

STAND. COM. REP. NO.

484

Honolulu, Hawaii

February 17, 2017

RE: H.B. No. 1553
H.D. 1

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

Sir:

Your Committee on Housing, to which was referred H.B. No. 1553 entitled:

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

begs leave to report as follows:

The purpose of this measure is to preserve Front Street Apartments on Maui as an affordable rental housing project by:

- (1) Requiring the Hawaii Housing Finance and Development Corporation (HHFDC) or appropriate entity of the State to initiate negotiations to keep the apartment unit rent affordable or to acquire the property;
- (2) Requiring HHFDC or an appropriate entity to submit a report to the Legislature prior to the 2018 Regular Session on its efforts to acquire the property and recommendations for financing the purchase of the property; and
- (3) Appropriating funds for HHFDC to negotiate with the owners of the property and its improvements.

The Councilmember of Maui County, Molokai District; West Maui Taxpayers Association, Inc.; and numerous individuals testified in support of this measure. An individual opposed this measure. HHFDC and several individuals commented on this measure.

HB1553 HD1 HSCR HSG HMS 2017-2247

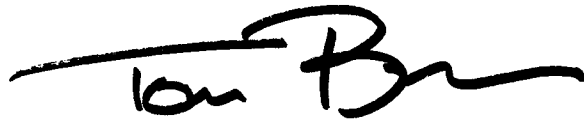


Your Committee has amended this measure by:

- (1) Providing that the Front Street Apartment units remain affordable to all households whose incomes do not exceed 60 percent of the median family income for the area as determined by the United States Department of Housing and Urban Development (HUD);
- (2) Removing the stipulation that acquisition and improvements to the property be held in perpetuity;
- (3) Changing its effective date to take effect upon a date to be determined to facilitate further discussion on this measure; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1553, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1553, H.D. 1, and be referred to your Committee on Finance.

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



TOM BROWER, Chair



