

Honolulu, Hawaii

February 6, 2018

RE: H.B. No. 2006
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sir:

Your Committee on Housing, to which was referred H.B. No. 2006 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 as an affordable rental housing project by authorizing the Hawaii Housing Finance and Development Corporation to negotiate with the developers to acquire the property and, if necessary, to acquire the property through exercise of eminent domain.

The Mayor for the County of Maui; a Maui County Councilmember; Oahu County Committee on Legislative Priorities of the Democratic Party; EAH Housing; Faith Action for Community Equity Maui Housing Committee; Ho'omanapono Political Action Committee; Lāhuiokalani Kā'anapali Congregational Church; Ka Hale A Ke Ola Homeless Resource Centers, Inc.; Ota Camp Association, Temple Emanu-El; Waiola Church, UCC; Waiahole Community Association; Na Kupuna O Maui; and a few concerned individuals testified in support of this measure. The Hawaii Housing Finance and Development Corporation supported the intent of this measure. The Front Street Affordable Housing Partners testified in opposition to this measure. A concerned individual offered comments.



Your Committee finds that there is a housing shortage in the County of Maui, and that affordable housing is in very limited supply.

Your Committee notes that although the Front Street Apartments currently have one hundred forty-two affordable units, paragraph 2 of section 3 of this measure seeks to retain one hundred forty-one units at affordable rents.

Testifiers expressed differing opinions regarding the costs and benefits of condemning the Front Street Apartments. While condemnation is an option available to the State to keep the Front Street Apartments affordable for current residents, the State's use of eminent domain may reduce developers' willingness to develop affordable housing in the future.

Your Committee has amended this measure by:

- (1) Inserting unspecified dollar values to be appropriated by the State and matched by the county; and
- (2) Changing the effective date to January 1, 2050, to encourage further discussion.

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. 2006, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2006, H.D. 1, and be referred to your Committee on Labor & Public Employment.

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



TOM BROWER, Chair



State of Hawaii
House of Representatives
The Twenty-ninth Legislature

HSCR 106-18

Record of Votes of the Committee on Housing

Bill/Resolution No.: HB2006	Committee Referral: HSG, LAB, FIN	Date: 1/30/18		
<input type="checkbox"/> The committee is reconsidering its previous decision on the measure.				
The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit)				
HSG Members	Ayes	Ayes (WR)	Nays	Excused
1. BROWER, Tom (C)	✓			
2. NAKAMURA, Nadine K. (VC)	✓			
3. AQUINO, Henry J.C.	✓			
4. HASHEM, Mark J.				✓
5. QUINLAN, Sean	✓			
6. SAN BUENAVENTURA, Joy A.	✓			
7. MCDERMOTT, Bob	✓			
TOTAL (7)	6			1
The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. <div style="text-align: center; font-size: small;">committee acronym(s)</div>				
Vice Chair's or designee's signature: Nadine K. Nakamura				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				