

JAN 22 2010

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# A BILL FOR AN ACT

RELATING TO HOUSING.

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

1           SECTION 1. The legislature finds that state and city and  
2 county of Honolulu affordable and workforce housing requirements  
3 often result in significant delays prior to the start of  
4 construction. Some requirements are so onerous that in certain  
5 circumstances, the requirements prevent affordable and workforce  
6 housing from being built.

7           Senate Concurrent Resolution No. 132, S.D. 1 (2009)  
8 established a task force to determine the economic contributions  
9 of the construction industry in Hawaii. As directed in the  
10 concurrent resolution, the task force has developed a series of  
11 proposals for state actions to preserve and create new jobs in  
12 the local construction industry. The intent of this Act is to  
13 implement one of the task force's proposals.

14           Accordingly, the purpose of this Act is to provide  
15 temporary relief from county requirements to stimulate housing  
16 construction statewide.

17           SECTION 2. Section 46-15.1, Hawaii Revised Statutes, is  
18 amended by amending subsection (a) to read as follows:



1           "(a) Any law to the contrary notwithstanding, any county  
2 shall have and may exercise the same powers, subject to  
3 applicable limitations, as those granted the Hawaii housing  
4 finance and development corporation pursuant to chapter 201H  
5 insofar as those powers may be reasonably construed to be  
6 exercisable by a county for the purpose of developing,  
7 constructing, and providing low- and moderate-income housing;  
8 provided that no county shall be empowered to cause the State to  
9 issue general obligation bonds to finance a project pursuant to  
10 this section; provided further that county projects shall be  
11 granted an exemption from general excise or receipts taxes in  
12 the same manner as projects of the Hawaii housing finance and  
13 development corporation pursuant to section 201H-36; and  
14 provided further that section 201H-16 shall not apply to this  
15 section unless federal guidelines specifically provide local  
16 governments with that authorization and the authorization does  
17 not conflict with any state laws[-]; and provided further that  
18 the county affordable and workforce housing shall be reduced by  
19 forty per cent. The powers shall include the power, subject to  
20 applicable limitations, to:

- 21           (1) Develop and construct dwelling units, alone or in  
22                 partnership with developers;



- 1           (2) Acquire necessary land by lease, purchase, exchange,  
2                    or eminent domain;
- 3           (3) Provide assistance and aid to a public agency or other  
4                    person in developing and constructing new housing and  
5                    rehabilitating existing housing for elders of low- and  
6                    moderate-income, other persons of low- and moderate-  
7                    income, and persons displaced by any governmental  
8                    action, by making long-term mortgage or interim  
9                    construction loans available;
- 10          (4) Contract with any eligible bidders to provide for  
11                    construction of urgently needed housing for persons of  
12                    low- and moderate-income;
- 13          (5) Guarantee the top twenty-five per cent of the  
14                    principal balance of real property mortgage loans,  
15                    plus interest thereon, made to qualified borrowers by  
16                    qualified lenders;
- 17          (6) Enter into mortgage guarantee agreements with  
18                    appropriate officials of any agency or instrumentality  
19                    of the United States to induce those officials to  
20                    commit to insure or to insure mortgages under the  
21                    National Housing Act, as amended;



1           (7) Make a direct loan to any qualified buyer for the  
2           downpayment required by a private lender to be made by  
3           the borrower as a condition of obtaining a loan from  
4           the private lender in the purchase of residential  
5           property;

6           (8) Provide funds for a share, not to exceed fifty per  
7           cent, of the principal amount of a loan made to a  
8           qualified borrower by a private lender who is unable  
9           otherwise to lend the borrower sufficient funds at  
10          reasonable rates in the purchase of residential  
11          property; and

12          (9) Sell or lease completed dwelling units.

13          For purposes of this section, a limitation is applicable to  
14          the extent that it may reasonably be construed to apply to a  
15          county."

16          SECTION 3. Statutory material to be repealed is bracketed  
17          and stricken. New statutory material is underscored.

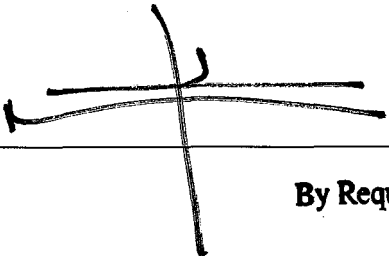
18          SECTION 4. This Act shall take effect upon its approval  
19          and shall be repealed on December 31, 2015, and section  
20          46-15.1(a), Hawaii Revised Statutes, shall be reenacted in the

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1 form in which it read on the day before the approval of this  
2 Act.  
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INTRODUCED BY:

  
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**By Request**



**Report Title:**

Construction Task Force; County Housing Requirements; Temporary Relief

**Description:**

Granting temporary relief from county housing requirements as recommended by the construction industry task force to stimulate housing construction statewide.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

