
A BILL FOR AN ACT

RELATING TO HOUSING.

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

1 PART I

2 FINDINGS AND PURPOSE

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

6 Estimates of the total number of homeless persons in the
7 State total approximately six thousand in any given day. In
8 addition, the Hawaii Homeless Point-in-Time Study of 2003 found
9 that over four thousand of these homeless persons are
10 unsheltered. This is indicative of the limited shelter space
11 available in the state.

12 Also troubling is the fact that a staggering thirty-seven
13 per cent of the unsheltered homeless are individuals of Hawaiian
14 or part-Hawaiian ancestry. Equally troubling is the fact that
15 on any given day, there are approximately 800 homeless children
16 in the state. None of these numbers reflect the number of
17 people who are considered hidden homeless or those who are at-
18 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.

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 housing, public housing, and homeless programs.



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PART II

RENTAL HOUSING TRUST FUND

SECTION 2. Section 247-7, Hawaii Revised Statutes, is amended to read as follows:

"§247-7 Disposition of taxes. All taxes collected under this chapter shall be paid into the state treasury to the credit of the general fund of the State, to be used and expended for the purposes for which the general fund was created and exists by law; provided that of the taxes collected each fiscal year:

(1) Ten per cent shall be paid into the land conservation fund established pursuant to section 173A-5;

(2) [~~Thirty~~] Fifty per cent shall be paid into the rental housing trust fund established by section 201H-202; and

(3) Twenty-five per cent shall be paid into the natural area reserve fund established by section 195-9; provided that the funds paid into the natural area reserve fund shall be annually disbursed by the department of land and natural resources in the following priority:

(A) To natural area partnership and forest stewardship programs after joint consultation



1 with the forest stewardship committee and the
2 natural area reserves system commission;
3 (B) Projects undertaken in accordance with watershed
4 management plans pursuant to section 171-58 or
5 watershed management plans negotiated with
6 private landowners, and management of the natural
7 area reserves system pursuant to section 195-3;
8 and
9 (C) The youth conservation corps established under
10 chapter 193."

11 SECTION 3. Section 247-7, Hawaii Revised Statutes, is
12 amended to read as follows:

13 "**§247-7 Disposition of taxes.** All taxes collected under
14 this chapter shall be paid into the state treasury to the credit
15 of the general fund of the State, to be used and expended for
16 the purposes for which the general fund was created and exists
17 by law; provided that of the taxes collected each fiscal year:

- 18 (1) Ten per cent shall be paid into the land conservation
19 fund established pursuant to section 173A-5;
20 (2) [~~Fifty~~] Thirty per cent shall be paid into the rental
21 housing trust fund established by section 201H-202;
22 and



1 (3) Twenty-five per cent shall be paid into the natural
2 area reserve fund established by section 195-9;
3 provided that the funds paid into the natural area
4 reserve fund shall be annually disbursed by the
5 department of land and natural resources in the
6 following priority:

7 (A) To natural area partnership and forest
8 stewardship programs after joint consultation
9 with the forest stewardship committee and the
10 natural area reserves system commission;

11 (B) Projects undertaken in accordance with watershed
12 management plans pursuant to section 171-58 or
13 watershed management plans negotiated with
14 private landowners, and management of the natural
15 area reserves system pursuant to section 195-3;
16 and

17 (C) The youth conservation corps established under
18 chapter 193."

19 SECTION 4. The director of finance is authorized to issue
20 general obligation bonds in the sum of \$25,000,000 or so much
21 thereof as may be necessary and the same sum or so much thereof
22 as may be necessary is appropriated for fiscal year 2009-2010 to



1 be deposited into the rental housing trust fund created in
2 section 201H-202, Hawaii Revised Statutes.

3 SECTION 5. There is appropriated out of the rental housing
4 trust fund the sum of \$25,000,000 or so much thereof as may be
5 necessary for fiscal year 2009-2010 for the planning,
6 development, and construction of affordable housing in
7 cooperation with private and nonprofit developers.

8 The sum appropriated shall be expended by the Hawaii
9 housing finance and development corporation for the purposes of
10 this Act.

11 PART III

12 DWELLING UNIT REVOLVING FUND

13 SECTION 6. The director of finance is authorized to issue
14 general obligation bonds in the sum of \$30,000,000 or so much
15 thereof as may be necessary and the same sum or so much thereof
16 as may be necessary is appropriated for fiscal year 2009-2010 to
17 be deposited into the dwelling unit revolving fund created in
18 section 201H-191, Hawaii Revised Statutes.

19 SECTION 7. There is appropriated out of the dwelling unit
20 revolving fund the sum of \$30,000,000 or so much thereof as may
21 be necessary for fiscal year 2009-2010 for housing development
22 programs.



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PART V

MAINTENANCE, REPAIRS, AND RENOVATIONS

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

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

SECTION 10. There is appropriated out of the general revenues of the State of Hawaii the sum of \$2,000,000 or so much thereof as may be necessary for fiscal year 2009-2010 for repair and maintenance of public housing projects.

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



1 SECTION 11. The director of finance is authorized to issue
2 general obligation bonds in the sum of \$40,200,000 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 2009-2010
5 for capital improvement projects to repair and renovate public
6 housing.

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

9 PART VI

10 SECURITY; PUBLIC HOUSING PROJECTS

11 SECTION 12. The legislature finds that improved safety
12 measures are needed at public housing projects. While the 2007
13 Hawaii state legislature appropriated general funds for public
14 housing security needs, additional funding is required to
15 sufficiently address the arduous security problems plaguing
16 housing projects. It is the intent of this legislature to
17 continue the work begun in the 2007 regular session by
18 appropriating funds for security in order to protect physical
19 public housing property as well as create a safer environment
20 for public housing tenants and the surrounding community.

21 SECTION 13. There is appropriated out of the general
22 revenues of the State of Hawaii the sum of \$1,500,000 or so much



1 thereof as may be necessary for fiscal year 2009-2010 for
2 providing security in public housing projects.

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

5 PART VII

6 HOMELESS; SERVICES AND SHELTER

7 SECTION 14. There is appropriated out of the general
8 revenues of the State of Hawaii the sum of \$5,300,000 or so much
9 thereof as may be necessary for fiscal year 2009-2010 for
10 outreach or support services, or both, to unsheltered homeless,
11 at-risk homeless, and those residing in homeless facilities,
12 including emergency shelters, pursuant to the purchase of
13 service agreements under chapter 42F, Hawaii Revised Statutes.
14 This appropriation shall be used for the provision of continual
15 operational funds to provide matching funds for shelter plus
16 care grants and supportive housing programs and operational
17 funds for nonprofit agencies to develop affordable housing.

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

20 SECTION 15. The director of finance is authorized to issue
21 general obligation bonds in the sum of \$32,000,000 or so much
22 thereof as may be necessary and the same sum or so much as may



1 be necessary is appropriated for fiscal year 2009-2010 for
2 homeless facilities, emergency shelters, and transitional
3 shelters, as defined by section 356D-121, Hawaii Revised
4 Statutes, on the islands of Oahu and Hawaii.

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

7 PART VIII

8 GENERAL

9 SECTION 16. The appropriations made in sections 4, 5, 6,
10 7, 10, 11, 13, 14, and 15 of this Act shall not lapse at the end
11 of the fiscal year for which the appropriation is made; provided
12 that all appropriations that are unencumbered as of June 30,
13 2012, shall lapse as of that date into the appropriate fund.

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

20 SECTION 18. Statutory material to be repealed is bracketed
21 and stricken. New statutory material is underscored.



1 SECTION 19. This Act shall take effect on July 1, 2009;

2 provided that:

3 (1) Section 2 shall take effect retroactively to June 30,
4 2008; and

5 (2) On June 30, 2013, section 2 shall be repealed and
6 section 3 shall take effect.

7

INTRODUCED BY: Rida Cabonilla

John M. Nigro

JAN 23 2009



Report Title:

Affordable Housing; Omnibus Bill

Description:

Appropriates funds for various homeless and housing programs and projects. Reestablishes the 50 percent 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.

