

Honolulu, Hawaii

FEB 14 2022

RE: S.B. No. 2251
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2022
State of Hawaii

Sir:

Your Committee on Housing, to which was referred S.B.
No. 2251 entitled:

"A BILL FOR AN ACT RELATING TO THE PUBLIC HOUSING AUTHORITY,"
begs leave to report as follows:

The purpose and intent of this measure is to allow the Hawaii
Public Housing Authority to build non-subsidized housing.

Your Committee received testimony in support of this measure
from the Hawaii Public Housing Authority. Your Committee received
testimony in opposition to this measure from the Hawaii Housing
Finance and Development Corporation, the Sierra Club of Hawai'i,
Kūpuna for the Mo'opuna, and fourteen individuals.

Your Committee finds that the lack of affordable housing in
the State is driven, in part, by a limited supply of available
units. Directing state resources toward the production of new
housing units, regardless of the targeted income level, would
benefit the State's housing market.

Testimony received by the Hawaii Public Housing Authority
(HPHA) indicated that there has been a shift away from
concentrating public housing for extremely low-income families in
dense urban areas. Instead, the U.S. Department of Housing and
Urban development, which provides significant funding to HPHA to
house disadvantaged families, is now shifting toward adopting a



mixed-income and mixed-finance redevelopment model. This new model allows for families of more diverse income levels to live side by side, instead of isolating the poor. The market rate rents paid by higher income families will help to subsidize the cost of providing lower income units, reducing the gap in financing needed from the State to underwrite the projects. The model also allows for public-private partnerships in financing housing projects, better positioning HPHA to access private capital and financing.

This measure authorizes the Hawaii Housing Authority to construct housing units without income restrictions. However, your Committee further finds that this measure allows ceded lands claimed by native Hawaiians to be used for commercial and market-rate development.

Your Committee further finds that amendments are necessary to adopt suggestions made by HPHA and with respect to ceded lands.

Accordingly, your Committee has amended this measure by:

- (1) Adding a new part to chapter 356D, Hawaii Revised Statutes, prohibiting the Hawaii Public Housing Authority from constructing or developing housing on ceded lands vacant on or after January 1, 2022;
- (2) Removing provisions repealing the definition of "public housing project";
- (3) Repealing references to "non-subsidized housing";
- (4) Inserting a definition of "housing" or "housing project" in section 356D-11, 356D-12, and 356D-12.5, Hawaii Revised Statutes; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

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 S.B. No. 2251, as amended herein, and recommends that it pass Second



Reading in the form attached hereto as S.B. No. 2251, S.D. 1, and
be referred to your Committee on Ways and Means.


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


STANLEY CHANG, Chair



The Senate
 Thirty-First Legislature
 State of Hawai'i

Record of Votes
Committee on Housing
HOU

Bill / Resolution No.:*	Committee Referral:	Date:		
SB 2251	HOU, WAM	2/3/22		
<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
CHANG, Stanley (C)	✓			
KANUHA, Dru Mamo (VC)	✓			
MORIWAKI, Sharon Y.	✓			
RHOADS, Karl	✓			
FEVELLA, Kurt			✓	
TOTAL	4		✓ 1	
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes