
A BILL FOR AN ACT

RELATING TO AFFORDABLE HOUSING.

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

1 SECTION 1. Section 46-15.1, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:
3 "(a) Any law to the contrary notwithstanding, any county
4 shall have and may exercise the same powers, subject to
5 applicable limitations, as those granted the Hawaii housing
6 finance and development corporation pursuant to chapter 201H
7 insofar as those powers may be reasonably construed to be
8 exercisable by a county for the purpose of developing,
9 constructing, and providing low- and moderate-income housing;
10 provided that no county shall be empowered to cause the State to
11 issue general obligation bonds to finance a project pursuant to
12 this section; provided further that county projects shall be
13 granted an exemption from general excise or receipts taxes in
14 the same manner as projects of the Hawaii housing finance and
15 development corporation pursuant to section 201H-36; and
16 provided further that section 201H-16 shall not apply to this
17 section unless federal guidelines specifically provide local

1 governments with that authorization and the authorization does
2 not conflict with any state laws. The powers shall include the
3 power, subject to applicable limitations, to:

4 (1) Develop and construct dwelling units, alone or in
5 partnership with developers;

6 (2) Acquire necessary land by lease, purchase, exchange,
7 or eminent domain;

8 (3) Provide assistance and aid to a public agency or other
9 person in developing and constructing new housing and
10 rehabilitating existing housing for elders of low- and
11 moderate-income, other persons of low- and moderate-
12 income, and persons displaced by any governmental
13 action, by making long-term mortgage or interim
14 construction loans available;

15 (4) Contract with any eligible bidders to provide for
16 construction of urgently needed housing for persons of
17 low- and moderate-income;

18 (5) Guarantee the top twenty-five per cent of the
19 principal balance of real property mortgage loans,
20 plus interest thereon, made to qualified borrowers by
21 qualified lenders;

- 1 (6) Enter into mortgage guarantee agreements with
2 appropriate officials of any agency or instrumentality
3 of the United States to induce those officials to
4 commit to insure or to insure mortgages under the
5 National Housing Act, as amended;
- 6 (7) Make a direct loan to any qualified buyer for the
7 downpayment required by a private lender to be made by
8 the borrower as a condition of obtaining a loan from
9 the private lender in the purchase of residential
10 property;
- 11 (8) Provide funds for a share, not to exceed fifty per
12 cent, of the principal amount of a loan made to a
13 qualified borrower by a private lender who is unable
14 otherwise to lend the borrower sufficient funds at
15 reasonable rates in the purchase of residential
16 property; [~~and~~]
- 17 (9) Issue affordable housing credits to the department of
18 Hawaiian home lands and allow the department of
19 Hawaiian home lands to transfer or assign credits.
20 The credits may be applied to satisfy the affordable
21 housing obligations imposed by the county. The
22 credits shall be issued on a one-for-one basis and may

1 be applied to any project by the developer who built
2 the affordable units within the same county for which
3 the credit was earned; and

4 [~~(9)~~] (10) Sell or lease completed dwelling units.

5 For purposes of this section, a limitation is applicable to
6 the extent that it may reasonably be construed to apply to a
7 county."

8 SECTION 2. Statutory material to be repealed is bracketed
9 and stricken. New statutory material is underscored.

10 SECTION 3. This Act shall take effect on July 1, 2009.

Report Title:

Department of Hawaiian Home Lands; County Affordable Housing Credits

Description:

Permits the department of Hawaiian home lands to assign or transfer county affordable housing credits. (SD1)