

Honolulu, Hawaii

APR 06 , 2018

RE: S.B. No. 2293
S.D. 2
H.D. 3

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

Sir:

Your Committee on Finance, to which was referred S.B. No. 2293, S.D. 2, H.D. 2, 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 authorizing the Hawaii Housing Finance and Development Corporation (HHFDC) to negotiate with the owners of the Front Street Apartments to keep the dwelling units affordable, purchase the property, or acquire the property through the State's exercise of its power of eminent domain.

The Mayor of the County of Maui, Chair of the Maui County Council, Front Street Apartment Tenants Group, International Longshore and Warehouse Union Local 142, West Maui Taxpayers Association, Lahaina Town Action Committee, Waiola Church, UCC, Oahu County Committee on Legislative Priorities of the Democratic Party of Hawaii, St. Elizabeth's Episcopal Church, and many concerned individuals supported this measure. The Front Street Affordable Housing Partners opposed this measure. The Hawaii Housing Finance and Development Corporation provided comments.

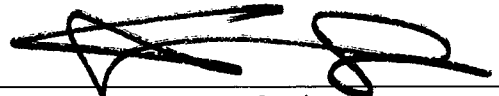
Your Committee has amended this measure by deleting its contents and inserting new language that:



- (1) Requires the County of Maui to pursue available remedies to recoup any and all moneys expended for the Front Street Apartments affordable housing project from the owners of the Front Street Apartments;
- (2) Appropriates HHFDC rental assistance program moneys to subsidize the rents for Front Street Apartments tenants; subject to dollar for dollar matching funds from the County of Maui and/or the owners of Front Street Apartments;
- (3) Specifies that if no matching funds are provided for the rent subsidy, then the owners of Front Street Apartments shall be prohibited from doing business in the State;
- (4) Appropriates HHFDC revenues for the expedited completion of the Leialii affordable housing project in Lahaina, Maui by 2021; provided that the County of Maui expedite the planning and permitting process for the project; and
- (5) Makes it effective upon its approval.

As affirmed by the record of votes of the members of your Committee on Finance 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. 2, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2293, S.D. 2, H.D. 3.

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



SYLVIA LUKE, Chair



