

Honolulu, Hawaii
March 18, 2016

RE: S.B. No. 2563
S.D. 1
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Eighth State Legislature
Regular Session of 2016
State of Hawaii

Sir:

Your Committee on Housing, to which was referred S.B. No. 2563, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to make the Hawaii Public Housing Authority (Authority) eligible to receive funds and leases under preferential terms from the Hawaii Housing Finance and Development Corporation (Corporation). Specifically, this measure:

- (1) Adds the Authority and any successor agency to the Authority as an entity to which the Corporation may lease land for ninety-nine years at \$1 per year per parcel;
- (2) Includes the Authority's projects and units in projects to the group of projects that are currently at the top of the existing priority list for rental housing projects that may receive loans or grants from moneys in the Corporation's Rental Housing Revolving Fund;
- (3) Adds the Authority as an entity that is an eligible applicant for the Corporation's funds, to the extent authorized by law;



- (4) Amends the preference list for projects that are eligible for assistance from the Rental Housing Revolving Fund;
- (5) Places projects that serve families and individuals transitioning from homeless shelters at the top of the priority list for allocations from the Rental Housing Revolving Fund; and
- (6) Amends the preference criteria to require the Corporation to select a project of the Authority over an equally ranked nonprofit, for-profit, or other government project for funding allocation.

The Hawaii Public Housing Authority supported this measure. The Hawaii Housing Finance and Development Corporation supported the intent of this measure. The Land Use Research Foundation of Hawaii opposed this measure.

Your Committee has amended this measure by:

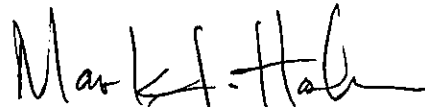
- (1) Adding new language requiring the Hawaii Public Housing Authority to coordinate:
 - (A) The planning of public housing projects with the Office of Planning; and
 - (B) The development of public housing projects with the Hawaii Housing Finance and Development Corporation;

for public housing projects that are located on a property within one-half mile of a public transit station and utilize funds from the Rental Housing Revolving Fund as a portion of its project financing;
- (2) Clarifying language for the ranking of preference of projects for funding from the Rental Housing Revolving Fund;
- (3) Making conforming amendments to the preamble; and
- (4) Changing its effective date to July 1, 2050, to encourage further discussion.



As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2563, S.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2563, S.D. 1, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Housing,



MARK J. HASHEM, Chair



