

STAND. COM. REP. NO.

666

Honolulu, Hawaii

MAR 03 2017

RE: S.B. No. 1266
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. 1266, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to preserve the Front Street Apartments on the island of Maui as affordable housing.

More specifically, the measure directs the Hawaii Housing Finance and Development Corporation, or any appropriate entity of the State as determined by the Governor, to initiate negotiations to use public financing resources to:

- (1) Maintain the status of the units of the Front Street Apartments on the island of Maui as affordable housing through at least 2027; or
- (2) Acquire the Front Street Apartments real property and the improvements thereupon in order to preserve the units as affordable housing.

Your Committee received written comments in support of this measure from the Office of the Mayor of the County of Maui, Maui Councilmember Stacy Helm Crivello, the Front Street Affordable Apartments Committee, and twenty individuals.



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

Your Committee finds that there is a severe shortage of affordable housing on the island of Maui. More than two hundred fifty low-income individuals currently reside at the Front Street Apartments, which were developed in 2001 as an affordable rental housing project that was expected to provide affordable housing to low-income residents for fifty years.

Your Committee further finds that the owners of the Front Street Apartments recently exercised an option to remove the property from affordability requirements that were tied to the development of the property. This change will allow them to begin renting available apartments at market rates and to raise rents for existing tenants within a few years.

Your Committee also finds that many tenants of the Front Street Apartments are worried that the removal of affordability requirements could leave them homeless. Your Committee believes that this measure will enable the State to preserve the Front Street Apartments as affordable housing.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2050, to facilitate further discussion on the measure; and
- (2) Making technical amendments for clarity and consistency.

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. 1266, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1266, S.D. 2.



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

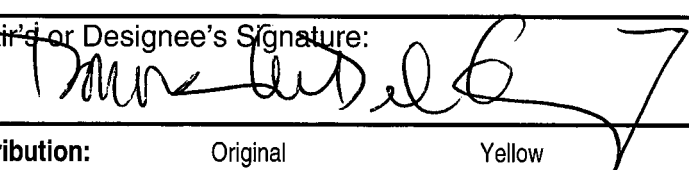


JILL N. TOKUDA, Chair



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 1266, SD1	HOU, WAM	8/28/17		
<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.				/
WAKAI, Glenn				/
TOTAL	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