

Honolulu, Hawaii

April 8, 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 Finance, to which was referred S.B. No. 2563, S.D. 1, H.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 address the availability of affordable rental housing by providing the Hawaii Public Housing Authority (HPHA) with more opportunities for funding and favorable land lease terms and facilitating its participation in collaborative projects to provide affordable rental housing near public transit stations.

Specifically, this measure:

- (1) Requires HPHA to coordinate the planning of public housing projects with the Office of Planning and the development of public housing projects with the Hawaii Housing Finance and Development Corporation (HHFDC) for public housing projects that are located within a half-mile of a public transit station and partially financed through the Rental Housing Revolving Fund;
- (2) Adds HPHA and any successor agency to HPHA as an entity to which HHFDC may lease land for 99 years at \$1 per year per parcel;



- (3) Adds HPHA as an entity that is eligible for loans or grants from the Rental Housing Revolving Fund;
- (4) Amends the preference list for projects that are eligible for assistance from the Rental Housing Revolving Fund, including by granting top priority to projects that serve persons transitioning from homelessness; and
- (5) Requires HHFDC to select an HPHA project or HPHA nonprofit project over an equally ranked nonprofit, for-profit, or other government project for funding allocation.

HPHA testified in support of this measure. HHFDC and the Land Use Research Foundation of Hawaii commented on this measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2563, S.D. 1, H.D. 1, and recommends that it pass Third Reading.

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



SYLVIA LUKE, Chair



