

STAND. COM. REP. NO. 1264

Honolulu, Hawaii

MAR 23 2007

RE: H.B. No. 1001
H.D. 2
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Madam:

Your Committees on Commerce, Consumer Protection, and Affordable Housing and Intergovernmental and Military Affairs, to which was referred H.B. No. 1001, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

beg leave to report as follows:

The purpose of this measure is to encourage the development of affordable housing by establishing an expedited review and approval process for eligible rental housing projects.

This measure also provides that if a county fails or refuses to take action on the proposed rental housing project, the Hawaii Housing Finance and Development Corporation may review and make a decision on the proposed rental housing project.

Your Committees received testimony in support of this measure from the Office of Hawaiian Affairs, Partners in Care, Hawaii's Thousand Friends, Housing Hawaii, the Hawaii Association of Realtors, and one individual. Comments on this measure were submitted by the Hawaii Housing Finance and Development Corporation, the Department of Land and Natural Resources, the City and County of Honolulu Department of Planning and Permitting, the Windward Ahupua'a Alliance, the Land Use Research Foundation, the Sierra Club Hawai'i Chapter, and one individual.

Your Committees find that the lack of affordable housing continues to be one of the biggest problems facing the State.

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Creative ways to alleviate the severe lack of affordable housing must be explored.

Your Committees have amended this measure by:

- (1) Changing the definition of "eligible project" by:
 - (a) Blanking out the minimum number of units required to be affordable to families earning up to eighty per cent of the median income;
 - (b) Removing language relating to the number of units required to be affordable to families earning up to one hundred forty per cent of the median income;
 - (c) Removing the restriction of having an eligible project on ceded lands or on lands classified as rural; and
 - (d) Adding a requirement that the eligible property be developed and operated by a non-profit entity;
- (2) Changing the applicability of the measure from counties with at least 500,000 residents to counties with at least 750,000 residents;
- (3) Amending the time requirements for the county to submit a development's preliminary plans and specifications to the county council and the time in which a county must act on the application from forty-five days to ninety days;
- (4) Adding language to allow for an eligible project to be developed on ceded lands, subject to certain requirements;
- (5) Creating a temporary task force to conduct an inventory of affordable housing and provide certain information to the Legislature prior to the convening of the 2008 Regular Session;
- (6) Appropriating funds to the counties for the purpose of subsidizing the counties up to a blank per cent of the costs incurred by the counties due to the implementation of this measure;



- (7) Changing the effective date; and
- (8) Making technical, nonsubstantive changes for the purposes of clarity and style.

In adding language to allow for an eligible project to be developed on ceded land, subject to certain requirements, your Committees realize that there may be constitutional issues raised by this language and that is why your Committees have amended the effective date to encourage further discussion and to allow the Committee on Ways and Means to seek input from the appropriate entities on this issue.

As affirmed by the records of votes of the members of your Committees on Commerce, Consumer Protection, and Affordable Housing and Intergovernmental and Military Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1001, H.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1001, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Commerce,
Consumer Protection, and
Affordable Housing and
Intergovernmental and Military
Affairs,


LORRAINE R. INOUE, Chair


BRIAN T. TANIGUCHI, Chair



The Senate
 Twenty-Fourth Legislature
 State of Hawaii

Record of Votes
Committee on Commerce, Consumer Protection and Affordable Housing
CPH

Bill / Resolution No.:* <i>HB 1001 HD2</i>	Committee Referral: <i>CPH/IGM, WAM</i>	Date: <i>3/21/07</i>
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The committee is reconsidering its previous decision on this measure.
 If so, then the previous decision was to: _____

The Recommendation is:

Pass, unamended 2312 Pass, with amendments 2311 Hold 2310 Recommit 2313

Members	Aye	Aye (WR)	Nay	Excused
TANIGUCHI, Brian T. (C)	✓			
IGE, David Y. (VC)				✓
ESPERO, Will	✓			
IHARA, Jr., Les	✓			
SAKAMOTO, Norman				✓
SLOM, Sam	✓			
TOTAL	<i>4</i>			<i>2</i>


Recommendation: Adopted Not Adopted

Chair's or Designee's Signature: *Will Espero*

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The Senate
 Twenty-Fourth Legislature
 State of Hawaii

Record of Votes
Committee on Intergovernmental and Military Affairs
IGM

Bill / Resolution No.:* HB1001 HD2	Committee Referral: CPH/IGM, WAM	Date: 3/21/07		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
INOUE, Lorraine R. (C)	✓			
TSUTSUI, Shan S. (VC)				✓
HEMMINGS, Fred	✓			
TOTAL	2	0	0	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original File with Committee Report		Yellow Clerk's Office		Pink Drafting Agency

*Only one measure per Record of Votes