

Honolulu, Hawaii

MAR 04 2016

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

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. 2563 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 provide eligibility and preferences for the Hawaii Public Housing Authority (authority) and its beneficiaries to receive funds and leases from the Hawaii Housing Finance and Development Corporation (corporation).

Specifically, this measure:

- (1) Adds the authority as an entity to whom the corporation may also lease land for ninety-nine years at \$1 per year per parcel;
- (2) Adds the authority as an entity that is an eligible applicant for the corporation's funds;
- (3) Places grants for projects or units in projects of the authority at the top of the priority list for rental housing projects that may receive loans or grants from moneys in the corporation's rental housing revolving fund;
- (4) Removes attached single-family units, townhouses, and the miscellaneous category of units from 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;
- (6) Requires the corporation to give preference to a project of the authority if that project is equally ranked with another project for fund allocation; and
- (7) Specifies that the preference criteria that requires the corporation to select a nonprofit project over an equally ranked for-profit or government project for fund allocation does not apply to a project of the authority.

Your Committee received written comments in support of this measure from the Hawaii Public Housing Authority.

Your Committee received written comments in opposition to this measure from the Hawaii Housing Finance and Development Corporation.

Your Committee received written comments on this measure from one individual.

Your Committee finds that this measure will assist the Hawaii Public Housing Authority with its current projects, which are anticipated to substantially increase the number of affordable housing units.

Your Committee notes that as this measure crosses over to the next body of the Legislature, consideration should be given to the treatment of higher density projects that maximize space and increase the number of dwelling units.

Your Committee has amended this measure by adopting the proposed S.D. 1 of the Hawaii Housing Finance and Development Corporation, which amends the measure by:


- (1) Removing projects or units in projects of the Hawaii Public Housing Authority from the top of the proposed priority list for rental housing projects that may receive loans or grants from the rental housing



- revolving fund and instead adding the authority's projects and units to the group of projects that are currently at the top of the existing priority list;
- (2) Clarifying that the authority is an eligible applicant for the corporation's funds, to the extent authorized by law;
 - (3) Adding semi-attached and side-by-side single-family housing units to the preference list for projects that are eligible for assistance from the rental housing revolving fund and restoring the miscellaneous category of units to that list;
 - (4) Clarifying that the projects at the top of the priority list for allocations from the rental housing revolving fund are those that are committed to serving families and individuals transitioning from homeless shelters;
 - (5) Removing the provision that would have exempted the authority's projects from the corporation's preference requirement when choosing between equally ranked nonprofit, for-profit, and government housing projects for allocations from the rental housing revolving fund;
 - (6) Making conforming amendments to the preamble; and
 - (7) Making technical nonsubstantive amendments for the purposes of clarity and style.

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. 2563, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2563, S.D. 1.

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.:* SB 2563	Committee Referral: HOU, WAM	Date: 3/1/16		
<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	/			
GALUTERIA, Brickwood	/			
HARIMOTO, Breene	/			
INOUYE, Lorraine R.	/			
RIVIERE, Gil	/			
TANIGUCHI, Brian T.	/			/
WAKAI, Glenn	/			
SLOM, Sam	/			
TOTAL	10			1
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