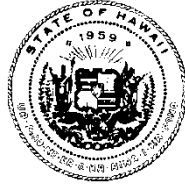


DAVID Y. IGE
GOVERNOR



DENISE ISERI-MATSUBARA
INTERIM 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
DENISE ISERI-MATSUBARA
Hawaii Housing Finance and Development Corporation
Before the

HOUSE COMMITTEE ON HOUSING

February 4, 2020 at 9:15 a.m.
State Capitol, Room 423

In consideration of

H.B. 2629

RELATING TO HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION.

The HHFDC **opposes** H.B. 2629, which would require HHFDC to award funds within 60 days of the consolidated application deadline, or within 60 days after filing an application with no such deadline.

This is not a reasonable timeframe due to the amount of underwriting and analysis that must be done to ensure project eligibility and feasibility. This is especially problematic for projects applying in our competitive funding rounds, as projects are evaluated, scored, and compared against each other to determine the best projects to be awarded limited resources. As efforts to deliver more affordable housing progress, and the number of applications HHFDC receives escalate accordingly, we cannot meet the requested timeframe and satisfy our fiduciary obligations to Hawaii taxpayers.

Thank you for the opportunity to testify.



MUTUAL HOUSING
ASSOCIATION OF HAWAII

"Building our communities with respect, integrity, and aloha..."

Kekaulike Courtyards ♦ Ko'oloa'ula ♦ Lihue Court Townhomes ♦ Palolo Homes

February 3, 2020

The Honorable Tom Brower, Chair
and the Members of the House Committee on Housing
Hawai'i State Capitol
415 South Beretania Street; Room 423
Honolulu, Hawai'i 96813

Dear Chair Brower and Committee Members:

Subject: House Bill 2629 - Relating to Hawaii Housing Finance and Development Corp.

The Mutual Housing Association of Hawai'i, Inc. ("Mutual Housing") supports the general provisions in House Bill 2629 which attempts to expedite the disbursement of revolving funds by the Hawai'i Housing Finance and Development Corporation ("HHFDC") with each annual funding cycle.

As Hawai'i continues to struggle with its affordable housing crisis, we have seen our number of homeless growing, while even working families find it necessary to double-up with family or friends. New rental housing production has not kept pace with the needs of the community and the loss over the years of affordable housing units through demolition, speculation, and conversion to for-sale units.

We applaud all efforts by the Legislature and Administration to facilitate the development of affordable rental housing for many deserving families in Hawai'i.

Sincerely,

David M. Nakamura
Executive Director

HB-2629

Submitted on: 2/3/2020 11:26:35 AM

Testimony for HSG on 2/4/2020 9:15:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Paul McElroy	Individual	Support	No

Comments:

TO: The Honorable Tom Brower, Chair
 House Committee on Housing

The Honorable Scot Z. Matayoshi, Vice Chair
 House Committee on Housing

FROM: Paul McElroy, Kobayashi Group, LLC

SUBJECT: HEARING OF FEBRUARY 4, 2020; TESTIMONY IN SUPPORT OF HB
2629 RELATING TO HAWAII HOUSING FINANCE AND DEVELOPMENT
CORPORATION

Thank you for the opportunity to testify in **support** of this important measure. In order to address Hawai'i's affordable housing shortage, drastic actions must be taken. The Joint Economic Package of bills made it clear that affordable housing is one of the State's priorities. According to a study prepared by SMS Research & Marketing Services Hawai'i will need an additional 50,156 housing units by 2025 with nearly seventy percent of those units designated as low-income households. This bill will incentivize

developers to construct affordable housing within the state and therefore address the affordable housing crisis.

Thank you for your consideration.

Paul McElroy,

Kobayashi Group

HB-2629

Submitted on: 2/3/2020 10:38:29 AM

Testimony for HSG on 2/4/2020 9:15:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Heather de la Garza	Individual	Support	No

Comments:

Thank you for the opportunity to testify in support of this important measure. In order to address Hawai'i's affordable housing shortage, drastic actions must be taken. The Joint Economic Package of bills made it clear that affordable housing is one of the State's priorities. According to a study prepared by SMS Research & Marketing Services Hawai'i will need an additional 50,156 housing units by 2025 with nearly seventy percent of those units designated as low-income households. This bill will incentivize developers to construct affordable housing within the state and therefore address the affordable housing crisis.

HB-2629

Submitted on: 2/3/2020 1:41:21 PM

Testimony for HSG on 2/4/2020 9:15:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Sandra Harano	Individual	Support	No

Comments:

I am in **support** of this important measure and thank you for the opportunity to testify. In order to address Hawai'i's affordable housing shortage, we must take drastic actions. The Joint Economic Package of bills made it clear that affordable housing is one of the State's priorities. According to a study prepared by SMS Research & Marketing Services Hawai'i will need an additional 50,156 housing units by 2025 with nearly seventy percent of those units designated as low-income households. HB 2629 will help to reduce the time it takes to start construction on an affordable housing project by awarding financing sooner. This bill will incentivize developers to construct affordable housing within the state and help to address the affordable housing shortage.



Natalie G. Mesa
PRINCIPAL

Main 808.540.2400
Direct 808.534.4436
Fax 808.694.3051

nmesa@settlemyerlaw.com

TESTIMONY OF HIGHRIDGE COSTA DEVELOPMENT COMPANY

HEARING DATE/TIME: Tuesday, February 4, 2020
9:15am
Conference Room 423, State Capitol

TO: House Committee on Housing

RE: **IN SUPPORT OF HB 2629**

Dear Chair Brower, Vice-Chair Matayosi, and Committee Members:

LATE

LATE

My name is Natalie G. Mesa. I practice law in the areas of real estate, finance and business, with a particular emphasis on affordable housing development. I am local counsel for Highridge Costa, which is a development partner in the Kulana Hale at Kapolei project and is currently overseeing the construction of 154 units of low-income senior rental housing and 143 units of low-income multifamily rental housing in the heart of Kapolei. As President of Highridge Costa, Moe Mohanna works to bring well built, resident-focused affordable units to Hawaii's marketplace. In fact, affordable housing is the primary type of housing that Highridge Costa develops, both nationally and locally. With over 29,000 affordable units developed across the country, Moe Mohanna and Highridge Costa support both state and national legislation that benefits the housing needs of low- and moderate-income families.

As Chair Brower, Vice-Chair Matayosi, and the Committee Members are aware, Hawaii is suffering from a critical shortage of affordable housing. In order to address Hawai'i's affordable housing shortage, drastic actions must be taken. The Joint Economic Package of bills made it clear that affordable housing is one of the State's priorities. According to a study prepared by SMS Research & Marketing Services, Hawai'i will need an additional 50,156 housing units by 2025 with nearly seventy percent of those units designated as low-income households.

HB 2629 will incentivize developers to construct affordable housing within the state and therefore address the affordable housing crisis. We do recognize that the success of this bill may be dependent on the Hawaii Housing Finance and Development Corporation having sufficient resources to process consolidated applications for financing within the prescribed timeframe. Accordingly, Highridge Costa supports the intent of HB 2629 to cause consolidated applications for financing to be processed in a more expeditious manner; provided, however, the Hawaii Housing Finance and Development Corporation is given sufficient resources.

Respectfully Submitted,

/S/ Natalie G. Mesa

On behalf of
Highridge Costa Development Company LLC

Natalie G. Mesa
Settle Meyer Law, LLLC
900 Fort Street Mall, Suite 1800