THE SENATE TWENTY-FOURTH LEGISLATURE, 2007 STATE OF HAWAII S.B. NO. ¹³⁵² S.D. 2 H.D. 2

A BILL FOR AN ACT

RELATING TO HOUSING.

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

1	SECTION 1. The purpose of this Act is to correct
2	inadvertent drafting errors that resulted in amendments to the
3	repealed chapter 201G, Hawaii Revised Statutes. This Act
4	affirms the legislature's intent to enact these amendments and
5	to make other technical and housekeeping amendments.
6	PART I
7	SECTION 2. The purpose of this part is to correct drafting
8	errors in Act 180, Session Laws of Hawaii 2006.
9	SECTION 3. Section 201H-1, Hawaii Revised Statutes, is
10	amended by adding a new definition to be appropriately inserted
11	and to read as follows:
12	""Elderly housing project" means a housing project that is
13	intended and operated as housing that satisfies the definition
14	of housing for older persons under 42 United States Code section
15	<u>3607(b)(2).</u> "
16	SECTION 4. Section 201H-202, Hawaii Revised Statutes, is
17	amended by amending subsection (i) to read as follows:



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1 "(i) For the period commencing July 1, 2005, through 2 June 30, [2007,] 2009, the fund may be used to provide grants 3 for rental units set aside for persons and families with incomes 4 at or below thirty per cent of the median family income in any 5 project financed in whole or in part by the fund in proportion 6 of those units to the total number of units in the project. At 7 the conclusion of the period described in this subsection, the 8 corporation shall report to the legislature on the number and 9 use of grants provided and whether the grants were an effective 10 use of the funds for purposes of developing rental housing for 11 families at or below thirty per cent of median family income." 12 PART II 13 SECTION 5. The purpose of this part is to correct relevant 14 provisions of Act 217, Session Laws of Hawaii 2006, as 15 amendments to chapter 201H, Hawaii Revised Statutes. 16 SECTION 6. Section 201H-38, Hawaii Revised Statutes, is 17 amended by amending subsection (a) to read as follows: 18 "(a) The corporation may develop on behalf of the State or 19 with an eligible developer, or may assist under a government 20 assistance program in the development of, housing projects that 21 shall be exempt from all statutes, ordinances, charter 22 provisions, and rules of any government agency relating to SB1352 HD2 HMS 2007-3655

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1	planning,	zoning, construction standards for subdivisions,
2	developme	nt and improvement of land, and the construction of
3	dwelling	units thereon; provided that:
4	(1)	The corporation finds the housing project is
5		consistent with the purpose and intent of this
6		chapter, and meets minimum requirements of health and
7		safety;
8	(2)	The development of the proposed housing project does
9		not contravene any safety standards, tariffs, or rates
10		and fees approved by the public utilities commission
11		for public utilities or of the various boards of water
12		supply authorized under chapter 54;
13	(3)	The legislative body of the county in which the
14		housing project is to be situated shall have approved
15		[the_project:
16		(A) The legislative body shall approve] with or
17		without modifications, or [disapprove]
18		disapproved the project by resolution within
19		[forty-five] <u>seventy-five</u> days after the
20		corporation has submitted the preliminary plans
21		and specifications for the project to the
22		legislative body. If on the [forty-sixth]



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1		seventy-sixth day a project is not disapproved,
2		it shall be deemed approved by the legislative
3		body;
4	[(B)]	(4) No action shall be prosecuted or maintained
5		against any county, its officials, or employees
6		on account of actions taken by them in reviewing,
7		approving, modifying, or disapproving the plans
8		and specifications; [and]
9	[(C)]	(5) The final plans and specifications for the
10		project shall be deemed approved by the
11		legislative body if the final plans and
12		specifications do not substantially deviate from
13		the preliminary plans and specifications. The
14		final plans and specifications for the project
15		shall constitute the zoning, building,
16		construction, and subdivision standards for that
17		project. For purposes of sections 501-85 and
18		502-17, the executive director of the corporation
19		or the responsible county official may certify
20		maps and plans of lands connected with the
21		project as having complied with applicable laws
22		and ordinances relating to consolidation and



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1		subdivision of lands, and the maps and plans
2		shall be accepted for registration or recordation
3		by the land court and registrar; and
4	[(4)] <u>(6)</u>	The land use commission shall approve, approve
5		with modifications, or disapprove a boundary
6		change within [forty-five] <u>seventy-five</u> days
7		after the corporation has submitted a petition to
8		the commission as provided in section 205-4. If
9		on the [forty-sixth] <u>seventy-sixth</u> day the
10		petition is not disapproved, it shall be deemed
11		approved by the commission."
12		PART III
13	SECTION 7	. The purpose of this part is to make technical
14	and conforming	amendments to correct references to the repealed
15	chapter 201G,	Hawaii Revised Statutes, and references to "Hawaii
16	housing financ	e and development administration" or
17	"administratio	n" throughout various session laws and amendments
18	to the Hawaii	Revised Statutes, passed during the regular
19	session of 200	6.
20	SECTION 8	. Section 201H-57, Hawaii Revised Statutes, is

21 amended by amending subsection (a) to read as follows:

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1	"(a) Notwithstanding any provision to the contrary, the		
2	[+] corporation $[+]$, pursuant to section 201H-4(b), may lease land		
3	to any qualified nonprofit organization providing affordable		
4	housing, under the following terms and conditions:		
5	(1) Leases shall be for ninety-nine years at \$1 per year		
6	per parcel; and		
7	(2) The instrument of lease shall include provisions,		
8	enforceable by the $[+]$ corporation $[+]$, that the land		
9	shall:		
10	(A) Be used only for providing affordable housing		
11	through long-term, renewable, and transferable		
12	leases or other means that are in accordance with		
13	rules adopted by the $[+]$ corporation $[+]$ under		
14	chapter 91; and		
15	(B) Revert back to the $[+]$ corporation $[+]$ if:		
16	(i) The land is used for any purpose other than		
17	as provided under subparagraph (A); or		
18	(ii) The qualified nonprofit organization ceases		
19	operations."		
20	SECTION 9. Section 201H-58, Hawaii Revised Statutes, is		
21	amended to read as follows:		



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1 "[**+**]**§201H-58**[**+**] Leases; self-help housing. (a) The 2 [+]corporation[+] may lease parcels that it deems suitable for 3 affordable housing at \$1 per year for up to fifty years to 4 organizations or community trusts to develop the parcel with 5 ownership units through self-help development. The [+]corporation[+] may extend or modify the fixed 6 (b) 7 rental period of the lease or extend the term of the lease. 8 Parcels leased under this section may be transferred (C)9 or assigned by devise, bequest, or intestate succession, and may 10 be sublet with the approval of the [+]corporation[+]." SECTION 10. Act 179, Session Laws of Hawaii 2006, is 11 12 amended by amending section 5 to read as follows: "SECTION 5. The department of land and natural resources 13 14 shall initiate transfer to the Hawaii housing finance and 15 development [administration,] corporation, no later than 16 December 1, 2006, of the lands identified as suitable for 17 affordable housing development in Appendix F of the Joint Legislative Housing and Homeless Task Force Report to the 2006 18 19 Session of the Legislature."

20 SECTION 11. Act 196, Session Laws of Hawaii 2006, is
21 amended by amending section 2 to read as follows:



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1	"SECTION 2. There is appropriated out of the general			
2	revenues of the State of Hawaii the sum of \$200,000 or so much			
3	thereof as may be necessary for fiscal year 2006-2007 for			
4	deposit into the Kikala-Keokea housing revolving fund			
5	established under section [2016-170.5,] <u>201H-81,</u> Hawaii Revised			
6	Statutes, to provide low-interest home construction loans for			
7	Kikala-Keokea leaseholders and to fund related activities.			
8	The sum appropriated shall be expended by the Hawaii			
9	housing finance and development [administration] corporation for			
10	the purposes of this Act."			
11	SECTION 12. Act 288, Session Laws of Hawaii 2006, is			
12	amended by amending sections 3, 4, and 5 to read as follows:			
13	"SECTION 3. The Hawaii housing finance and development			
14	[administration] corporation or any appropriate entity of the			
15	State shall immediately initiate negotiations with Kukui Gardens			
16	Corporation, or its successor in interest, to either:			
17	(1) Make available, without competitive award, public			
18	financing resources to extend affordable rents at			
19	Kukui Gardens through at least 2016; provided that at			
20	least fifty per cent of the rental units at Kukui			
21	Gardens are retained at affordable rents to households			
22	whose incomes do not exceed eighty per cent of the			
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1 median family income, of which five per cent of the 2 units are set aside for households whose incomes do 3 not exceed thirty per cent of the median family 4 income; or 5 (2) Acquire the property known as Kukui Gardens, tax map

6 key (I) 1-7-26:07, and may partner with private for-7 profit or nonprofit developers for acquisition of the 8 property; provided that eighty per cent of the housing 9 units on the property shall be retained in perpetuity 10 as affordable housing for households at or below one 11 hundred forty per cent of the median family income as 12 determined by the United States Department of Housing 13 and Urban Development.

14 The Hawaii housing finance and development [administration] 15 <u>corporation</u> or the appropriate entity of the State shall submit 16 a report to the legislature not later than twenty days prior to 17 the convening of the regular session of 2007 regarding its 18 efforts to acquire Kukui Gardens and its recommendations for 19 financing the purchase of the property.

20 SECTION 4. If an agreement to either extend affordable 21 rents to at least 2016 or acquire the property is not reached 22 within a reasonable time as determined by the Hawaii housing 23 SB1352 HD2 HMS 2007-3655

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1 finance and development [administration] corporation or any 2 other appropriate entity of the State, the state agency shall exercise its power of eminent domain to acquire the property. 3 For the purposes of this Act, and notwithstanding any provision 4 5 of section [201G-16,] 201H-13, Hawaii Revised Statutes, to the 6 contrary, condemnation of the Kukui Gardens property shall not be subject to legislative disapproval. 7 8 SECTION 5. There is appropriated out of the general 9 revenues of the State of Hawaii the sum of \$200,000 or so much 10 thereof as may be necessary for fiscal year 2006-2007 for the 11 purpose of negotiating with the owner of Kukui Gardens to either 12 extend the period of affordable rents to at least 2016, acquire 13 Kukui Gardens, or to commence the condemnation process. 14 The sum appropriated shall be expended by the Hawaii 15 housing finance and development [administration] corporation for the purposes of this Act." 16

17 SECTION 13. Statutory material to be repealed is bracketed18 and stricken. New statutory material is underscored.

19 SECTION 14. This Act shall take effect upon its approval;
20 provided that sections 11 and 12 shall take effect retroactively
21 to July 1, 2006.



Report Title:

HHFDC; Chapter 201H; Housekeeping

Description:

Clarifies certain amendments to the repealed Chapter 201G, Hawaii Revised Statutes (HRS), that were intended to relate to the Hawaii Housing Finance and Development Corporation and the programs it administers, by making those amendments to the new Chapter 201H, HRS. (SB1352 HD2)

