

STAND. COM. REP. NO.

3095

Honolulu, Hawaii

MAR 15 2024

RE: H.B. No. 2328
H.D. 2
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. 2328, H.D. 2, entitled:

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

begs leave to report as follows:

The purpose and intent 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 a certain percentage of the Area Median Income; and
- (3) Require contracts awarded under this measure to be subject to the competitive sealed proposal method under the State's Public Procurement Code.

Your Committee received testimony in support of this measure from the Governor's Coordinator on Homelessness, Hawaii Public Housing Authority, Diocese of Honolulu, and one individual.



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

Your Committee received comments on this measure from Disability and Communication Access Board and Scarlet Honolulu.

Your Committee finds that Hawaii's housing shortage continues to be one of the State's most challenging social problems with a persistently low inventory of housing stock creating a market where local residents have consistently been priced out of rentals and unable to attain homeownership. Therefore, this measure aims to combat this issue by promoting the adaptive reuse of existing, underutilized buildings for housing purposes.

Your Committee notes the concerns raised by the Office of Homelessness and Housing Solutions, Scarlet Honolulu, and individual testifiers regarding the existing businesses in these locations, as well as the issues of historic preservation. Your Committee also notes that the State does not intend to remove existing ground floor commercial tenants.

Your Committee has amended this measure by replacing the Hawaii Public Housing Authority with the Hawaii Housing Finance and Development Corporation as the agency to acquire the parcels.

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, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2328, H.D. 2, 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,


STANLEY CHANG, Chair



