



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

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Statement of
Richard C. Lim
Director

Department of Business, Economic Development and Tourism
before the

HOUSE COMMITTEE ON LABOR & PUBLIC EMPLOYMENT

February 7, 2014 at 9:00 a.m.
State Capitol, Room 309

In consideration of
H.B. 2250
**RELATING TO THE HAWAII HOUSING FINANCE AND DEVELOPMENT
CORPORATION.**

Chair Nakashima, and Members of the House Committee on Labor & Public
Employment.

DBEDT **supports** H.B. 2250, an Administration bill. H.B. 2250 authorizes the HHFDC Board of Directors to set the salary of the HHFDC Executive Director. Under current law, the HHFDC Board of Directors conducts an annual performance review of the Executive Director in order to set the salary level, up to the statutory maximum of eighty-five percent of the salary of the Director of the Department of Human Resources Development. This is the lowest of all state housing finance agencies nationwide. Passage of this bill would allow the HHFDC Board of Directors to set an appropriate compensation level for the current Executive Director and to attract and retain qualified individuals in the future.

DBEDT respectfully requests that the Committee pass this bill. Thank you for the opportunity to testify.



STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
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IN REPLY REFER TO:

Statement of
Ralph Mesick
Chair, Board of Directors
Hawaii Housing Finance and Development Corporation
Before the

HOUSE COMMITTEE ON LABOR & PUBLIC EMPLOYMENT

February 7, 2014 at 9:00 a.m.
State Capitol, Room 309

In consideration of
H.B. 2250
RELATING TO THE HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION.

The HHFDC ***supports*** H.B. 2250, an Administration bill. H.B. 2250 authorizes the HHFDC Board of Directors to set the salary of the HHFDC Executive Director.

The HHFDC is a comprehensive State housing finance and development agency with 71 authorized positions and over \$1,000,000,000 in assets. The HHFDC's programs include the Low-Income Housing Tax Credit, Rental Housing Trust Fund, and Hula Mae Single and Multi-Family Revenue Bond programs. The Executive Director is the chief administrator of an agency that assisted in the development of 3,263 affordable units statewide over the last five years, and has an additional 4,827 units in the development pipeline.

The HHFDC Board of Directors recently conducted a national search for an executive director. While over 50 applications were received, only a few applicants possessed the desired skill set for the position. We believe this is largely due to the statutory maximum salary of 85 percent of the salary of the Director of the Department of Human Resources Development. This salary is the lowest of all state housing finance agencies nationwide. HHFDC is fortunate to have hired a highly qualified and committed executive director who was willing to accept the set salary.

HHFDC is the primary state agency charged with overseeing affordable housing finance and development in Hawaii. This is accomplished by working in partnership with residents, government agencies, financiers and for-profit and nonprofit developers. Passage of this bill would allow the HHFDC Board to adequately compensate the executive director as he leads agency staff to fulfill the mission of increasing and preserving the supply of workforce and affordable housing statewide. Passage will also enable the Board to attract and retain qualified individuals in the future.

We respectfully request your favorable consideration of this bill. Thank you for the opportunity to testify.