

STAND. COM. REP. NO.

3890

Honolulu, Hawaii

APR 19 2024

RE: H.C.R. No. 84
H.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committee on Housing, to which was referred H.C.R. No. 84, H.D. 1, entitled:

"HOUSE CONCURRENT RESOLUTION URGING THE HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION TO AMEND THEIR ADMINISTRATIVE RULES TO ESTABLISH ANOTHER PATHWAY FOR HOUSING PROJECTS SEEKING AN EXEMPTION FROM STATE LAWS AND RULES,"

begs leave to report as follows:

The purpose and intent of this measure is to urge the Hawaii Housing Finance and Development Corporation to adopt administrative rules to create a process for housing projects to be exclusively for sale or rent to qualified residents.

Your Committee received testimony in support of this measure from CARES.

Your Committee received testimony in opposition to this measure from one individual.

Your Committee received comments on this measure from the Hawaii Housing Finance and Development Corporation.

Your Committee finds that the Hawaii Housing Finance and Development Corporation requires certain housing projects to offer half of the available units to buyers whose income is at or below one hundred forty percent of the area median income. Your



Committee further finds that existing law authorizes certain exemptions from statutes, ordinances, charter provisions, and rules relating to planning, zoning, development and improvement of land, and construction standards for certain housing projects developed by the Hawaii Housing Finance and Development Corporation or with an eligible developer under a government assistance program. However, residential units at all price points are needed to solve the chronic housing shortage for residents. Therefore, this measure will establish an alternate pathway for housing projects seeking an exemption from state laws and rules.

Your Committee notes the concerns raised in the Hawaii Housing Finance and Development Corporation's (HHFDC) testimony that, currently, only projects that are primarily affordable to households earning up to one hundred forty percent of the area median income qualify for expedited review under HHFDC's program pursuant to section 201H-38, Hawaii Revised Statutes. According to HHFDC, an alternative pathway would be a significant policy change and prefers the intent be accomplished through the passage of Senate Bill No. 2066, S.D. 2, H.D. 2, Regular Session of 2024, rather than this measure. Your Committee notes however, that the existing income restrictions identified by HHFDC were in fact established by administrative rules adopted by HHFDC, not by a bill passed by the Legislature.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 84, H.D. 1, and recommends its adoption.

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


STANLEY CHANG, Chair



