

SB 974

Measure Title:	RELATING TO THE RENTAL HOUSING TRUST FUND.
Report Title:	Rental Housing Trust Fund; Mixed-use Rental Projects; Appropriation (\$)
Description:	<p>Authorizes the rental housing trust fund (RHTF) to be used for spaces for public uses within mixed-use residential developments in which the residential component consists of rental housing units. Establishes a separate mixed-use residential development subaccount within the RHTF to make loans or grants for the development, pre-development, construction, acquisition, preservation, and substantial rehabilitation of spaces for public uses within mixed-use residential developments in which the residential component consists of rental housing units. Clarifies that assistance from the RHTF may be made for new construction, rehabilitation, or preservation of spaces for public uses in mixed-use residential developments. Makes appropriation from general fund for deposit into the mixed use residential development account.</p>
Companion:	
Package:	Housing and Homeless Legislative Package
Current Referral:	HSH/WTL, WAM
Introducer(s):	CHUN OAKLAND, DELA CRUZ, GALUTERIA

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

SENATE COMMITTEE ON HUMAN SERVICES AND HOUSING
SENATE COMMITTEE ON WATER AND LAND

February 12, 2015 at 1:15 p.m.
State Capitol, Room 016

In consideration of
S.B. 974
RELATING TO THE RENTAL HOUSING TRUST FUND.

HHFDC supports S.B. 974. This bill would allow the Legislature to authorize the use of the Rental Housing Trust Fund (RHTF) to help finance the development of spaces for public uses within mixed-use affordable rental housing developments. The bill also appropriates an unspecified amount of General Obligation Bond funds earmarked for this purpose.

Adoption of this measure is consistent with HHFDC's efforts to work in partnership with other State and County agencies to develop mixed-use residential developments on State and county lands. Many such parcels are located in urban infill areas that already have sufficient infrastructure capacity to support affordable housing development, on top of the specific needs of the agency controlling the land. An example of one such project is the planned Alder Street project, which is a mixed-use residential development in partnership between the Judiciary and HHFDC.

Thank you for the opportunity to testify.



CATHOLIC CHARITIES HAWAII

TESTIMONY IN SUPPORT OF SB 974: RELATING TO THE RENTAL HOUSING TRUST FUND

TO: Senator Suzanne Chun Oakland, Chair, Committee on Human Services and Housing; Senator Laura H. Thielen, Chair, Committee on Water and Land; and Members of the Committees

FROM: Trisha Kajimura, Social Policy Director, Catholic Charities Hawaii

Hearing: Thursday, February 12, 2015; 1:15 pm; CR 016

Dear Chair Chun Oakland, Chair Thielen, and Members of the committees:

Thank you for the opportunity to provide testimony **in support** of SB 974, which authorizes the Rental Housing Trust Fund (RHTF) to be used for spaces for public uses within mixed-use residential developments with a rental housing component. I am Trisha Kajimura, Social Policy Director for Catholic Charities Hawaii.

Catholic Charities Hawaii (CCH) is a tax exempt, non-profit agency that has been providing social services in Hawaii for over 60 years. CCH has programs serving elders, children, developmentally disabled, homeless and immigrants. Our mission is to provide services and advocacy to the most vulnerable of the people in Hawaii. Catholic Charities Hawaii has a long history of working on housing issues and solutions to homelessness. We strive to help people live in dignified circumstances and reach their full potential.

Catholic Charities Hawaii supports this bill which would enable State entities to work together to maximize the best use of state lands. The State needs to add many tools to its toolbox to create more affordable rental housing. This is a creative way for different state departments to work together and gain expertise in developing housing from HHFDC. In the future, this could be used for TOD projects where another state entity controls land but needs the expertise of HHFDC to jointly work on the development of affordable rental housing on state land.

We know it can be a daunting task for a department with a different mission and mandate, to consider the complex issues that arise in creating affordable rental housing. By enabling HHFDC to facilitate the process, more can be accomplished and the burden is lessened on the State "landowner". Partnership like this can be creative and work to fulfill the needs of both state entities while providing a legacy of affordable housing for years to come for the citizens of Hawaii.

Thank you for the opportunity to testify. Please contact me at (808) 527-4810 or trisha.kajimura@catholiccharitieshawaii.org if you have any questions.





**Testimony to the Senate Committee on Human Services and Housing and
Committee on Water and Land
Thursday, February 12, 2015 at 1:15 P.M.
Conference Room 016, State Capitol**

RE: SENATE BILL 974 RELATING TO THE RENTAL HOUSING TRUST FUND

Chairs Chun Oakland and Thielen, Vice Chairs Green and Galuteria, and Members of the Committees:

The Chamber of Commerce of Hawaii ("The Chamber") **supports the intent of S.B. 974**, which authorizes the rental housing trust fund (RHTF) to be used for spaces for public uses within mixed-use residential developments in which the residential component consists of rental housing units and establishes a separate mixed-use residential development subaccount within the RHTF to make loans or grants for the development, pre-development, construction, acquisition, preservation, and substantial rehabilitation of spaces for public uses within mixed-use residential developments in which the residential component consists of rental housing units. Also clarifies that assistance from the RHTF may be made for new construction, rehabilitation, or preservation of spaces for public uses in mixed-use residential developments and makes appropriation from general fund for deposit into the mixed use residential development account.

The Chamber is the largest business organization in Hawaii, representing over 1,000 businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

The Chamber strongly supports the need to allow for the funding of mixed use residential developments, especially in areas of targeted growth and increased density. In dense urban settings, there is a need to create more pedestrian-friendly environments where residents are less dependent on cars in their daily activities. Mixed-use developments provide an opportunity to create vibrant, walkable communities.

This will also encourage creative thinking for multiple or mixed use of government-owned lands in and around the transit system on Oahu. The State can be a critical player in reshaping the urban landscape around the transit stations.

Thank you for the opportunity to testify.

BIA-HAWAII

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MAILING
P.O. BOX 970967
WAIPAHU, HAWAII
96797-0967

STREET
94-487 AKOKI STREET,
WAIPAHU, HAWAII 96797
P 808.847.4666
F 808.440.1198
E INFO@BIAHAWAII.ORG

WWW.BIAHAWAII.ORG

Testimony to the Senate Committees on Human Services and Housing, and Water and Land Thursday, February 12, 2015 1:15 p.m. State Capitol - Conference Room 016

RE: SENATE BILL NO. 974 RELATING TO RENTAL HOUSING TRUST FUND

Chairs Chun-Oakland and Thielen, Vice Chairs Green and Galuteria, and members of the Committees:

My name is Gladys Marrone, Chief Executive Officer for the Building Industry Association of Hawaii (BIA-Hawaii), the Voice of the Construction Industry. We promote our members through advocacy and education, and provide community outreach programs to enhance the quality of life for the people of Hawaii. BIA-Hawaii is a not-for-profit professional trade organization chartered in 1955, and affiliated with the National Association of Home Builders.

BIA-HAWAII **supports the intent** of S.B. 974, which authorizes the rental housing trust fund (RHTF) to be used for spaces for public uses within mixed-use residential developments in which the residential component consists of rental housing units. Establishes a separate mixed-use residential development subaccount within the RHTF to make loans or grants for the development, pre-development, construction, acquisition, preservation, and substantial rehabilitation of spaces for public uses within mixed-use residential developments in which the residential component consists of rental housing units. Clarifies that assistance from the RHTF may be made for new construction, rehabilitation, or preservation of spaces for public uses in mixed-use residential developments. Makes appropriation from general fund for deposit into the mixed use residential development account.

BIA-Hawaii strongly supports the need to allow for the funding of mixed use residential developments, particularly in areas of targeted growth and increased density. In dense urban settings, there is a need to create more pedestrian friendly environments where residents are less dependent on cars in their daily activities. Mixed used developments provide an opportunity to create vibrant and walkable communities.

Creative thinking for multiple or mixed use of government owned lands in and around the transit system on Oahu will also be encouraged. The State can be a critical player in reshaping the urban landscape around the transit stations.

Thank you for the opportunity to express our views on this matter.



PROTECTING HAWAII'S OHANA, CHILDREN, UNDER SERVED, ELDERLY AND DISABLED

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TO: Senator Suzanne Chun Oakland, Chair, Human Services and Housing
Senator Josh Green, Vice Chair, Human Services and Housing

Senator Laura H. Thielen, Chair, Water and Land
Senator Brickwood Galuteria, Vice Chair, Water and Land

Members, Committees on Human Services and Housing, and Water and Land

FROM: Scott Morishige, Executive Director, PHOCUSED

HEARING: **Thursday, February 12, 2015 at 1:15 p.m. in Conf. Rm. 016**

Testimony in Support of SB974, Relating to the Rental Housing Trust Fund

Thank you for the opportunity to provide testimony in **support** of SB975, which authorizes the Rental Housing Trust Fund (RHTF) to be used for spaces for public uses within mixed-use residential developments with a rental housing component. PHOCUSED is a nonprofit membership and advocacy organization that works together with community stakeholders to impact program and policy change for the most vulnerable in our community, including the homeless.

Since March 2014, PHOCUSED has surveyed 2,200+ homeless individuals and families across Oahu to assess their level of need and determine appropriate interventions. Based on our survey data, **over a quarter (26%, or 570 homeless households) indicate a need simply for affordable housing** – meaning that they do not require case management or intensive social services, but would be able to successfully transition to stable housing if affordable rental options were available. SB974 provides the State with more tools in its toolbox to create affordable rental housing and maximize the best use of state lands.

More specifically, this bill enables different state departments to work together, and gain experience in housing development from the Hawaii Housing and Finance Development Corporation (HHFDC). Partnership like this can be creative and work to fulfill the needs of both state entities, while providing a legacy of affordable housing for years to come. Furthermore, there is potential to utilize this mechanism for Transit Oriented Development (TOD) projects where another state entity controls land, but needs the expertise of HHFDC to jointly work on the development of affordable rental housing on state land.

Once again, PHOCUSED strongly urges your support of this bill. If you have any questions, please do not hesitate to contact PHOCUSED at 521-7462 or by e-mail at admin@phocused-hawaii.org.