

Honolulu, Hawaii

Feb 17, 2006

RE: H.B. No. 2963

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. 2963 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 statewide by:

- (1) Placing a moratorium on certain provisions of the Hawaii Housing Finance and Development Administration (HHFDA) for eight years; and
- (2) Establishing temporary provisions providing HHFDA with certain powers to expedite housing development.

The Hawaiian Island Development Co., Inc., supported the intent of this bill. The Mayor of Maui County, several members of the Maui County Council, and the Department of Planning and Permitting of the City and County of Honolulu opposed this measure. The Housing and Community Development Corporation of Hawaii offered comments.

Your Committees recognize that this measure takes drastic steps to spur the near-term development of affordable housing. Several committee members expressed concerns relating to the power of eminent domain and usurping power from the counties.

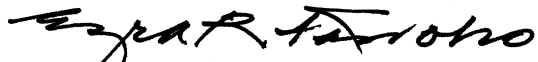


Your Committees also note the findings of the Joint Legislative Task Force on Housing and Homelessness that the counties should be responsible for the task of ensuring that affordable housing is built to the needs of each individual county. While some of the counties have been very innovative in providing housing for households with low- to moderate-income, these effects are still not enough, particularly in the City and County of Honolulu.

While this measure does take dramatic steps, your Committees agree that it is worthy of further discussion to ensure that the housing needs of Hawaii's people are met.

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. 2963 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



