144

Honolulu, Hawaii

APR 26 , 2019

RE: H.B. No. 543

H.D. 1 S.D. 1 C.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirtieth State Legislature Regular Session of 2019 State of Hawaii

Honorable Ronald D. Kouchi President of the Senate Thirtieth State Legislature Regular Session of 2019 State of Hawaii

Sirs:

Your Committee on Conference on the disagreeing vote of the House of Representatives to the amendments proposed by the Senate in H.B. No. 543, H.D. 1, S.D. 1, entitled:

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

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to ensure the continued availability of affordable rental housing, including the Front Street Apartments project and Leialii affordable housing project, on Maui by:

(1) Requiring the Hawaii Housing Finance and Development Corporation (HHFDC) to initiate negotiations or exercise its power of eminent domain to acquire the leased fee or fee simple interest in the Front Street Apartments on Maui; and

HB543 CD1 HCCR HMS 2019-4066



(2) Extending the deadline to complete the Leialii affordable housing project on Maui.

Your Committee on Conference has amended this measure by:

- (1) Removing the requirement for HHFDC to initiate negotiations or exercise its power of eminent domain to acquire the fee interest in the Front Street Apartments;
- (2) Amending Act 150, Session Laws of Hawaii 2018, to not require the initiation of condemnation proceedings if HHFDC renegotiates the Front Street Apartments ground lease or a new ground lease for Front Street Apartments is issued on terms acceptable to HHFDC;
- (3) Deleting the authorization for HHFDC to partner with private for-profit or nonprofit developers for the acquisition of the Front Street Apartments project;
- (4) Deleting an unspecified general fund appropriation;
- (5) Appropriating \$37,000,000, with a budget proviso, for fiscal year 2019-2020 to expedite and complete the construction of Leialii affordable housing project, and deleting the appropriation made in Act 150 for the same purpose;
- (6) Changing its effective date to July 1, 2019; and
- (7) Making technical, nonsubstantive amendments for clarity, consistency, and style.

As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of H.B. No. 543, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as H.B. No. 543, H.D. 1, S.D. 1, C.D. 1.

Respectfully submitted on behalf of the managers:

ON THE PART OF THE SENATE

ON THE PART OF THE HOUSE

STANLEY CHANG

Chair

TOM BROWER

Co-Chair

KARL RHOADS

Co-Chair

CHRIS LEE Co-Chair

J. KALANI ENGLISH

Co-Chair

TULLEN

Co-Chair

Hawaii State Legislature

CCR 144

Record of Votes of a Conference Committee

| Bill / Concurrent Resolution No.: HB 543, HD 1, SD 1 | | | | Date/Time: 4/25/19 1:45 pm | | | | | |
|---|---------------|---------|--------|--|--|---|----|---|---|
| The recommendation of the House | and S | Senate | mana | igers | is to pass with amendments (CD). | | | | |
| ☐ The Committee is reconsidering its | s prev | ious de | ecisio | n. | | | | | |
| The recommendation of the Senate Manager(s) is to AGREE to the House amendments made to the Senate Measure | | | | | The recommendation of the House Manager(s) is to AGREE to the Senate amendments made to the House Measure. | | | | |
| Senate Managers | A | WR | N | Е | House Managers | A | WR | N | Е |
| CHANG, Stanley, Chr. | | | | | BROWER, Tom, Co-Chr. | / | | | |
| RHOADS, Karl, Co-Chr. | | | | | LEE, Chris, Co-Chr. | | | | |
| ENGLISH, J. Kalani, Co-Chr. | | | | | CULLEN, Ty J.K., Co-Chr. | | | | |
| FEVELLA, Kurt | | | | | YAMASHITA, Kyle T. | | | | |
| | | | | | MCDERMOTT, Bob | | | | |
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| TOTAL | 3 | O | O | l | TOTAL | 5 | O | 0 | 0 |
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| Senate Recommendation is: Adopted Not Adopted | | | | House Recommendation is: Adopted Not Adopted | | | | | |
| Senate Lead Chair's or Designee's Signature: | | | | | House Lead Chair's or Designee's Signature: | | | | |
| Sto | | | | | TOWSON | | | | |
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