

---

---

## A BILL FOR AN ACT

RELATING TO AFFORDABLE HOUSING.

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

1           SECTION 1. The purpose of this Act is to establish a  
2 demonstration project in South Kohala on the island of Hawaii,  
3 to identify the cost drivers that force the price of housing to  
4 a level beyond the means of most Hawaii residents and to address  
5 those cost drivers.

6           SECTION 2. (a) The Hawaii housing finance and development  
7 corporation shall establish and operate an affordable housing  
8 demonstration project. The demonstration project shall be  
9 located in South Kohala on the island of Hawaii.

10           (b) The Hawaii housing finance and development corporation  
11 shall issue a request for proposals to develop the affordable  
12 housing project. The request for proposals, at a minimum, shall  
13 include the following:

14           (1) The developer shall describe the infrastructure that  
15               will be built in the development;

16           (2) The demonstration project shall be exempt from county  
17               requirements for the installation of curbs, gutters,  
18               and sidewalks;



1 (3) The developer shall bond the project. Upon the final  
2 inspection of the project, the bond shall be used to  
3 correct any discrepancies that are found; and

4 (4) The developer shall provide:

5 (A) An itemized cost of the project;

6 (B) A separate listing of the markup; and

7 (C) A separate listing, if any, of the cost of  
8 studies or approvals required for the project.

9 (c) Proposals from the developers shall contain the  
10 following:

11 (1) The location of appropriate state land in the target  
12 areas to be developed as leasehold property for  
13 homebuyers;

14 (2) Plans and specifications for a minimum of twenty units  
15 and maximum of forty units;

16 (3) Sales price of the units on a leasehold or fee basis;

17 (4) Parks and other recreational facilities that will be  
18 built as part of the development; and

19 (5) Essential service facilities that will be built as  
20 part of the development, such as fire stations.

21 (d) The Hawaii housing finance and development corporation  
22 shall submit to the legislature a report of its findings and



# H.B. NO. 236

1 recommendations on the demonstration project no later than  
2 twenty days prior to the convening of the regular session of  
3 2010.

4 SECTION 3. This Act shall take effect on July 1, 2009, and  
5 shall be repealed on July 1, 2010.

6

INTRODUCED BY: \_\_\_\_\_



JAN 22 2009



**Report Title:**

Affordable Housing Demonstration Project; South Kohala; HHFDC

**Description:**

Requires the Hawaii Housing and Finance Development Corporation to establish an affordable housing demonstration project in South Kohala on the island of Hawaii.

