

JAN 18 2013

A BILL FOR AN ACT

RELATING TO ECONOMIC DEVELOPMENT.

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

1 SECTION 1. Chapter 201H, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§201H- Infrastructure program. (a) There is
5 established within the corporation an infrastructure program.

6 The program shall have the authority to:

7 (1) Make grants in its discretion to municipalities for:
8 design; construction; building; land acquisition;
9 rehabilitation; repair; and other improvements to
10 publicly-owned infrastructure, including but not
11 limited to: sewers; utility extensions; streets;
12 roads; curb cuts; parking; water treatment systems;
13 telecommunications systems; transit improvements; and
14 pedestrian and bicycle ways;

15 (2) Make grants in its discretion for commercial and
16 residential transportation and infrastructure
17 development, improvements, and various capital



1 investment projects under the growth districts
2 initiative administered by the corporation;
3 (3) Make grants in its discretion to match other public
4 and private funding sources to build or rehabilitate
5 transit-oriented housing located within one-quarter-
6 mile of a bus transit station or ferry terminal or
7 one-half mile of a rail transit station; provided that
8 at least fifty per cent of such housing shall be
9 affordable housing; and
10 (4) Assist municipalities in developing and advancing
11 projects that support job creation and expansion,
12 housing developments and rehabilitation, community
13 development, and small-town transportation projects;
14 provided that projects supporting smart growth as
15 defined by the State's sustainable development
16 principles shall be preferred.
17 (b) Grants made pursuant to this section shall only be for
18 projects affecting publicly-owned infrastructure located on
19 public land. Projects using grants made pursuant to this
20 section shall be procured by a municipality.
21 (c) The corporation shall provide at least one open
22 solicitation period every year to accept and consider grant



1 applications. Not less than twelve weeks before each open
2 solicitation period, the corporation shall release to the public
3 the criteria for the acceptance of applications. The criteria
4 shall include the following:

- 5 (1) A minimum project readiness standard;
- 6 (2) Overall spending targets by project type;
- 7 (3) Preferences for projects that adopt the State's
8 sustainable development principles; and
- 9 (4) Any other preferences or criteria the corporation
10 deems necessary or desirable.

11 Grants may be made outside of the open solicitation period at
12 the discretion of the executive director. The corporation shall
13 consult with the appropriate regional planning agency prior to
14 making a grant.

15 (d) An eligible municipality, acting by and through its
16 officers or by and through any agency designated by municipal
17 officers to act on their behalf, may apply for a grant in a
18 specific amount to fund a specified project. Two or more
19 municipalities may apply jointly with one municipality acting as
20 fiscal agent or through a regional planning agency acting as
21 fiscal agent. Grants made under this section may be in addition



1 to other forms of local, state, and federal assistance received
2 by the municipality.

3 (e) At least ten per cent of the grant funds made annually
4 by the corporation shall be to assist towns with populations of
5 twenty thousand or less in undertaking projects to design,
6 construct, reconstruct, widen, resurface, rehabilitate, and
7 improve roads or bridges or for the construction of agricultural
8 facilities that support economic or community development.

9 Grants to such towns shall not exceed \$1,000,000 and no town
10 shall receive more than one grant every three fiscal years. Two
11 or more towns eligible under this subsection may file a joint
12 application for a single project serving those towns; provided
13 that the total amount distributed to any one town shall not
14 exceed the maximum amount allowed under this subsection. A
15 town's receipt of a grant pursuant to a joint application shall
16 not preclude it from receiving additional funds under a separate
17 application.

18 (f) The executive director shall establish rules in
19 accordance with chapter 91 to govern the application for and
20 approval of grants under the program. The rules shall include
21 provisions for joint applications by two or more eligible



1 municipalities for a single project serving those
2 municipalities.

3 (g) The executive director shall include in its annual
4 report to the legislature, pursuant to section 201H-21(3), the
5 activities and status of the program. The report shall include
6 a list and description of all projects that received grant funds
7 under the program and for each project shall provide the
8 following information:

- 9 (1) The amount of the grant received;
- 10 (2) Any other sources of public funds that supported the
11 project;
- 12 (3) A detailed analysis of the economic impact of the
13 project including, where applicable, the number of
14 construction and full-time equivalent jobs to be
15 created, number of housing units to be created, and
16 identification of any private investment in the
17 project; and
- 18 (4) Tax revenues expected to be generated from the
19 project."

20 SECTION 2. New statutory material is underscored.

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1 SECTION 3. This Act shall take effect upon its approval.

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INTRODUCED BY:

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S.B. NO. 718

Report Title:

Hawaii Housing Finance and Development Corporation;
Infrastructure Program; Grants to Municipalities and Towns

Description:

Establishes an infrastructure program within the Hawaii housing finance and development corporation to make grants and provide assistance to municipalities for infrastructure projects on public land. Requires at least ten percent of grants be made to towns with populations of twenty thousand or less. Requires the Hawaii housing finance and development corporation to adopt rules pertaining to the application for and approval of grants. Requires the executive director of the Hawaii housing finance and development corporation to report annually to the legislature.

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

