

### STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION 677 QUEEN STREET, SUITE 300

Honolulu, Hawaii 96813

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IN REPLY REFER TO:

Statement of
Craig K. Hirai
Hawaii Housing Finance and Development Corporation
Before the

## **SENATE COMMITTEE ON HOUSING**

February 5, 2019 at 1:15 p.m. State Capitol, Room 225

In consideration of S.B. 351
RELATING TO HOUSING.

The HHFDC <u>opposes</u> S.B. 351. This bill would make advertising any housing subject to an owner or renter occupancy requirement under Chapter 201H, HRS, a crime. HHFDC must oppose this measure because the rental housing projects we finance are privately-owned and operated. The project owners and their managing agents need to be able to advertise to lease up their properties with eligible low-income tenants, because HHFDC does not maintain or solicit a list of tenant applicants for projects that we finance or assist with our development tools.

Thank you for the opportunity to testify.



HAKIM OUANSAFI EXECUTIVE DIRECTOR

BARBARA E. ARASHIRO EXECUTIVE ASSISTANT

#### STATE OF HAWAII

HAWAII PUBLIC HOUSING AUTHORITY 1002 NORTH SCHOOL STREET POST OFFICE BOX 17907 HONOLULU, HAWAII 96817

Statement of **Hakim Ouansafi**Hawaii Public Housing Authority

Before the

#### SENATE COMMITTEE ON HOUSING

Tuesday, February 5, 2019 1:15 PM - Room 225, Hawaii State Capitol

In consideration of SB 351
RELATING TO HOUSING

Honorable Chair Chang and Members of the Senate Committee on Housing, thank you for the opportunity to provide testimony concerning Senate Bill (SB) 351, relating to housing.

The Hawaii Public Housing Authority (HPHA) <u>supports, with amendments</u>, SB 351, which prohibits advertising a public housing unit and housing subject to an owner or renter occupancy requirement under chapter 201H, Hawaii Revised Statutes or chapter 206E, Hawaii Revised Statutes, for rental purposes. Does not apply to any state agency advertising or publicizing a housing program under chapters 201H, 206E, and 356D, Hawaii Revised Statutes.

HPHA Federal and State public housing tenants are prohibited from subletting units under the rental agreement. If the HPHA discovers tenants who engage in this kind of illegal activity, the HPHA will move swiftly to evict those tenants as they would be displacing one of the over 8,800 families on our waitlist. By including this as a misdemeanor offense, this Committee will send a strong signal to those who may be thinking about misusing their public housing unit, and that this kind of behavior will not be tolerated.

The HPHA would like to humbly request the following be included as HPHA's suggested amendments:

- 1. Public housing units need to be defined to include both federal and state public housing projects.
- 2. The HPHA believes that including the actual subletting of federal and state public housing units should be included.

3. The HPHA contracts with private management companies to administer some of the HPHA's Federal and State public housing inventory and need to be included.

SECTION 3, page 2, line 11 through 16:

§356D- Advertising and subletting rental of public housing unit prohibited. (a) Any person who advertises a public housing unit located within a public housing project as defined in section 356D-1 or 356D-51 for rental purposes, or sublets a public housing unit located within a public housing project as defined in section 356D-1 or 356D-51, shall be guilty of a misdemeanor; provided that nothing in this section shall prohibit any state agency, or authorized private management company, from advertising, publicizing, or renting the public housing units subject to this chapter.

The HPHA appreciates the opportunity to provide the Committee with the HPHA's testimony regarding SB 351. We thank you very much for your dedicated support.





David Y. Ige Governor

John Whalen Chairperson

Aedward Los Banos Executive Director

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# STATEMENT OF AEDWARD LOS BANOS, EXECUTIVE DIRECTOR HAWAII COMMUNITY DEVELOPMENT AUTHORITY BEFORE THE SENATE COMMITTEE ON HOUSING

Tuesday, February 5, 2019 1:15 A.M. State Capitol, Conference Room 225

in consideration of

# SB 351 RELATING TO HOUSING

Chair Chang, Vice Chair Kanuha, and Members of the Committee.

The Hawaii Community Development Authority (HCDA) has not acted on this bill. In my capacity as Executive Director, I respectfully offer comments on SB 351.

SB 351 prohibits advertising a public housing unit and housing subject to an owner or renter occupancy requirement under chapter 201H, Hawaii Revised Statutes, or chapter 206E, Hawaii Revised Statutes, for rental purposes. However, it does not apply to any state agency advertising or publicizing a housing program.

Currently HCDA does not advertise housing for rental purposes. However, realtors, contractors, and/or agents of the state do advertise and manage properties with rental units that have renter occupancy requirements, on behalf of HCDA.

For example, the state owned Honuakaha on Queen Street has 93 rental housing units for seniors. HCDA has contracted a vendor to manage the Honuakaha property, advertise available rental units, vet and approve qualified renters for the program.

The Kamehameha Schools also has a rental program for reserved rental units created under chapter 206E, that are not HCDA, or state owned. The rental program for these reserved housing units is administered by Kamehameha Schools in compliance with HCDA's rules.

Thank you for the opportunity to offer comments on SB 351.