

STAND. COM. REP. NO. 1709-06

Honolulu, Hawaii

Apr: 11, 2006

RE: H.C.R. No. 203

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

Sir:

Your Committees on Higher Education and Housing, to which was referred H.C.R. No. 203 entitled:

"HOUSE CONCURRENT RESOLUTION RELATING TO A STUDY FOR CREATING CONTRIBUTORY AFFORDABLE HOUSING SOLUTIONS THROUGH MANDATED STATE SPECIAL ASSESSMENTS AGAINST REAL PROPERTY AND IMPROVEMENTS THAT ACCRUE TO COMMERCIAL AND INDUSTRIAL LESSORS THROUGH THE EXERCISE OF FULL-TERM EXPIRATORY REVERSION CLAUSES IN GROUND LEASE CONTRACTS ENTERED INTO AFTER DECEMBER 31, 1963,"

beg leave to report as follows:

The purpose of this concurrent resolution is to request that the University of Hawaii (UH) conduct a study to determine whether a state-mandated special assessment should be levied and collected against some portion of commercial and industrial lessors' windfall profits resulting from the reversion of improvements on their properties at the conclusion of ground leases. The assessment would be dedicated to the creation of state-sponsored affordable housing opportunities for the residents of Hawaii.

A concerned individual testified in support of this concurrent resolution. UH supported the intent of this measure. The Land Use Research Foundation of Hawaii opposed this measure.

HCR203 HSCR HED-HSG HMS 2006-3258



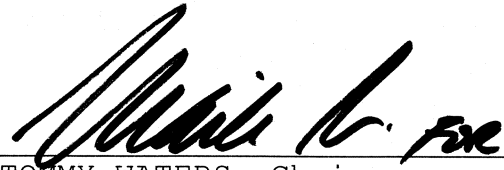
UH suggested convening a meeting with various stakeholders and interested parties to discuss the issues raised in this concurrent resolution to help facilitate the purposes of this measure. Your Committees concur with this recommendation, as it is not the intent of this measure to adversely affect UH's budget, and believe that this measure could be an opportunity for graduate students to conduct a study and see the direct results of their work.

As affirmed by the records of votes of the members of your Committees on Higher Education and Housing that are attached to this report, your Committees concur with the intent and purpose of H.C.R. No. 203 and recommend its adoption.

Respectfully submitted on
behalf of the members of the
Committees on Higher Education
and Housing,



MICHAEL P. KAHIKINA, Chair



TOMMY WATERS, Chair



