

Honolulu, Hawaii

FEB 12

, 2020

RE: H.B. No. 2470

H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirtieth State Legislature
Regular Session of 2020
State of Hawaii

Sir:

Your Committee on Housing, to which was referred H.B. No. 2470 entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

begs leave to report as follows:

The purpose of this measure is to address the need for affordable rental housing by:

- (1) Directing the Hawaii Public Housing Authority (HPHA) to convey a specified 15.418-acre parcel in Honokaa, County of Hawaii (Parcel), to the Hawaii Housing Finance and Development Corporation (HHFDC);
- (2) Requiring HHFDC to conduct a feasibility study to determine whether the parcel is suitable for an affordable rental housing project; and
- (3) Appropriating \$750,000 for the feasibility study.

Your Committee received testimony in support of this measure from the Hawaii Public Housing Authority. Your Committee received comments on this measure from the Hawaii Housing Finance and Development Corporation.



Your Committee finds that there is a dire need for affordable rental housing in the County of Hawaii. Your Committee further finds that the Parcel, held by a state agency, may be suitable for that purpose. The mission of HHFDC is to facilitate the development of affordable housing statewide. Your Committee believes that HHFDC has the capability to conduct its due diligence through a feasibility study on the Parcel, take title depending on the conclusions of the study, and document the change of title, if necessary.

Your Committee notes that title to the Parcel is in the name of the Housing and Community Development Corporation of Hawaii, the predecessor agency of HPHA and HHFDC. As such, HPHA cannot properly convey title to HHFDC.

Accordingly, your Committee has amended this measure by:

- (1) Removing language that required HPHA to convey the Parcel to HHFDC and required HHFDC to report to the Legislature on the status of the conveyance of the Parcel;
- (2) Directing HHFDC to take title to the Parcel; provided that HHFDC, upon completion of its due diligence, determines that the Parcel is suitable for residential development;
- (3) Making HHFDC responsible for properly documenting any change in title to the Parcel;
- (4) Changing its effective date to July 1, 2025, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

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. 2470, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2470, H.D. 1, and be referred to your Committee on Finance.



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



TOM BROWER, Chair



