

STAND. COM. REP. NO.

456

Honolulu, Hawaii

FEB 17 2017

RE: S.B. No. 580

S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sir:

Your Committees on Water and Land and Housing, to which was referred S.B. No. 580 entitled:

"A BILL FOR AN ACT RELATING TO HOUSING AND MIXED-USE DEVELOPMENT,"

beg leave to report as follows:

The purpose and intent of this measure is to authorize the Department of Land and Natural Resources to enter into housing, commercial, and mixed-use leases for terms in excess of sixty-five years but not exceeding ninety-nine years.

Your Committees received testimony in support of this measure from the Chamber of Commerce Hawaii, Building Industrial Association of Hawaii, and one individual. Your Committees received comments on this measure from the Department of Land and Natural Resources.

Your Committees find that extending the maximum lease term for certain property to ninety-nine years supports efforts to increase the number of affordable housing units in the State. Your Committees further find that granting the lessee the right of first refusal following public auction at the termination of the lease will incentivize lessees to continue to invest in improvements to the property throughout the length of the lease.

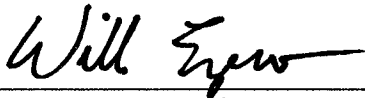
Your Committees have amended this measure by:



- (1) Transferring the lease negotiation authority from the Department of Land and Natural Resources to the Hawaii Housing Finance and Development Corporation;
- (2) Clarifying that its applicability pertains only to residential leases that are for multi-family units;
- (3) Making conforming amendments; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water and Land and Housing that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 580, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 580, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Water and Land
and Housing,



WILL ESPERO, Chair



KARL RHOADS, Chair



The Senate
 Twenty-Ninth Legislature
 State of Hawai'i

Record of Votes
Committee on Housing
HOU

Bill / Resolution No.:* SB 580	Committee Referral: WTL/HOU, WAM	Date: 2/7/17		
<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
ESPERO, Will (C)	/			/
HARIMOTO, Breene (VC)	/			/
KAHELE, Kaiali'i	/			
KEITH-AGARAN, Gilbert S.C.	/			/
NISHIHARA, Clarence K.				/
TOTAL	3			2
Recommendation: <input checked="" type="checkbox"/> Adopted <input checked="" type="checkbox"/> Not Adopted <div style="text-align:right; margin-right: 50px;"><i>WR</i></div>				
Chair's or Designee's Signature: 				
Distribution: <input checked="" type="checkbox"/> Original <input type="checkbox"/> Yellow <input type="checkbox"/> Pink <input type="checkbox"/> Goldenrod <small>File with Committee Report Clerk's Office Drafting Agency Committee File Copy</small>				

*Only one measure per Record of Votes