

STAND. COM. REP. NO. **2815**

Honolulu, Hawaii

MAR 04 2016

RE: S.B. No. 2561
S.D. 2

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 2561, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to establish a rental housing strategy for the State.

More specifically, this measure:

- (1) Establishes a goal of developing or committing to the development of at least 22,500 affordable rental housing units ready for occupancy before the end of 2026;
- (2) Establishes a temporary special action team on affordable rental housing, within the Office of the Lieutenant Governor for administrative purposes to make recommendations to achieve the affordable rental housing goal; and
- (3) Makes an appropriation for the special action team on affordable rental housing.

Your Committee received written comments in support of this measure from the Hawaii Public Housing Authority, Hawaii Housing Finance and Development Corporation, Chamber of Commerce Hawaii, Catholic Charities Hawaii, Faith Action for Community Equity Hawaii, Land Use Research Foundation of Hawaii, and one

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individual. The Governor's Coordinator on Homelessness submitted written comments on the measure.

Your Committee finds that Hawaii lacks affordable housing for its residents. It is projected that the State will require an additional 64,700 housing units by 2025 to meet projected long-term housing demands, of which 22,247 households of all income levels will require rental units. Many reasons contribute to the lack of affordable housing, including the poor rate of return for investments in affordable housing projects.

Your Committee believes that to solve this continuing and significant issue, all stakeholders involved must make a strong, united commitment to the goal of ensuring that the people of Hawaii have access to 22,500 affordable rental units by 2025. Your Committee also believes that it is necessary to establish a special action team that consists of those who are knowledgeable about affordable housing, and prepared not only to identify benchmarks for progress, but the barriers to progress and the possible solutions to overcome them, to ensure that the State achieves its housing goal.

Your Committee has amended this measure by:

- (1) Changing the family income categories specified for use by the special action team in establishing benchmarks for the development of affordable rental housing units by dividing the minimum family income category into additional, incremental categories ranging from thirty to sixty per cent of the area median income;
- (2) Authorizing the chair of the special action team to invite representatives of the housing advocacy community to become members of the team;
- (3) Changing the amount of the appropriation from \$100,000 to an unspecified amount; and
- (4) Making technical nonsubstantive changes for purposes of clarity, consistency, and style.

Your Committee notes that the proponents of this measure should continue working together to fine tune the measure's goals and definitions so that expectations for the special action team are clear.



As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2561, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2561, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,

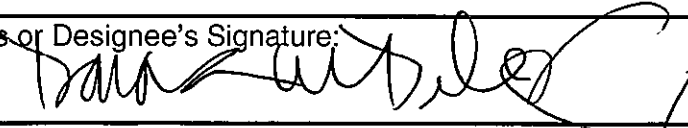


JILL N. TOKUDA, Chair



The Senate
 Twenty-Eighth Legislature
 State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* <i>SB 2561, SDI</i>	Committee Referral: <i>HOU, WAM</i>	Date: <i>8/29/16</i>		
<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
TOKUDA, Jill N. (C)	//			
DELA CRUZ, Donovan M. (VC)	//			
CHUN OAKLAND, Suzanne	//			
ENGLISH, J. Kalani	//			<i>aa-10</i>
GALUTERIA, Brickwood				//
HARIMOTO, Breene				//
INOUYE, Lorraine R.	//			
RIVIERE, Gil	//			
TANIGUCHI, Brian T.				/
WAKAI, Glenn	//			
SLOM, Sam	//			
TOTAL	<i>8</i>			<i>3</i>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes