

STAND. COM. REP. NO. **743**

Honolulu, Hawaii

**MAR 03 2017**

RE: S.B. No. 1147  
S.D. 2

Honorable Ronald D. Kouchi  
President of the Senate  
Twenty-Ninth State Legislature  
Regular Session of 2017  
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred S.B. No. 1147, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

begs leave to report as follows:

The purpose and intent of this measure is to require the strategic plan developed by the Hawaii Interagency Council for Transit-Oriented Development to require that affordable housing be included as part of the development or redevelopment plan for any state property located within one-half mile of the Honolulu rail transit system.

Your Committee received written comments in support of this measure from EAH Housing.

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

Your Committee received written comments on this measure from the Department of Human Services and Department of Land and Natural Resources.

Your Committee finds that there is a critical need for affordable housing in the State and that construction by the City and County of Honolulu of a rail transit project on the island of



Oahu presents unique opportunities to encourage and require the development of new affordable housing near the rail line.

The State is the largest owner of land along the rail line and thus has a significant opportunity to apply resources to promote the creation of new affordable housing. Your Committee believes that requiring the inclusion of affordable housing as part of the development or redevelopment plan for any state property located within one-half mile of the rail line will lead to the development of new affordable housing that will be served by a modern mass transit system.

Your Committee notes that properties owned or controlled by the Hawaii Public Housing Authority or the Department of Hawaiian Home Lands must comply with specific federal regulations that may conflict with the requirements of this measure, and thus they should be exempted from those requirements. Your Committee also notes that the question of how to finance infrastructure improvements on applicable state lands remains unresolved, with particular reference to sewer systems.

Your Committee has amended this measure by:

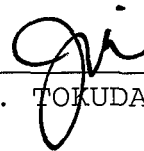
- (1) Clarifying that certain alternative options pertaining to the construction of affordable housing on state lands apply to housing constructed within one-half mile of the rail line, rather than at rail stations;
- (2) Changing the percentages of affordable housing that shall be reserved for residents with certain income levels, from ten per cent to five per cent for residents with an income less than or equal to thirty per cent of the area median income, and from ten per cent to fifteen per cent for residents with an income greater than sixty per cent but less than or equal to eighty per cent of the area median income;
- (3) Exempting properties owned or controlled by the Hawaii Public Housing Authority or the Department of Hawaiian Home Lands from the affordable housing requirements because of possible conflict with specific federal regulations; and



- (4) Changing the effective date to December 16, 2050, to facilitate further discussion on the measure.

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. 1147, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1147, S.D. 2.

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




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JILL N. TOKUDA, Chair



The Senate  
Twenty-Ninth Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 1147, SD1	TRE/WTL, WAM	27 Feb 2017		
<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)				/
ENGLISH, J. Kalani	/			
GALUTERIA, Brickwood	/			
HARIMOTO, Breene	/			
INOUYE, Lorraine R.				/
KAHELE, Kaiali'i	/			
RIVIERE, Gil	/			
SHIMABUKURO, Maile S.L.	/			
TANIGUCHI, Brian T.	/			AAA/KC
WAKAI, Glenn				/
<b>TOTAL</b>	8			3
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

\*Only one measure per Record of Votes