

JAN 19 2007

A BILL FOR AN ACT

RELATING TO HOUSING.

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

1 SECTION 1. Chapter 206E, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§206E- Residential projects; low- to moderate-income
5 resident housing. If the authority deems it desirable to
6 develop a residential project, it shall develop, construct,
7 maintain, operate, or otherwise dispose of residential units for
8 residents in the low- to moderate-income ranges who meet
9 eligibility requirements the authority may adopt by rule."

10 SECTION 2. Chapter 304A, Hawaii Revised Statutes, is
11 amended by adding a new section to be appropriately designated
12 and to read as follows:

13 "§304A- Residential projects not intended for university
14 housing purposes; low- to moderate-income housing. If the board
15 of regents deems it desirable to develop a residential project
16 that is not intended to be a university housing unit under
17 section 302A-2501, it shall develop, construct, maintain,



1 operate, or otherwise dispose of residential units for residents
2 in the low- to moderate-income ranges who meet eligibility
3 requirements the board of regents may adopt by rule."

4 SECTION 3. Section 171-45, Hawaii Revised Statutes, is
5 amended to read as follows:

6 "**§171-45 Residence lots; sale or leases.** The board may
7 dispose of public land for personal residence purposes (1) by
8 sale in fee simple or lease at public auction as provided in
9 sections 171-14 and 171-16, or (2) by sale or lease of lots by
10 drawing as provided in sections 171-15 and 171-16 [-]; provided
11 that the personal residential purpose shall be for housing for
12 residents in the low- or moderate-income ranges who meet
13 eligibility requirements the board may adopt by rule."

14 SECTION 4. Section 171-46, Hawaii Revised Statutes, is
15 amended to read as follows:

16 "**§171-46 Residential sales or leases; planning.** Prior to
17 the disposition of public land for residential lots, whether by
18 sale in fee simple or by lease, in addition to the requirements
19 of section 171-33, the board of land and natural resources
20 shall:

21 (1) Ensure that the residential lots will be used for
22 housing for residents in the low- or moderate-income



1 ranges who meet eligibility requirements the board may
2 adopt by rule;

3 ~~[(1)]~~ (2) Make a determination of the demand for houselots
4 in the area of the intended disposition;

5 ~~[(2)]~~ (3) Make a thorough investigation of the costs of the
6 residential development;

7 ~~[(3)]~~ (4) Wherever possible locate the residential
8 development adjacent to an existing urban center;

9 ~~[(4)]~~ (5) Subdivide and improve the land, in conformity
10 with county or city and county zoning and subdivision
11 requirements, including the construction of necessary
12 roads; and

13 ~~[(5)]~~ (6) Plan the development to meet the economic need
14 and circumstance of the persons for whom the
15 development is intended."

16 SECTION 5. Section 171-48, Hawaii Revised Statutes, is
17 amended to read as follows:

18 "**§171-48 Residence lots, requirements.** In the disposition
19 of lots for residence purposes:

20 (1) No person shall purchase or lease, directly or
21 indirectly through an agent, nominee, third person, or
22 otherwise, any interest in more than one lot ~~[+]~~;



- 1 (2) No person and no unmarried minor child, whose spouse
2 or parent purchases or leases a lot, shall be
3 qualified to purchase or lease any lot[-];
- 4 (3) The board shall require the lessee or purchaser to
5 construct, within three years after disposition, a
6 dwelling for eligible residents in low- to moderate-
7 income ranges of such size and value as shall be
8 prescribed by the board and to use the lot and
9 dwelling as the lessee's or purchaser's principal
10 domicile; provided that the board may, for good and
11 sufficient cause and to alleviate hardship, extend the
12 building deadline for a period not exceeding two
13 years, at six-month intervals based on a demonstration
14 of the lessee's or purchaser's progress towards
15 satisfying improvement requirements[-];
- 16 (4) The board shall establish such additional
17 restrictions, requirements, or conditions in
18 accordance with the powers granted to it in section
19 171-6(6) [-];
- 20 (5) No person shall be qualified to purchase or lease any
21 lot by drawing if the person's gross income including
22 the gross income of the person's spouse exceeds



1 \$20,000 per year. In determining gross income, the
 2 standard income tax exemption for each of the person's
 3 dependents, as determined by the income tax laws of
 4 the State, shall be allowed[-]; or

5 (6) No person shall be qualified to purchase or lease any
 6 lot who, or whose spouse, or both of them, owns or is
 7 a lessee, under a residential lease for a term
 8 exceeding twenty years (including any periods for
 9 which the lease may be extended or renewed at the
 10 option of the lessee), of any land situated within or
 11 without the State suitable for residential use."

12 SECTION 6. Statutory material to be repealed is bracketed
 13 and stricken. New statutory material is underscored.

14 SECTION 7. This Act shall take effect upon its approval.

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Report Title:

State Lands; Housing for Low- to Moderate-Income Residents

Description:

Requires all housing units developed and built on state lands under chapter 171, or under the jurisdiction of the Hawaii community development authority, and the University of Hawaii to be for low- to moderate-income range residents.

