooke.com](mailto:gfurukido@castlecooke.com)  
Submitted on: 3/20/2012

**Comments:**

Castle & Cooke supports SB2740 SD1 that proposes to increase the Hula Mae multifamily program revenue bond authorization from \$500M to \$750M. SB2740 is essential for the financing of Low Income affordable projects.

Garret H Furukido  
Director of Residential Development  
Castle & Cooke Homes Hawaii, Inc.