

JAN 18 2013

A BILL FOR AN ACT

RELATING TO AFFORDABLE HOUSING.

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

1 SECTION 1. The legislature finds that according to the
2 Hawaii housing planning study in 2011, there is an estimated
3 need for over 13,000 rental units by 2016 for households at or
4 below eighty per cent of the area median income. Project-based,
5 not tenant-based, rent subsidies to support the development of
6 new affordable housing are needed because they help lower-income
7 residents to make rental payments, and greatly enhance the
8 financial feasibility of developing affordable rental housing.

9 The rental assistance program is administered by the Hawaii
10 housing finance and development corporation pursuant to chapter
11 201H, subpart C, Hawaii Revised Statutes. The program provides
12 monthly rental assistance subsidies to assist eligible tenants
13 of projects under a program regulatory agreement to make their
14 rental payments. Eligible tenants are households at or below
15 eighty per cent of the area median income.

16 The subsidy averages from \$175 to \$250 per eligible tenant
17 per month. Currently, twelve projects totaling approximately
18 1,200 rental units have rental assistance program commitments.



1 The rental assistance program is funded by the rental assistance
2 revolving fund, which is administered by the Hawaii housing
3 finance and development corporation. Because of the lack of
4 available funds in the rental assistance revolving fund, the
5 corporation is not able to make any new project commitments.

6 The purpose of this Act is to implement the recommendation
7 of the Hawaii interagency council on homelessness to increase
8 funding for the rental assistance program so that additional
9 project commitments can be made to increase the availability of
10 affordable rental units with shallow rent subsidies.

11 SECTION 2. The director of finance is authorized to issue
12 general obligation bonds in the sum of \$ or so much
13 thereof as may be necessary and the same sum or so much thereof
14 as may be necessary is appropriated for fiscal year 2013-2014
15 for deposit into the rental assistance revolving fund
16 established pursuant to section 201H-123, Hawaii Revised
17 Statutes.

18 SECTION 3. The director of finance is authorized to issue
19 general obligation bonds in the sum of \$ or so much
20 thereof as may be necessary and the same sum or so much thereof
21 as may be necessary is appropriated for fiscal year 2014-2015
22 for deposit into the rental assistance revolving fund



1 established pursuant to section 201H-123, Hawaii Revised
2 Statutes.

3 SECTION 4. The sums appropriated shall be expended by the
4 Hawaii housing finance and development corporation for the
5 purposes of this Act.

6 SECTION 5. The appropriations made by this Act shall not
7 lapse at the end of the fiscal biennium for which the
8 appropriations are made; provided that all moneys from the
9 appropriations unencumbered as of June 30, 2016, shall lapse as
10 of that date.

11 SECTION 6. This Act shall take effect on July 1, 2013.

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INTRODUCED BY: Erizanne Chun Cleland

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S.B. NO. 303

Report Title:

Appropriation; State Rental Assistance Program; General
Obligation Bonds

Description:

Authorizes the issuance of general obligation bonds and the appropriation of funds into the rental assistance revolving fund for purposes of expanding the rental assistance program.

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

