

Honolulu, Hawaii

APR 28

, 2006

RE: S.B. No. 2958
S.D. 2
H.D. 1
C.D. 1

Honorable Robert Bunda
President of the Senate
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

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

Sir:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 2958, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of the measure is to implement many of the recommendations of the Joint Legislative Housing and Homeless Task Force established pursuant to Act 196, Session Laws of Hawaii 2005. Specifically, this measure:

- (1) Removes the requirement that a housing project, to be considered for transfer to another entity for rehabilitation, must no longer be suitable for its original use and intended for demolition;
- (2) Allows State Rent Supplement Program (SRSP) funds to be used for project-based operating subsidies for state



low-income housing units that are transferred to private organizations for management and operation;

- (3) Allows individuals receiving public assistance to qualify as tenants for public housing;
- (4) Extends from June 30, 2007, to June 30, 2009, the use of the Rental Housing Trust Fund (RHTF) to provide grants for rental units for households at or below thirty percent of the median family income;
- (5) Increases from thirty to sixty-five percent the conveyance tax allocation to RHTF;
- (6) Authorizes the lease of parcels deemed suitable for affordable housing at \$1 per year for up to fifty years for self-help development;
- (7) Authorizes the transfer of state lands from the Department of Land and Natural Resources (DLNR) or another state agency to the Hawaii Housing Finance and Development Administration (HHFDA) for affordable housing development;
- (8) Appropriates \$20,000,000 for homeless services and transitional housing programs;
- (9) Appropriates \$10,000,000 to repair and modernize vacant units in federal and state public housing projects;
- (10) Appropriates \$400,000 for interim construction loans for up to ten homes to be developed as self-help ownership homes;
- (11) Sets aside five percent of state low-income public housing units for grandparents who are primary caregivers for grandchildren, and making related amendments;
- (12) Appropriates \$6,800,000 for HHFDA to acquire the Kulana Nani property from Kamehameha Schools and retain the property as affordable housing; and
- (13) Appropriates funds to renovate existing structures at Kalaeloa to provide shelter to homeless veterans.

Your Committee finds that this measure, along with others pending enactment in this session of the legislature, is necessary



to provide more meaningful near-term solutions to Hawaii's affordable housing and homeless problem. However, in the interest of avoiding duplication, your Committee has deleted the content of this measure and amended it to include the following provisions without monetary or fiscal impact on the state budget:

- (1) Addition of two new members to the Hawaii Public Housing Authority board of directors;
- (2) Deletion of the requirement that there be an intent to demolish public housing units before they may be decommissioned;
- (3) Authorization that state-owned parcels may be leased for the development of self-help housing; and
- (4) Requirement that public lands identified as suitable for affordable residential development be transferred by the Department of Land and Natural Resources to the Hawaii Housing and Finance Development Administration.

It is further the intent of your Committee that the Housing and Community Development Corporation of Hawaii, or its successor agency, provide by rule that minor children may reside in state housing for elders where a grandparent is the primary caregiver, with a five per cent set-aside of units for that purpose.

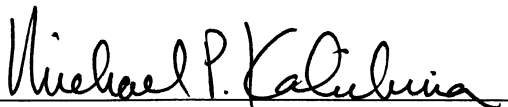
As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 2958, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2958, S.D. 2, H.D. 1, C.D. 1.



Respectfully submitted on behalf
of the managers:

ON THE PART OF THE HOUSE

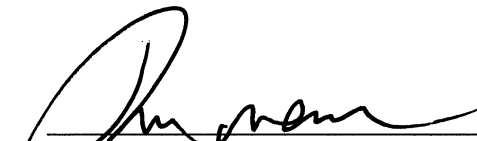
ON THE PART OF THE SENATE



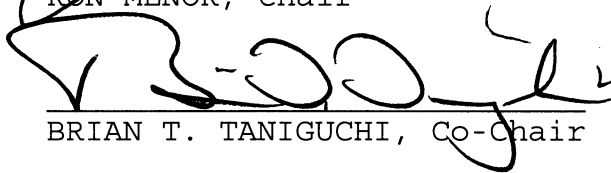
MICHAEL P. KAHIKINA, Co-Chair



DWIGHT TAKAMINE, Co-Chair



RON MENOR, Chair



BRIAN T. TANIGUCHI, Co-Chair



