HOUSE CONCURRENT RESOLUTION

REQUESTING THE HAWAII PUBLIC HOUSING ADMINISTRATION AND THE HAWAII HOUSING FINANCE AND DEVELOPMENT ADMINISTRATION TO IMPOSE CONDITIONS ON AGREEMENTS WITH ELIGIBLE HOUSING DEVELOPERS TO DEVELOP HOUSING PROJECTS IN SUBSTANTIAL COMPLIANCE WITH THEIR INITIAL PROPOSALS.

WHEREAS, eligible developers, for-profit and nonprofit, who propose the development of affordable housing receive certain benefits from the State, including but not limited to the use of public lands, receipt of grants, exemption from taxes, and exemption from statutes or ordinances relating to subdivisions or building standards; and

WHEREAS, in many cases, due to changes in circumstances, including increases in interest rates, and in the costs of materials, labor, or transportation, and other changes in the market, an eligible developer who may have or will benefit from the provisions of an agreement to provide affordable housing with the State may change the proposed affordable housing project from that which was originally proposed, thereby reducing the benefits of the project to the public; and

WHEREAS, although the affordable housing project may proceed, there may be fewer affordable housing units provided or the rental structure may be changed thereby reducing the benefits of the project to the public; and

WHEREAS, any changes in commitments by an eligible developer that could reduce the public benefits of the project should be subject to a new review of the proposed affordable housing project; now, therefore,

BE IT RESOLVED by the House of Representatives of the Twenty-third Legislature of the State of Hawaii, Regular Session of 2006, the Senate concurring, that the Hawaii Public Housing Administration and the Hawaii Housing Finance and Development

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Administration are requested to insert a condition in all of the agreements they enter into with an eligible developer for the development of affordable housing that the project shall be developed substantially in the form that it was originally proposed or else the eligible developer shall forfeit any benefits that the eligible developer would have enjoyed, and the agreement shall become void; and

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BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to the Board of Directors of the Hawaii Public Housing Administration and to the Board of Directors of the Hawaii Housing Finance and Development Administration.

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OFFERED BY: fide 1. L. Cubanilla

Michael P. Kabibina

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