

JAN 18 2008

A BILL FOR AN ACT

RELATING TO HOUSING.

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

1 SECTION 1. The legislature finds that the homeless and
2 affordable housing crises continue to be two of the State's most
3 significant and challenging social problems.

4 The most recent estimate of the total number of homeless
5 persons in the State is six thousand twenty-nine on any given
6 day. In addition, the Hawaii Homeless Point-in-Time Study of
7 2003 found that over four thousand of these homeless persons are
8 unsheltered. This is indicative of the limited shelter space
9 available in the State.

10 Also troubling is the fact that a staggering thirty-seven
11 per cent of the unsheltered homeless are individuals of Hawaiian
12 or part-Hawaiian ancestry. Equally troubling is the fact that
13 on any given day, there are eight hundred thirty-eight homeless
14 children in the State. None of these numbers reflect the number
15 of people who are considered hidden homeless or those who are
16 at-risk of homelessness.



1 Housing, in general, is a critical issue for many residents
2 in Hawaii, where the costs of homeownership and rental are
3 increasing. The prospect of making high mortgage payments and
4 saving enough money for the downpayment and closing costs needed
5 to buy a home at current market prices is a formidable
6 challenge. Even higher income families must often seek help
7 from relatives to overcome this obstacle. More needs to be done
8 to increase the inventory of and ensure that residents have
9 access to affordable housing as well.

10 To assist in alleviating these problems, the legislature
11 enacted Act 222, Session Laws of Hawaii 2007, the Housing
12 Omnibus Act, which placed priority on sheltering the homeless
13 and providing more affordable housing opportunities for Hawaii's
14 citizens. The legislature recognizes the meaningful solutions
15 provided by Act 222, and seeks with this Act, to further
16 ameliorate Hawaii's housing and homeless problems.

17 The purpose of this Act is to extend the sunset date for
18 the allocation of the conveyance tax to the rental housing trust
19 fund to June 30, 2013, and provide funding for various
20 affordable, public housing, and homeless programs.



1 SECTION 2. Act 100, Section 30, Session Laws of Hawaii
2 2006, as amended by Act 222, Session Laws of Hawaii 2007, is
3 amended to read as follows:

4 "SECTION 30. This Act shall take effect on July 1, 2006;
5 provided that on June 30, [~~2008~~] 2013, section 21 shall be
6 repealed and section 247-7, Hawaii Revised Statutes, shall be
7 reenacted in the form in which it read on the day before the
8 approval of this Act."

9 SECTION 3. The director of finance is authorized to issue
10 general obligation bonds in the sum of \$25,000,000 or so much
11 thereof as may be necessary, and the same sum, or so much
12 thereof as may be necessary, is appropriated for fiscal year
13 2008-2009, to be paid into the rental housing trust fund created
14 in section 201H-202, Hawaii Revised Statutes.

15 SECTION 4. There is appropriated out of the rental housing
16 trust fund the sum of \$25,000,000 or so much thereof as may be
17 necessary for fiscal year 2008-2009 for the planning,
18 development, and construction of affordable housing in
19 cooperation with private and nonprofit developers.

20 The sum appropriated shall be expended by the Hawaii
21 housing finance and development corporation for the purposes of
22 this Act.



1 SECTION 5. The director of finance is authorized to issue
2 general obligation bonds in the sum of \$30,000,000 or so much
3 thereof as may be necessary and the same sum, or so much thereof
4 as may be necessary is appropriated for fiscal year 2008-2009
5 for housing development programs.

6 The sum appropriated shall be paid into the dwelling unit
7 revolving fund created in section 201H-191, Hawaii Revised
8 Statutes, and expended by the Hawaii housing finance and
9 development corporation for the purposes of this Act.

10 SECTION 6. There is appropriated out of the general
11 revenues of the State of Hawaii the sum of \$500,000 or so much
12 thereof as may be necessary for fiscal year 2008-2009 to assist
13 developers in contracting for third party review and
14 certification, including but not limited to inspections,
15 discretionary permits, and ministerial permits, to expedite the
16 processing and issuance of building permits for affordable
17 housing projects; provided that, in order to qualify for funding
18 under this section, an affordable housing project shall offer
19 not less than forty per cent of all units, whether rental or
20 for-sale, in leasehold or fee simple, at prices or rents that
21 are affordable to persons earning eighty per cent or less of the



1 area median income as determined by the United States Department
2 of Housing and Urban Development.

3 The sum appropriated shall be expended by the Hawaii
4 housing finance and development corporation for the purposes of
5 this Act.

6 SECTION 7. (a) The legislature finds that public housing
7 projects are continuing to deteriorate due to a lack of timely
8 maintenance and repair. As a consequence, housing units are in
9 danger of becoming or have already become uninhabitable.

10 Additional repair and maintenance funding is needed to
11 supplement the Hawaii public housing authority's annual
12 recurring repair and maintenance budget. Currently, the public
13 housing authority receives \$1,500,000 annually for repair and
14 maintenance; however, these funds are insufficient to keep
15 public housing units in decent, sanitary, and livable
16 conditions. An additional \$2,000,000 for repair and maintenance
17 is required this year, and for all subsequent years, in order
18 for the authority to satisfactorily maintain these vital housing
19 resources.

20 (b) There is appropriated out of the general revenues of
21 the State of Hawaii the sum of \$2,000,000 or so much thereof as
22 may be necessary for fiscal year 2008-2009 for the Hawaii public



1 housing authority to conduct repair and maintenance on public
2 housing projects.

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

5 SECTION 8. The director of finance is authorized to issue
6 general obligation bonds in the sum of \$40,200,000 or so much
7 thereof as may be necessary, and the same sum, or so much
8 thereof as may be necessary is appropriated for fiscal year
9 2008-2009 for the Hawaii public housing authority to conduct
10 capital improvement projects to repair and renovate public
11 housing.

12 The sum appropriated shall be expended by the Hawaii public
13 housing authority for the purposes of this Act.

14 SECTION 9. (a) The legislature finds that improved safety
15 measures are needed at public housing projects. While the 2007
16 Hawaii state legislature appropriated general funds for public
17 housing security needs, additional funding is required to
18 sufficiently address the arduous security problems plaguing
19 housing projects. It is the intent of this legislature to
20 continue the work begun in the 2007 regular session by
21 appropriating funds for security in order to protect physical



1 public housing property as well as create a safer environment
2 for public housing tenants and the surrounding community.

3 (b) There is appropriated out of the general revenues of
4 the State of Hawaii the sum of \$1,500,000 or so much thereof as
5 may be necessary for fiscal year 2008-2009 for providing
6 security in public housing projects.

7 The sum appropriated shall be expended by the Hawaii public
8 housing authority for the purposes of this Act.

9 SECTION 10. There is appropriated out of the general
10 revenues of the State of Hawaii the sum of \$5,300,000 or so much
11 thereof as may be necessary for fiscal year 2008-2009 to the
12 Hawaii public housing authority for outreach or support
13 services, or both, to unsheltered homeless, at-risk homeless,
14 and those residing in homeless facilities, including emergency
15 shelters, pursuant to the purchase of service agreements under
16 chapter 42F, Hawaii Revised Statutes. This appropriation shall
17 be used for the provision of continual operational funds to
18 provide matching funds for shelter plus care grants and
19 supportive housing programs and operational funds for nonprofit
20 agencies to develop affordable housing.

21 The sum appropriated shall be expended by the Hawaii public
22 housing authority for purposes of this Act.



1 SECTION 11. The director of finance is authorized to issue
2 general obligation bonds in the sum of \$32,000,000 or so much
3 thereof as may be necessary, and the same sum, or so much as may
4 be necessary, is appropriated for fiscal year 2008-2009 to the
5 Hawaii public housing authority for homeless facilities,
6 emergency shelters, and transitional shelters, as defined by
7 section 356D-121, Hawaii Revised Statutes, on the islands of
8 Oahu and Hawaii.

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

11 SECTION 12. The appropriations made in sections 3, 4, 5,
12 7, 8, 9, 10, and 11 of this Act shall not lapse at the end of
13 the fiscal year for which the appropriation is made; provided
14 that all appropriations that are unencumbered as of June 30,
15 2011, shall lapse as of that date into the appropriate fund.

16 SECTION 13. If any provision of this Act, or the
17 application thereof to any person or circumstance is held
18 invalid, the invalidity does not affect other provisions or
19 applications of the Act, which can be given effect without the
20 invalid provision or application, and to this end the provisions
21 of this Act are severable.



S.B. NO. 2225

1 SECTION 14. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

3 SECTION 15. This Act shall take effect on July 1, 2008;
4 provided that section 2 of this Act shall take effect on
5 June 29, 2008.

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INTRODUCED BY:

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Report Title:

Affordable Housing Omnibus Bill; Appropriation

Description:

Appropriates funds for various homeless and housing programs and projects. Extends sunset date for allocation of conveyance tax to the rental housing trust fund to June 30, 2013. Makes appropriation to assist developers in contracting for third party review and certification to expedite the processing and issuance of building permits for affordable housing projects. Authorizes the issuance of general obligation bonds for the planning, development, and construction of affordable housing in cooperation with nonprofit and private developers and for other purposes relating to public and affordable housing.

