STAND. COM. REP. NO. 3

Honolulu, Hawaii

MAR 1 5 2024

RE: H.B. No. 1808 H.D. 1 S.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.B. No. 1808, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Expand the counties' authorization to exercise the same powers as the Hawaii Housing Finance and Development Corporation for purposes of developing, constructing, financing, refinancing, or providing mixed-income projects and mixed-use developments; and
- (2) Authorize units in low- and moderate-income housing projects to be made available to households with higher incomes if there is an insufficient number of persons or families who meet income qualifying requirements.

Your Committee received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation, Office of Planning and Sustainable Development, City and County of Honolulu Department of Planning and Permitting, City and County of Honolulu Office of Housing, Maui Chamber of Commerce, one member of the Maui County Council, and one individual.





Your Committee received comments on this measure from the Disability and Communication Access Board and Grassroot Institute of Hawaii.

Your Committee finds that while the Hawaii Housing Finance and Development Corporation may facilitate the development, construction, financing, refinancing, or other provision of mixedincome projects and mixed-use developments, including low- and moderate-income housing projects, the counties are not allowed to facilitate mixed-income projects and mixed-use developments. This is despite existing law giving the counties similar housing powers and the counties sharing a burden in promoting transit-oriented development, urban revitalization, and the conversion of office and commercial space to residential space. Therefore, this measure aims to combat the State's housing shortage by bringing certain county powers in line with the State's power to facilitate the development, construction, financing, refinancing, or other provision of mixed-income projects and mixed-use developments, including low- and moderate-income housing projects, and to issue county bonds for this purpose.

Your Committee notes that the companion to this measure, S.B. No. 2337 S.D. 2 (Regular Session of 2024), which was previously passed by the Senate, is a substantially similar measure that also expands the counties' authorization to exercise the same powers as the Hawaii Housing Finance and Development Corporation for purposes of developing, constructing, financing, refinancing, or providing mixed-use developments. Your Committee concludes that the language in S.B. No. 2337, S.D. 2, is preferable because it does not contain language that makes the measure applicable to mixed-income projects. Your Committee further finds that the language in S.B. No. 2337, S.D. 2, will be repealed when section 46-15.1, Hawaii Revised Statutes, is repealed and reenacted, in the form in which it read on the day before the approval of this measure, on June 30, 2028.

Accordingly, your Committee has amended this measure by deleting its contents and inserting the contents of S.B. No. 2337, S.D. 2, a substantially similar measure, which authorizes each county to exercise the same powers as the Hawaii Housing Finance and Development Corporation for the purposes of developing, constructing, financing, refinancing, and otherwise providing





mixed-use developments, including low- and moderate-income housing projects.

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. 1808, H.D. 1, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1808, H.D. 1, 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,

Chai



The Senate Thirty-Second Legislature State of Hawaiʻi

Record of Votes Committee on Housing HOU

Bill / Resolution No.:*	Committee		Da	te:	
HB 1808 HDI	Hou,	WAM		3/12/	24
The Committee is reconsidering its previous decision on this measure.					
If so, then the previous decision was to:					
The Recommendation is:					
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313					
Members		Aye	Aye (WR)	Nay	Excused
CHANG, Stanley (C)					
HASHIMOTO, Troy N. (VC)					
AQUINO, Henry J.C.					
KANUHA, Dru Mamo				· · · · · · · · · · · · · · · · · · ·	
AWA, Brenton					
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TOTAL		4	12	Ð	1
Recommendation:					
Chair's or Designee's Signature:					
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*Only <u>one</u> measure per Record of Votes