

Honolulu, Hawaii

FEB 14, 2006

RE: H.B. No. 2566

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committees on Housing and Water, Land, & Ocean Resources, to which was referred H.B. No. 2566 entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

beg leave to report as follows:

The purpose of this bill is to promote near-term development of affordable housing near Honolulu's urban core by:

- (1) Establishing the Kakaako Affordable Housing Development Program (Program) and the Kakaako Affordable Housing Development Fund (Fund);
- (2) Providing subsidies and other assistance from the Fund for new construction, rehabilitation, acquisition, or preservation of qualifying multifamily ownership housing units for households with incomes at or below 140 percent of the median family income;
- (3) Appropriating \$60,000,000 to the Fund; and
- (4) Repealing the Program and Fund on June 30, 2011.

The Hawaii Community Development Authority and Self-Help Housing Corporation of Hawaii testified in support of this bill. Several concerned individuals supported this measure with amendments. A concerned individual opposed this bill.

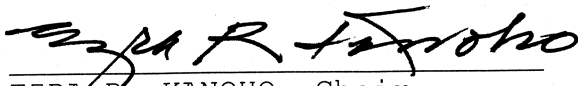


Your Committees find that more affordable housing is needed in Honolulu's urban core. Currently, families seeking affordable housing on Oahu are often forced to move to areas on the Leeward Coast because of urban Honolulu's high housing costs.

Your Committees would like to emphasize that a need exists not only for homeownership but also for affordable housing rentals in Honolulu and that more housing options are needed for households with incomes at or below 80 percent of the median family income.

As affirmed by the records of votes of the members of your Committees on Housing and Water, Land, & Ocean Resources that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2566 and recommend that it pass Second Reading and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committees on Housing and
Water, Land, & Ocean Resources,


EZRA R. KANOHO, Chair


MICHAEL P. KAHIKINA, Chair



