
A BILL FOR AN ACT

RELATING TO AFFORDABLE HOUSING.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

PART I. PUBLIC HOUSING; GRANDPARENTS

RAISING GRANDCHILDREN

SECTION 1. Section 201G-1, Hawaii Revised Statutes, is amended by adding a new definition to be appropriately inserted and to read as follows:

""Relative caregiver" means a relative of a minor child by blood or marriage, who is a resident of the State and:

(1) Lives with the child; and

(2) Is the child's primary caregiver, whether formally or informally, because the biological or adoptive parents are unwilling or unable to serve as the primary caregiver for the child."

SECTION 2. Section 201G-1, Hawaii Revised Statutes, is amended by amending the definition of "elder or elderly households" to read as follows:

""Elder or elderly households" means households in which at least one member is sixty-two years of age, the spouse or partner has attained the age of majority, and the remaining



1 members have attained the age of fifty-five years at the time of
 2 application to the project[-]; provided that in public housing
 3 projects, it also may include households in which an elder is
 4 the relative caregiver for one or more minor children. Such a
 5 child shall cease to be a resident of the household upon
 6 attaining the age of majority, or upon the removal from the
 7 project of the elder. A live-in aide shall cease to be a
 8 resident therein upon the recovery of, or removal from the
 9 project of, the elder."

10 SECTION 3. Section 201G-42, Hawaii Revised Statutes, is
 11 amended to read as follows:

12 "**§201G-42 Housing, tenant selection[-]; grandparents.** (a)

13 Subject to the [~~following~~] limitations and preferences[~~r~~] set
 14 forth in this section, the administration shall select tenants
 15 upon the basis of those in greatest need for such housing.

16 (b) The administration may limit the tenants of any
 17 housing project to classes of persons when required by federal
 18 law or regulation as a term or condition of obtaining assistance
 19 from the federal government.

20 (c) Within the priorities established by the
 21 administration recognizing need, veterans with a permanent
 22 disability of ten per cent or more as certified by the United



1 States Department of Veterans' Affairs, the dependent parents of
2 the veteran and the deceased veteran's widow shall be given
3 first preference.

4 (d) Five per cent of state low-income public housing units
5 shall be set aside as rentals for grandparents who are the
6 primary caregivers for one or more of their grandchildren;
7 provided that teacher housing under subpart G shall be
8 excluded."

9 SECTION 4. Section 201G-152, Hawaii Revised Statutes, is
10 amended by amending subsection (a) to read as follows:

11 "(a) In the administration of elder or elderly public
12 housing, the administration shall observe the following with
13 regard to resident selection, dwelling accommodations, and
14 rentals:

15 (1) Except as hereinafter provided, it shall accept only
16 elder or elderly households as residents in the elder
17 or elderly public housing projects[+], except as
18 provided in section 201G-42(d);

19 (2) It may accept as residents in any housing unit one or
20 more persons, related or unrelated by marriage. It
21 may also accept as a resident in any dwelling
22 accommodation or in any elder or elderly public



1 housing project, in the case of illness or other
2 disability of an elder who is a resident in the
3 dwelling accommodation or in the elder or elderly
4 public housing project, a person designated by the
5 elder as the elder's live-in aide whose qualifications
6 as a live-in aide are verified by the administration,
7 although the person is not an elder; provided that the
8 person shall cease to be a resident therein upon the
9 recovery of, or removal from the elder or elderly
10 public housing project of, the elder;

11 (3) It may rent or lease to an elder a dwelling
12 accommodation consisting of any number of rooms as the
13 administration deems necessary or advisable to provide
14 safe and sanitary accommodations to the proposed
15 resident or residents thereof without overcrowding;
16 and

17 (4) Notwithstanding that the elder has no written rental
18 agreement or that it has expired, so long as the elder
19 continues to tender the usual rent to the
20 administration or proceeds to tender receipts for rent
21 lawfully withheld, no action or proceeding to recover
22 possession of the dwelling unit may be maintained



1 against the elder, nor shall the administration
 2 otherwise cause the elder to quit the dwelling unit
 3 involuntarily, demand an increase in rent from the
 4 elder, or decrease the services to which the elder has
 5 been entitled during hospitalization of the elder due
 6 to illness or other disability."

7 **PART II. REPAIR AND MAINTENANCE OF PUBLIC HOUSING**

8 SECTION 5. The legislature finds that repair and
 9 maintenance expenses hinder the State's efforts to provide
 10 affordable public rental housing. This directly affects the
 11 State's ability to provide housing for the homeless. It has
 12 been reported that there are seven hundred sixty vacant public
 13 housing units, about half of which require major renovations.

14 The purpose of this part is to appropriate funds for the
 15 repair and maintenance of public housing units.

16 SECTION 6. There is appropriated out of state low income
 17 housing revolving fund under section 201G-45, Hawaii Revised
 18 Statutes, the sum of \$, or so much thereof as may be
 19 necessary for fiscal year 2006-2007, for repair and maintenance
 20 of public housing projects.

1 The sum appropriated shall be expended by the housing and
2 community development corporation of Hawaii for the purposes of
3 this Act.

4 **PART III. CONSTRUCTION OF INFRASTRUCTURE FOR**
5 **TRANSITIONAL HOUSING**

6 SECTION 7. There is appropriated out of the general
7 revenues of the State of Hawaii the following sums for
8 transitional housing:

9 (1) The sum of \$, or so much thereof as may be
10 necessary for fiscal year 2006-2007, for design and
11 construction of new transitional shelters, as defined
12 in section 201G-451, Hawaii Revised Statutes; and

13 (2) The sum of \$, or so much thereof as may be
14 necessary for fiscal year 2006-2007, for maintenance
15 and repair of existing transitional shelters and
16 emergency shelters, as defined in section 201G-451,
17 Hawaii Revised Statutes.

18 The sums appropriated shall be expended by the Hawaii
19 public housing administration for the purposes of this Act.

20 **PART IV. SUPPORT SERVICES FOR HOMELESS SHELTERS**

21 SECTION 8. There is appropriated out of the general
22 revenues of the State of Hawaii the sum of \$, or so

1 much thereof as may be necessary for fiscal year 2006-2007, for
2 support services for the homeless population located at homeless
3 shelters.

4 The sum appropriated shall be expended by the Hawaii public
5 housing administration for the purposes of this Act.

6 **PART V. SHELTER CARE PLUS PROGRAM**

7 SECTION 9. The shelter care plus program, under the U.S.
8 Department of Housing and Urban Development, provides rental
9 assistance for hard-to-serve homeless persons with disabilities
10 in connection with supportive services funded from sources
11 outside the program. The target population are those with
12 serious mental illness, chronic problems with alcohol or drugs,
13 or acquired immunodeficiency syndrome (AIDS or related
14 diseases), and their families, who are living in places not
15 intended for long-term human habitation, as in streets or
16 emergency shelters. The program allows for a variety of housing
17 choices and a range of supportive services funded by other
18 sources, in response to the needs of the hard-to-reach homeless
19 population with disabilities.

20 The purpose of this part is to provide state funding for
21 the shelter plus care program.

1 SECTION 10. There is appropriated out of the general
2 revenues of the State of Hawaii the sum of \$, or so
3 much thereof as may be necessary for fiscal year 2006-2007, for
4 the shelter plus care program.

5 The sum appropriated shall be expended by the housing and
6 community development corporation of Hawaii for the purposes of
7 this Act.

8 **PART VI. HOUSING PLACEMENT PROGRAM**

9 SECTION 11. There is appropriated out of the general
10 revenues of the State of Hawaii the sum of \$, or so
11 much thereof as may be necessary for fiscal year 2006-2007, for
12 housing placement programs for the homeless population.

13 The sum appropriated shall be expended by the housing and
14 community development corporation of Hawaii for the purposes of
15 this Act.

16 **PART VII. HOMEOWNERSHIP PROJECT; HABITAT**
17 **FOR HUMANITY**

18 SECTION 12. There is appropriated out of the general
19 revenues of the State of Hawaii the sum of \$, or so
20 much thereof as may be necessary for fiscal year 2006-2007, for
21 the homeownership project of Habitat for Humanity, to prevent
22 homelessness.

1 The sum appropriated shall be expended by the Hawaii public
2 housing administration for the purposes of this Act.

3 **PART VIII. RENTAL HOUSING TRUST FUND**

4 SECTION 13. There is appropriated out of the general
5 revenues of the State of Hawaii the sum of \$30,000,000, or so
6 much thereof as may be necessary for fiscal year 2006-2007 for
7 deposit into the rental housing trust fund under section
8 201G-432, Hawaii Revised Statutes.

9 The sum appropriated shall be expended by the Hawaii public
10 housing administration for purposes of this Act.

11 **PART IX. BOND ISSUANCE FOR AFFORDABLE HOUSING**

12 SECTION 14. The director of finance is authorized to issue
13 general obligation bonds in the sum of \$, or so much
14 thereof as may be necessary, and the same sum, or so much
15 thereof as may be necessary, is appropriated for fiscal year
16 2006-2007 for the purpose of the development of affordable
17 housing.

18 The bond issuance shall be finance projects of for-profit
19 and non-profit entities or organizations for development of
20 mixed use projects; provided that per cent of such
21 projects shall be reserved for persons and families below fifty
22 per cent of the state median income level, and per cent



1 shall be reserved for persons and families below thirty per cent
2 of the state median income level.

3 SECTION 15. The appropriation made for the capital
4 improvement project authorized by this part shall not lapse at
5 the end of the fiscal biennium for which the appropriation is
6 made; provided that all moneys from the appropriation
7 unencumbered as of June 30, 2008, shall lapse as of that date.

8 SECTION 16. The sum appropriated shall be expended by the
9 Hawaii public housing administration pursuant to section
10 201G-113(e), Hawaii Revised Statutes, for purposes of this Act.

11 **PART X. RENTAL INCOME SUPPLEMENT PROGRAM**

12 SECTION 17. The legislature finds that the current level
13 of the rent supplement for eligible tenants is capped at \$160
14 per month. The legislature further finds that this amount is
15 woefully inadequate.

16 The purpose of this part is to raise the State's rental
17 income supplement under the state rental supplement program, and
18 to include welfare recipients as eligible for the program.

19 SECTION 18. Section 201G-231, Hawaii Revised Statutes, is
20 amended to read as follows:

21 **"§201G-231 Rent supplements.** The administration is
22 authorized to make, and contract to make, annual payments to a



1 "housing owner" on behalf of a "qualified tenant", as those
2 terms are defined in this subpart, in such amounts and under
3 such circumstances as are prescribed in or pursuant to this
4 subpart. No payment on behalf of a qualified tenant shall
5 exceed a segregated amount of \$ a month."

6 SECTION 19. Section 201G-233, Hawaii Revised Statutes, is
7 amended to read as follows:

8 "**§201G-233 Qualified tenant defined.** As used in this
9 subpart, the term "qualified tenant" means any single person or
10 family, pursuant to criteria and procedures established by the
11 administration, that has been determined to have an income not
12 exceeding the very low income limit, exclusive of public
13 assistance, as determined by the administration pursuant to
14 rules adopted by the administration; provided that the qualified
15 tenant's primary place of residence shall be in the State of
16 Hawaii or that the qualified tenant intends to make the State of
17 Hawaii the qualified tenant's primary place of residence. The
18 terms "qualified tenant" and "tenant" include a member of a
19 cooperative who satisfies the foregoing requirements and who,
20 upon resale of the member's membership to the cooperative, will
21 not be reimbursed for more than fifty per cent of any equity
22 increment accumulated through payments under this subpart. With



1 respect to members of a cooperative, the terms "rental" and
2 "rental charges" mean the charges under the occupancy agreements
3 between the members and the cooperative. [~~The term "qualified~~
4 ~~tenant" shall not include any person receiving money payments~~
5 ~~for public assistance from the department of human services;~~
6 ~~provided that the term "public assistance" shall exclude aid~~
7 ~~provided through the federal Supplemental Security Income~~
8 ~~Program.]"~~

9 SECTION 20. Section 201G-234, Hawaii Revised Statutes, is
10 amended to read as follows:

11 **"§201G-234 Relationship of annual payment to rental and**
12 **income.** The amount of the annual payment with respect to any
13 dwelling unit shall not exceed the amount by which the fair
14 market rental for that unit exceeds [~~thirty~~] per cent of
15 the tenant's income as determined by the administration pursuant
16 to procedures and regulations established by it."

17 **PART XI. LOW INCOME AND HOMELESS ADVOCATES**

18 SECTION 21. Section 201G-3, Hawaii Revised Statutes, is
19 amended as follows:

20 1. By amending subsection (a) to read as follows:

21 "(a) There is created a board consisting of [~~nine~~] eleven
22 members, of whom [~~eight~~] ten shall be public members appointed



1 by the governor as provided in section 26-34. Public members
2 shall be appointed from each of the counties of Honolulu,
3 Hawaii, Maui, and Kauai. At least one public member shall be a
4 person who is directly assisted by the administration under the
5 federal low-rent public housing or federal section 8
6 tenant-based housing assistance payments program while serving
7 on the board. One public member shall be an advocate for
8 low-income or homeless persons. One public member shall be a
9 person with a disability or an advocate for persons with
10 disabilities. The public members of the board shall serve
11 four-year staggered terms; provided that the initial
12 appointments shall be as follows: three members to be appointed
13 for four years; two members to be appointed for three years; and
14 three members to be appointed for two years. The director of
15 human services, or a designated representative, shall be an ex
16 officio voting member. The administration shall be headed by the
17 board."

18 2. By amending subsection (c) to read as follows:

19 "(c) [~~Five~~] Seven members shall constitute a quorum, whose
20 affirmative vote shall be necessary for all actions by the
21 administration. The members shall receive no compensation for



1 services, but shall be entitled to necessary expenses, including
2 travel expenses, incurred in the performance of their duties."

3 SECTION 22. Section 201H-3, Hawaii Revised Statutes, is
4 amended as follows:

5 1. By amending subsection (a) to read as follows:

6 "(a) There is created a board of directors of the Hawaii
7 housing finance and development administration consisting of
8 [~~nine~~] ten members, of whom [~~six~~] seven shall be public members
9 appointed by the governor as provided in section 26-34. At
10 least four of the public members shall have knowledge and
11 expertise in public or private finance and development of
12 affordable housing. One public member shall be an advocate for
13 low-income or homeless persons. One public member shall be a
14 person with a disability or an advocate for persons with
15 disabilities. Public members shall be appointed from each of
16 the counties of Honolulu, Hawaii, Maui, and Kauai. At least one
17 public member shall represent community advocates for low-income
18 housing, affiliated with private nonprofit organizations that
19 serve the residents of low-income housing. The public members
20 of the board shall serve four-year staggered terms; provided
21 that the initial appointments shall be as follows:

22 (1) Two members to be appointed for four years;



1 (2) Two members to be appointed for three years; and

2 (3) Two members to be appointed for two years.

3 The director of business, economic development, and tourism and
4 the director of finance, or their designated representatives, and
5 a representative of the governor's office, shall be an ex officio
6 voting member. The administration shall be headed by the board."

7 2. By amending subsection (c) to read as follows:

8 "(c) [~~Five~~] Six members shall constitute a quorum, whose
9 affirmative vote shall be necessary for all actions by the
10 administration. The members shall receive no compensation for
11 services, but shall be entitled to necessary expenses, including
12 travel expenses, incurred in the performance of their duties."

13 **PART XII**

14 SECTION 23. Statutory material to be repealed is bracketed
15 and stricken. New statutory material is underscored.

16 SECTION 24. This Act shall take effect upon its approval;
17 provided that sections 6, 7, 8, 10, 11, 12, 13, and 14 shall
18 take effect on July 1, 2006; and provided further that sections
19 1 through 4 and 18 through 22 shall take effect on July 2, 2006.

Report Title:

Affordable Housing; HCDCH

Description:

Requires public housing set asides for grandparents raising grandchildren; makes appropriations for repair and maintenance of public housing, improvements to infrastructure for new and existing transitional housing, support services provided by homeless shelters, shelter care plus program, housing placement program, habitat for humanity, and rental housing trust fund. Authorizes bond issuance for affordable housing. Allows public assistance recipients to receive rental income supplements. Increases rental income supplements. Increases membership on boards of HCDCH and HHFDA to include homeless advocate and low income advocate. (SD1)

