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GCA of Hawaii
GENERAL CONTRACTORS ASSOCIATION OF HAWAII
Quality People. Quality Projects.

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April 1, 2016

TO: HONORABLE JILL TOKUDA, CHAIR, HONORABLE DONOVAN DELA CRUZ,
VICE CHAIR, SENATE COMMITTEE ON WAYS AND MEANS

SUBJECT: **SUPPORT OF H.B. 2638, HD1, RELATING TO PUBLIC HOUSING.** Authorizes the Public Housing Authority to impose maximum rental periods of five years for state low-income housing projects which receive state funds for repair and maintenance or capital improvement, provided that the maximum rental periods do not apply to tenants who are disabled or 65 years of age or older. Requires rates for the five-year rentals to be fixed for entire term of lease. Establishes a trust account for the Authority to provide matching funds for tenants who choose to participate in those five-year rentals. Authorizes GO bonds. Appropriates funds. (HB2638 HD1)

HEARING

DATE: Friday, April 1, 2016
TIME: 1:30 p.m.
PLACE: Conference Room 211

Dear Chair Tokuda and Vice Chair Dela Cruz and Members,

The General Contractors Association of Hawaii (GCA) is an organization comprised of over five hundred seventy general contractors, subcontractors, and construction related firms. The GCA was established in 1932 and is the largest construction association in the State of Hawaii. GCA's mission is to represent its members in all matters related to the construction industry, while improving the quality of construction and protecting the public interest.

H.B. 2638, HD1, Relating To Public Housing would appropriate funds to renovate existing low income housing units to be rented to eligible applicants for public housing who agrees to rent the unit for no more than five (5) years, and who agrees to establish a trust account for the Authority to provide matching funds for tenants who choose to participate in those five year rentals.

The GCA **supports** this measure as another approach to address the need for additional low income housing as the next step for current homeless residents residing in transitional shelters as well as provide an incentive for residents to move into market rental apartment or purchase their own homes by reducing their rent and matching the deposits. The bill should also require that in order for the account holder to receive a state match at the termination of the rental, the deposit be used for the intended purpose and not spent for other purposes.

This proposal could be a pilot project to determine whether the idea works and additional units become available. The GCA respectfully requests this Committee pass this measure.