

JOSH GREEN, M.D.
GOVERNOR



DENISE ISERI-MATSUBARA
EXECUTIVE DIRECTOR

STATE OF HAWAII
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION

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IN REPLY PLEASE REFER TO:

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

SENATE COMMITTEE ON HOUSING

March 16, 2023 at 1:00 p.m.
State Capitol, Room 225

In consideration of
H.B. 923 HD1
RELATING TO BONDS.

HHFDC **strongly supports** H.B. 923 HD1, which makes various amendments to Chapter 39B, Hawaii Revised Statutes, relating to private activity bonds.

HHFDC agrees that counties who have elected to retain their bond ceiling should be allocating bond ceiling to qualified projects in their respective counties before seeking private activity bonds (PABs) from the state's allocation. In return, if a county decides to return its PAB allocation to the State, it is only fair that the allocation be applied to projects located in that county.

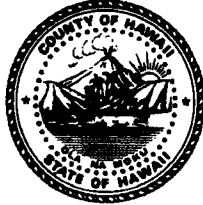
The PAB bond cap is currently the most limited resource in terms of multi-family rental housing financing. These provisions will help ensure fairness and equity in the allocation of PAB cap, especially for the counties of Maui and Hawaii, which do not have PAB bond issuance programs.

Thank you for the opportunity to provide testimony.

Mitchell D. Roth
Mayor

Lee E. Lord
Managing Director

Robert H. Command
Deputy Managing Director



Susan K. Kunz
Housing Administrator

Harry M. Yada
Assistant Housing Administrator

County of Hawai'i
Office of Housing and Community Development

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March 15, 2023

TESTIMONY IN SUPPORT OF HOUSE BILL 923 HD1
A BILL FOR AN ACT RELATING TO BONDS
COMMITTEE ON HOUSING

Senator Stanley Chang, Chair

Senator Dru Mamo Kanuha, Vice Chair

Hearing Date: Thursday, March 16, 2023, at 1:00 PM

Time/Place of Hearing: Via Video Conference/ Conference Room 225


Aloha Honorable Chair Chang and Honorable Vice Chair Kanuha, and Members of the Committee on Housing,

The Hawai'i County Office of Housing and Community Development **supports HB 923 HD1** which (1) requires counties to apply its allocation of the state ceiling before requesting an additional allocation from the State (2) requires the State to award to the counties any allocation assigned to the State to projects in the assigning county before awarding to projects in other counties (3) requires projects to apply to the county in which the project is located before applying to the State provided that the county has a private bond issuance program, and (4) requires counties to report any unused or unassigned allocation to the State and HHFDC.

Hawai'i County currently does not have a Private Activity Bond issuance program. These proposed amendments to Chapter 39B of the Hawai'i Revised Statutes will insure equity in the allocation of the PAB cap to the counties for the delivery of multi-family affordable rental housing.

Thank you for this opportunity to testimony in **support** of this measure.

Mahalo,



Susan K. Kunz
Housing Administrator



HB-923-HD-1

Submitted on: 3/13/2023 4:39:30 PM

Testimony for HOU on 3/16/2023 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Kevin Carney	Testifying for Affordable Housing Connections LLC	Support	Written Testimony Only

Comments:

Senate Committee on Housing: Please give your full support to HB923 HD1 regarding private activity bonds which would require that counties use their allocation for projects in their respective counties before applying to HHFDC for financing.

Respectfully,

Kevin R. Carney RB-16444

President & Principle Broker