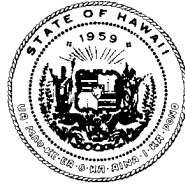


DAVID Y. IGE
GOVERNOR



CRAIG K. HIRAI
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
Craig K. Hirai
Hawaii Housing Finance and Development Corporation
Before the

HOUSE COMMITTEE ON HOUSING

February 2, 2015 at 8:30 a.m.
State Capitol, Room 329

In consideration of
H.B. 278
RELATING TO THE DWELLING UNIT REVOLVING FUND.

HHFDC **supports the intent of** H.B. 278. This bill would allow HHFDC to establish and operate subaccounts within the Dwelling Unit Revolving Fund (DURF) on behalf of the counties, provided that the participating counties provide matching funds up to a limit of \$5,000,000.

DURF may be used for the acquisition of real property, development and construction of residential, commercial and industrial properties, and for interim and permanent loans to developers of affordable housing.

Thank you for the opportunity to testify.

OFFICE OF THE MAYOR
CITY AND COUNTY OF HONOLULU

530 SOUTH KING STREET, ROOM 300 • HONOLULU, HAWAII 96813
PHONE: (808) 768-4141 • FAX: (808) 768-4242 • INTERNET: www.honolulu.gov

LATE

KIRK CALDWELL
MAYOR



ROY K. AMEMIYA, JR.
MANAGING DIRECTOR DESIGNATE

GEORGETTE T. DEEMER
DEPUTY MANAGING DIRECTOR

February 2, 2015

The Honorable Mark J. Hashem, Chair
and Members of the Committee on Housing
State House of Representatives
Hawaii State Capitol
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Chair Hashem and Committee Members:

SUBJECT: House Bill No. 278
Relating to the Dwelling Unit Revolving Fund

The City & County of Honolulu (City) supports the intent of House Bill No. 278, which authorizes the Hawaii Housing Finance and Development Corporation (HHFDC) to establish and operate a county affordable housing subaccount within the Dwelling Unit Revolving Fund (DURF). The subaccount will allow State DURF funds to be leveraged with county and private funds for the development of affordable housing.

The City is committed to the creation of more affordable housing units across our island. The DURF subaccounts will help to encourage the development of these units, especially within the transit corridor. The City released its draft islandwide housing strategy in September 2014. Included in the strategy is the ongoing cooperative efforts of City and State departments to maximize funding mechanisms, which include the creation of a Transit Oriented Affordable Housing (TOAH) leveraged finance structure which this legislation will help to develop. TOAH financing has been created in transit rich communities like Atlanta, Denver, the San Francisco Bay Area and the Twin Cities and has helped to develop affordable housing units in high cost communities.

The City & County of Honolulu encourages your committee to move House Bill No. 278 forward. Thank you for the opportunity to testify.

Sincerely,

A handwritten signature in black ink, appearing to read "Jun Yang".

Jun Yang
Executive Director
Office of Housing