STAND. COM. REP. NO. <u>3108</u> Honolulu, Hawaii

RE: S.B. No. 2212

S.D. 2

Honorable Ronald D. Kouchi President of the Senate Thirtieth State Legislature Regular Session of 2020 State of Hawaii Sir:

Your Committee on Judiciary, to which was referred S.B. No. 2212, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO INCLUSIONARY ZONING,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Exempt housing offered exclusively for sale in perpetuity to buyers who are residents of the State, owner-occupants, and do not own any other real property from inclusionary zoning requirements; and
- (2) Require each county to submit annual reports on inclusionary zoning requirements to the Legislature prior to the convening of the Regular Sessions of 2021 through 2025.

Your Committee received testimony in opposition to this measure from the Office of Hawaiian Affairs, Office of State Planning, and City and County of Honolulu Department of Planning and Permitting.

Your Committee finds that the State is experiencing a severe shortage of affordable housing. Your Committee further finds that there has been a lack of measurable progress at the county level to enact policies that will stimulate housing production to meet this project demand. This measure incentivizes the production of housing units at all price points and encourages more developers to build affordable housing in the State for residents.

Your Committee has amended this measure by inserting an effective date of June 18, 2050, to encourage further discussion.

As affirmed by the record of votes of the members of your Committee on Judiciary that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2212, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 2212, S.D. 2.

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

KARL RHOADS, Chair