

Honolulu, Hawaii

APR 28 2017

RE: S.B. No. 1244
S.D. 2
H.D. 2
C.D. 1

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

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sirs:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 1244, S.D. 2, H.D. 2, entitled:

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

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to:

- (1) Authorize the Hawaii Community Development Authority to waive a right to repurchase a reserved or workforce housing unit and transfer that right to a qualified nonprofit housing trust;
- (2) Authorize the counties to waive their first right of refusal to repurchase certain privately-developed affordable housing units and transfer that right to a qualified nonprofit housing trust;



- (3) Authorize the Hawaii Housing Finance and Development Corporation (HHFDC), if it waives its first right of refusal to purchase certain real property, to transfer that right to a qualified nonprofit housing trust, which must then establish new buyback restrictions to maintain the affordability of that unit;
- (4) Amend the means of calculating the maximum price for the HHFDC's first option to purchase real property;
- (5) Amend the state low-income housing tax credit; and
- (6) Appropriate funds to the HHFDC to establish a position to oversee the low-income housing tax credit.

Your Committee on Conference finds that for decades, there has been a persistent shortage of safe, decent, and sanitary housing, and the median price for a single family home on Oahu has risen to approximately \$750,000. Your Committee on Conference further finds that recent studies show a need for sixty thousand housing units by the year 2020. Your Committee on Conference additionally finds that it is necessary to take steps to preserve the affordability of housing units for as long as possible.

Your Committee on Conference has amended this measure by:

- (1) Deleting amendments to the state low-income housing tax credit;
- (2) Deleting the condition that the HHFDC or qualified nonprofit housing trust selected by HHFDC exercise the option to purchase the real property within a reasonable amount of time before a purchaser is required to sell the property to a qualified resident upon certain terms;
- (3) Deleting the appropriation to the HHFDC;
- (4) Changing the effective date to July 1, 2017; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1244, S.D. 2, H.D. 2, as amended herein, and recommends



that it pass Final Reading in the form attached hereto as S.B. No. 1244, S.D. 2, H.D. 2, C.D. 1.

Respectfully submitted on behalf of the managers:

ON THE PART OF THE HOUSE

ON THE PART OF THE SENATE

Tom Brower

TOM BROWER
Co-Chair

Will Espero

WILL ESPERO
Chair

Nadine K. Nakamura

NADINE K. NAKAMURA
Co-Chair

Donna Mercado Kim

DONNA MERCADO KIM
Co-Chair

Breene Harimoto

BREENE HARIMOTO
Co-Chair



Hawaii State Legislature

CLR 95

Record of Votes of a
Conference Committee

Bill / Concurrent Resolution No.: SB 1244, SD 2, HD 2					Date/Time: <i>4/27/17 1:36 pm</i>				
<input checked="" type="checkbox"/> The recommendation of the House and Senate managers is to pass with amendments (CD).									
<input type="checkbox"/> The Committee is reconsidering its previous decision.									
<input type="checkbox"/> The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure					<input type="checkbox"/> The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure.				
Senate Managers	A	WR	N	E	House Managers	A	WR	N	E
ESPERO, Will, Chr.	X				BROWER, Tom, Co-Chr.	X			
KIM, Donna Mercado, Co-Chr.	X				NAKAMURA, Nadine K., Co-Chr.	X			
HARIMOTO, Breene, Co-Chr.	X				MCDERMOTT, Bob				X
TOTAL	3				TOTAL	2			1
A = Aye		WR = Aye with Reservations			N = Nay		E = Excused		
Senate Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted					House Recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Senate Lead Chair's or Designee's Signature: <i>Will Guerrero</i>					House Lead Chair's or Designee's Signature: <i>Tom Brouer</i>				
Distribution: Original Yellow Pink Goldenrod File with Conference Committee Report House Clerk's Office Senate Clerk's Office Drafting Agency									