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DENISE ISERI-MATSUBARA
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STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM
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IN REPLY REFER TO:

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

SENATE COMMITTEE ON HOUSING

March 12, 2020 at 1:15 p.m.
State Capitol, Room 225

In consideration of
H.B. 2183, H.D. 2
RELATING TO THE HOUSING LOAN AND MORTGAGE PROGRAM.

HHFDC **strongly supports** H.B. 2183, H.D. 2, which increases the bond authorization amount for the Housing Loan and Mortgage Program, popularly known as the Hula Mae Multifamily Bond Program. The Hula Mae Multifamily Bond Program promotes the development of new or the acquisition and rehabilitation of existing rental housing projects through the issuance of mortgage revenue bonds for interim and permanent financing at rates below conventional market interest rates.

As of February 29, 2020, Hula Mae Multifamily bonds have assisted in financing the development or acquisition and rehabilitation of 44 projects totaling 5,449 affordable rental units statewide. An additional 12 projects, totaling an additional 1,554 units, are in the planning phase and are pending issuance of approximately \$390,780,271 in bonds. Only \$176,988,618 in uncommitted Hula Mae Multifamily bond authority remains. The requested increase in bond authority is needed for HHFDC to continue to issue bonds for much-needed affordable rental housing projects statewide.

Thank you for the opportunity to testify.

March 12, 2020

The Honorable Stanley Chang, Chair
Senate Committee on Housing
State Capitol, Room 225
Honolulu, Hawaii 96813

RE: H.B. 2183, HD2, Relating to the Housing Loan and Mortgage Program

HEARING: Thursday, March 12, 2020, at 1:15 p.m.

Aloha Chair Chang, Vice Chair Kanuha, and Members of the Committee:

I am Ken Hiraki Government Affairs Director, testifying on behalf of the Hawai'i Association of REALTORS® (“HAR”), the voice of real estate in Hawai'i, and its over 10,000 members. HAR **supports** House Bill 2183, HD2, which increases the Hula Mae multifamily revenue bond authorization amount to continue financing affordable rental housing statewide.

The Hula Mae Multi-Family tax-exempt bond program promotes the development of new or rehabilitation of existing rental housing projects by developers, including non-profits through the issuance of tax-exempt revenue bonds for financing at rates below market interest rates. As the cost of living and housing in Hawai'i remains a challenge for many residents, the Hula Mae program helps in the development of much needed affordable rentals in our State.

Mahalo for the opportunity to testify on this measure.