STAND. COM. REP. NO. 11D

Honolulu, Hawaii FEB 1 8 2009

RE: S.B. No. 1119 S.D. 1

Honorable Colleen Hanabusa President of the Senate Twenty-Fifth State Legislature Regular Session of 2009 State of Hawaii

Madam:

Your Committee on Education and Housing, to which was referred S.B. No. 1119 entitled:

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

begs leave to report as follows:

The purpose of this measure is to provide incentives for the production of affordable housing by authorizing the Hawaii Housing Finance and Development Corporation and the Hawaii Community Development Authority to transfer development rights and credits pursuant to conditions to be established by rule.

Testimony in support of this measure was submitted by three state agencies and two private organizations. Comments were submitted by one state agency and one county agency. Copies of written testimony are available for review on the Legislature's website.

Your Committee finds that this measure is one of many under consideration by the Legislature in response to severe shortages of affordable housing in Hawaii. Your Committee is concerned that a long-term economic crisis will further worsen what is already a challenging housing market for Hawaii residents, and that all alternatives should be considered.

Your Committee has heard a number of concerns regarding the implementation of this measure, however, and agrees that there are a number of issues still to be resolved.



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Your Committee has amended this measure accordingly, by:

- Deleting the authorization for the Hawaii Housing Finance and Development Corporation and the Hawaii Community Development Authority to transfer development rights and credits, and extending that authorization to the Office of Planning;
- (2) Establishing a working group within the Office of Planning to develop a plan and recommendations to enhance and encourage the development of affordable housing, as defined in section 201H-57, Hawaii Revised Statutes, through the transfer of development rights and credits to transit-oriented development districts; and
- (3) Requiring the Office of Planning to report to the 2010 Legislature on the plan and recommendations.

As affirmed by the record of votes of the members of your Committee on Education and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1119, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1119, S.D. 1, and be referred to the Committee on Water, Land, Agriculture, and Hawaiian Affairs.

> Respectfully submitted on behalf of the members of the Committee on Education and Housing,

NORMAN SAKAMOTO, Chai



## The Senate Twenty-Fifth Legislature State of Hawaii

## Record of Votes Committee on Education and Housing EDH

| Bill / Resolution No*  | Committee Referral: Date:               |               |                           |   |  |
|--|---|---------------|---------------------------|---|--|
| SB1119 EDH, WTL 2-11-09  |   |               |                           |   |  |
| The committee is reconsidering its previous decision on this measure.  |   |               |                           |   |  |
|  |   |               |                           |   |  |
| The Recommendation is:   |   |               |                           |   |  |
| Pass, unamended Pass, with amendments Hold Recommit<br>2312 2311 2310 2313   |   |               |                           |   |  |
| Members  | _                                       | Aye           | Aye (WR)                  | Nay                                     | Excused  |
| SAKAMOTO, Norman (C)   |   | V             |                           |   | Terraria and a second |
| KIDANI, Michelle N. (VC)   |   | $\mathcal{V}$ |                           |   |  |
| CHUN OAKLAND, Suzanne  | en and and an and a state of the second |               | 1823-000 - Statements and |   |  |
| GALUTERIA, Brickwood   |   |               |                           |   | $\mathcal{U}$  |
| TSUTSUI, Shan S.   |   | · V           |                           |   |  |
| HEMMINGS, Fred   |   | -V            |                           |   |  |
|  |   |               |                           |   |  |
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|  |   |               |                           |   |  |
| TOTAL  |   | 5             |                           |   | 1  |
| Recommendation:  |   |               |                           |   |  |
| Chair's or Designee's Signature:<br>Muchille M. Kdeni  |   |               |                           |   |  |
| Distribution: Original Yellow Pink Goldenrod   File with Committee Report Clerk's Office Drafting Agency Committee File Copy |   |               |                           |   |  |

## \*Only one measure per Record of Votes