

JAN 23 2009

---

---

# 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



1 people who are considered hidden homeless or those who are at-  
2 risk of homelessness.

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

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

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



1 PART II

2 RENTAL HOUSING TRUST FUND

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

5 "**§247-7 Disposition of taxes.** All taxes collected under  
6 this chapter shall be paid into the state treasury to the credit  
7 of the general fund of the State, to be used and expended for  
8 the purposes for which the general fund was created and exists  
9 by law; provided that of the taxes collected each fiscal year:

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

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

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

21 (A) To natural area partnership and forest  
22 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.





## 1 PART V

## 2 MAINTENANCE, REPAIRS, AND RENOVATIONS

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

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

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

21 The sum appropriated shall be expended by the Hawaii public  
22 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:

Elizabeth Chen Oakland  
Noman Sakun



**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.

