

Honolulu, Hawaii

April 25, 2008

RE: S.B. No. 2293
S.D. 1
H.D. 1
C.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

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

Madam and 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. 2293, S.D. 1, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO AFFORDABLE 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 this bill is to increase the number of affordable housing units in Hawaii by exempting new multi-family housing condominium developments of seventy-five units or more per acre from certain state and county affordable housing requirements.

Specifically, this bill adds a new section to chapter 201H, Hawaii Revised Statutes, that exempts new multi-family rental or for-sale housing developments of seventy-five units or more per acre on privately owned lands and privately financed without federal, state, or county financing assistance or subsidies from the Hawaii Housing Finance and Development Corporation's shared appreciation equity program and applies transfer restrictions under sections



201H-47 and 201-49, Hawaii Revised Statutes, and occupancy requirements for a term of three, rather than ten years.

Affordable housing for Hawaii residents and the local workforce are in a critical short supply. Your Committee on Conference finds that private landowners and developers need incentives in order to meet the demand for and increase the supply of affordable housing. Eliminating or reducing certain state and county requirements, including the equity sharing program, and occupancy and transfer period, for new multi-family housing developments on privately owned land using private financing will encourage the private sector to build affordable workforce housing.

Your Committee on Conference has amended this bill by:

- (1) Deleting language that refers to rental multi-family condominium developments and reducing its scope to apply to only new multi-family for-sale housing condominium developments of seventy-five units or more per acre;
- (2) Clarifying that the reference to federal, state, or county financing assistance or subsidies includes tax credits;
- (3) Adding language that triggers the three-year occupancy requirement to begin upon the sale of each unit in the multi-family for-sale housing condominium development;
- (4) Requiring that in order for the exemptions of this bill to apply to a privately financed new multi-family for-sale housing condominium development on privately owned land, the primary purpose of the construction of the housing development shall be to increase the number of affordable housing units in the State, and not for the purpose of satisfying any affordable housing or reserved housing requirement required by law or ordinance;
- (5) Adding definitions for "affordable housing" and "reserved housing"; and
- (6) Making technical, nonsubstantive amendments for the purposes of style and clarity.

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. 2293, S.D. 1, H.D. 1, as amended herein, and recommends



that it pass Final Reading in the form attached hereto as S.B.
No. 2293, S.D. 1, 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



MAILE SHIMABUKURO, Co-Chair



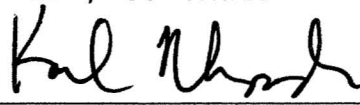
RUSSELL S. KOKUBUN, Chair



KEN ITO, Co-Chair



LORRAINE R. INOUÉ, Co-Chair



KARL RHOADS, Co-Chair



CCR 108

Hawaii State Legislature

Record of Votes of a Conference Committee

Bill / Concurrent Resolution No.: SB 2293, SD 1, HD 1	Date/Time: 4/25/08 3:45 P
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The recommendation of the House and Senate managers is to pass with amendments (CD).

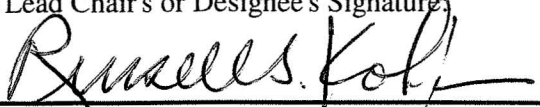
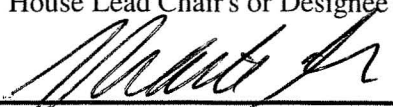
The Committee is reconsidering its previous decision.

<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure	<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.
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Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
KOKUBUN, Russell S., Chr.	/				SHIMABUKURO, Maile S. L., Co-Chr.	/			
INOUYE, Lorraine R., Co-Chr.	/				ITO, Ken, Co-Chr.	/			
TANIGUCHI, Brian T.				/	RHOADS, Karl, Co-Chr.	/			
KIM, Donna Mercado	/				THIELEN, Cynthia	/			
TRIMBLE, Gordon	/								
TOTAL	4			1	TOTAL	4			

A = Aye WR = Aye with Reservations N = Nay E = Excused

Senate Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted	House Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted
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Senate Lead Chair's or Designee's Signature: 	House Lead Chair's or Designee's Signature: 
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