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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 as to prevent  
5 affordable and workforce housing from being built.

6           In 2009, the legislature adopted senate concurrent  
7 resolution no. 132, S.D. 1, which established the construction  
8 industry task force (task force) to determine the economic value  
9 of the construction industry in Hawaii. As directed in the  
10 concurrent resolution, the task force was charged with  
11 developing a series of recommendations to stimulate the  
12 construction industry and create new jobs in the local  
13 construction industry. Unfortunately, to date, many of the task  
14 force's recommendations have yet to be enacted by the  
15 legislature. The intent of this Act is to enact and implement  
16 one of the recommendations of the task force in an effort to  
17 support the local construction industry.



1           The purpose of this Act is to provide temporary relief from  
2 county requirements for affordable and workforce housing to  
3 stimulate housing construction statewide.

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

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



1 the county affordable and workforce housing requirements shall  
2 be reduced by forty per cent. 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) Sell or lease completed dwelling units.

18          For purposes of this section, a limitation is applicable to  
19          the extent that it may reasonably be construed to apply to a  
20          county."

21          SECTION 3. Statutory material to be repealed is bracketed  
22          and stricken. New statutory material is underscored.



1 SECTION 4. This Act shall take effect upon its approval  
2 and shall be repealed on December 31, 2019; provided that  
3 section 46-15.1(a), Hawaii Revised Statutes, shall be reenacted  
4 in the form in which it read on the day before the approval date  
5 of this Act.

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INTRODUCED BY:

A handwritten signature in black ink, appearing to be 'J. Smith', written over a horizontal line.

By Request

JAN 10 2014



# H.B. NO. 1581

**Report Title:**

Construction Industry 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.*

