KAREN SEDDON EXECUTIVE DIRECTOR

NEIL ABERCROMBIE GOVERNOR



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

SENATE COMMITTEE ON HUMAN SERVICES March 14, 2013 at 1:00 p.m.

State Capitol, Room 016

In consideration of H.B. 276, H.D. 2 RELATING TO THE SENIOR RESIDENCE AT PIIKOI, OAHU.

The HHFDC <u>supports the intent</u> of H.B. 276, H.D. 2 provided that passage does not adversely impact priorities indicated in the Executive Biennium Budget.

Census data indicate that seniors 62 and older comprise approximately 18 percent of the State's population. By 2030, elderly persons will account for more than one-quarter of Hawaii's population. In order to accommodate this population of elderly residents in 2030, the 2011 Hawaii Housing Planning Study forecasts the need for close to 55,000 new housing units, 40 percent of which are projected to be needed for elderly renter households.

These demographics indicate an increasing need for the development of affordable rental housing to insure there is adequate safe, decent and attainable housing for Hawaii seniors.

Thank you for the opportunity to testify.

DEPARTMENT OF COMMUNITY SERVICES CITY AND COUNTY OF HONOLULU

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PAMELA A. WITTY-OAKLAND DIRECTOR DESIGNATE

> GARY K. NAKATA DEPUTY DIRECTOR

TESTIMONY OF PAMELA A. WITTY OAKLAND, DIRECTOR DESIGNATE DEPARTMENT OF COMMUNITY SERVICES CITY AND COUNTY OF HONOLULU BEFORE THE HOUSE COMMITTEE ON HUMAN SERVICES Thursday, March 14, 2013, 1:00 p.m., Conference Room 016

HOUSE Bill 276, HD2 "RELATING TO SENIOR RESIDENCE AT PIIKOI, OAHU" Position: Supports

To: The Honorable Suzanne Chun Oakland, Chair and Members of the Committee on Human Services

House Bill No. 276 H.D. 2 authorizes the issuance of an unspecified sum of General Obligation bonds for the construction of the Senior Residence at Piikoi, Oahu to be expended by the Hawaii Community Development Authority. The City Department of Community Services (DCS) **strongly supports** House Bill No. 276 H.D. 2.

While the Senior Residence at Piikoi will be a five-story, 72-unit affordable rental housing project targeted to senior citizens earning no more than 60 percent of the median income for the Honolulu Metropolitan Statistical Area, monthly rents will be set at level below the 50 percent median income rent limit. The project will include a senior community center, office space, and on-site parking. The issuance of General Obligation bonds will provide significant financing to support the development of the Senior Residences at Piikoi and is an appropriate means of addressing the affordable housing crisis facing Honolulu's growing senior population. The Senior Residence at Piikoi will address the need for rental units for low-income elderly residents in urban Honolulu where rents tend to be higher compared to suburban and rural areas. In addition, the project will be conveniently situated within close proximity to a major shopping mall, park and recreational facilities, medical and social services, and to the planned Honolulu Rail Transit system. DCS is supportive of efforts to provide affordable housing options which allow our senior citizens to live independently.

The City and County of Honolulu has already committed \$1,000,000 in federal HOME Investment Partnerships Act funds for the construction of the Senior Residence at Piikoi, and \$500,000 in federal Community Development Block Grant funds to support the development of the project's senior community center, and we respectfully ask that this bill be passed.

Thank you for the opportunity to testify on this bill. Should you have any questions or concerns, please feel free to contact Pamela Witty-Oakland at 768-7760.