

Honolulu, Hawaii

FEB 08 , 2024

RE: H.B. No. 2328
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committee on Housing, to which was referred H.B. No. 2328 entitled:

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

begs leave to report as follows:

The purpose of this measure is to:

- (1) Appropriate funds to the Hawaii Public Housing Authority to acquire and renovate parcels and buildings located between Bethel Street, Pauahi Street, Fort Street, and Chaplain Lane in Honolulu, Oahu, for affordable housing purposes;
- (2) Require units to be affordable to households having an income that does not exceed an unspecified percentage of the Area Median Income; and
- (3) Exempt contracts entered into under this measure from low-bid requirements.

Your Committee received testimony in support of this measure from the Hawaii Public Housing Authority and one individual. Your Committee received comments on this measure from the State Procurement Office.



Your Committee finds that adaptive reuse of existing and underutilized buildings for housing purposes can help create more affordable housing in the State during a time when residents are being priced out of living in Hawaii. Adaptive reuse has been successful in other jurisdictions such as the District of Columbia, New York, and Pittsburgh, to quickly and sustainably repurpose existing structures to serve the evolving needs of communities. Your Committee further finds that there are three buildings between Bethel Street, Pauahi Street, Fort Street, and Chaplain Lane in Honolulu, Oahu, that can be better utilized to increase the State's stock of affordable housing. Your Committee believes that the State must examine all opportunities to invest in the creation of affordable housing, and the authority provided to the Hawaii Public Housing Authority under this measure is one way to accomplish this.

Your Committee has amended this measure by:

- (1) Requiring contracts awarded under this measure to be subject to the competitive sealed proposal method under the State's Public Procurement Code;
- (2) Changing the appropriation to an unspecified amount;
- (3) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (4) 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. 2328, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2328, H.D. 1, and be referred to your Committee on Judiciary & Hawaiian Affairs.



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

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LUKE A. EVSLIN, Chair



