

STAND. COM. REP. NO. 576 -08

Honolulu, Hawaii
Feb 15, 2008

RE: H.B. No. 2662
H.D. 1

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Sir:

Your Committee on Human Services & Housing, to which was referred H.B. No. 2662 entitled:

"A BILL FOR AN ACT RELATING TO AFFORDABLE HOUSING,"

begs leave to report as follows:

The purpose of this bill is to encourage the development of rental and for-sale affordable housing in the state by exempting from certain state and county affordable housing requirements, new multi-family housing condominium developments of 50 units or more per acre on privately-owned lands, including:

- (1) Exempting them from shared appreciation requirements;
and
- (2) Reducing the 10-year occupancy requirements to three years.

Central Pacific Bank, Marshall Realty, Inc., Island-Waipahu, LLC, and a few concerned individuals testified in support of this bill. The Hawaii Housing Finance and Development Corporation, Department of Planning and Permitting of the City and County of Honolulu, Department of Community Services of the City and County of Honolulu, Office of Housing and Community Development of the County of Hawaii, and Kauai County Housing Agency opposed this measure.

HB2662 HD1 HSCR HSH HMS 2008-2094



Your Committee recognizes that the intent of this bill is to facilitate affordability of housing in urban core and high density areas. For this reason, your Committee has amended this bill to require developments to have 75 units, rather than 50 units, or more per acre to qualify for the exemptions.

Your Committee has also amended this bill by:

- (1) Requiring that the developments be privately financed without federal, state, or county financing assistance or subsidies;
- (2) Removing rental housing developments and developments on lands owned temporarily by the State or any county from qualifying for the exemptions; and
- (3) Deleting the provision that affordable housing developments are not required to be on the same land as the required market-priced housing development.

As affirmed by the record of votes of the members of your Committee on Human Services & Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2662, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2662, H.D. 1, and be referred to the Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Human Services &
Housing,



MAILE SHIMABUKURO, Chair



State of Hawaii
House of Representatives
The Twenty-fourth Legislature

HSCR 576-08

Record of Votes of the Committee on Human Services & Housing

Bill/Resolution No.: HB 2662	Committee Referral: HSH, FIN	Date: February 12, 2008		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
HSH Members	Ayes	Ayes (WR)	Nays	Excused
1. SHIMABUKURO, Maile S. L. (C)	X			
2. RHOADS, Karl (VC)	X			
3. AWANA, Karen Leinani	X			
4. BELATTI, Della Au		X		
5. BERTRAM, Joe, III	X			
6. CABANILLA, Rida T.R.	X			
7. GREEN, Josh, M.D.	X			
8. MIZUNO, John	X			
9. TOKIOKA, James Kunane	X			
10. WARD, Gene, Ph.D.	X			
TOTAL (10)	9	1	0	0
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office				