

Honolulu, Hawaii

MAR 23 , 2018

RE: S.B. No. 2293  
S.D. 2  
H.D. 2

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

Sir:

Your Committee on Labor & Public Employment, to which was referred S.B. No. 2293, S.D. 2, H.D. 1, entitled:

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

begs leave to report as follows:

The purpose of this measure is to maintain the current stock of affordable housing on Maui by negotiating with the owners of the Front Street Apartments to keep the dwelling units affordable through 2027, purchase the property, or acquire the property through the State's exercise of its power of eminent domain.

Two Councilmembers of the County of Maui, International Longshore and Warehouse Union Local 142, First Chinese Church of Christ, St. Mary of Mo'ili'ili, Lahuiokalani Ka'anapali Congregational Church, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i, Young Progressives Demanding Action - Hawaii, Front Street Apartment Tenants Group, West Maui Taxpayers Association, The LahainaTown Action Committee, Waiola Church, Na Kupuna O Maui, and several individuals supported this measure. The Front Street Affordable Housing Partners opposed this measure. The Hawaii Housing Finance and Development Corporation, Mayor of the County of Maui, and two individuals offered comments on this measure.



Your Committee has amended this measure by:

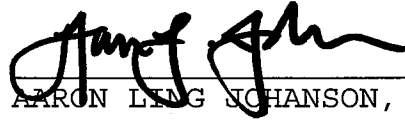
- (1) Authorizing the use of funds from the Rental Assistance Revolving Fund by Hawaii Housing Finance and Development Corporation for negotiated public financing to keep housing at Front Street Apartments affordable; subject to availability of funds;
- (2) Changing the period of affordability to be negotiated for to an unspecified period;
- (3) Replacing the required \$250,000 matching funds from Maui County with an unspecified amount;
- (4) Specifying that tenants eligible for rental assistance in the negotiated period of continued affordability shall be in compliance with the terms of the tenant's rental agreement; and
- (5) Changing the effective date to January 1, 2050, to promote further discussion.

Your Committee respectfully requests that the Committee on Finance consider appropriating \$250,000 to the Hawaii Housing Finance and Development Corporation for the purposes of negotiating with the owners of the real property and improvements known as Front Street Apartments to keep the dwelling units affordable for an unspecified period of time, purchase the property, or acquire the property through the State's exercise of its power of eminent domain.

As affirmed by the record of votes of the members of your Committee on Labor & Public Employment that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2293, S.D. 2, H.D. 1, as amended herein, and recommends that it be referred to your Committee on Finance in the form attached hereto as S.B. No. 2293, S.D. 2, H.D. 2.



Respectfully submitted on  
behalf of the members of the  
Committee on Labor & Public  
Employment,



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AARON LING JOHANSON, Chair



