
A BILL FOR AN ACT

RELATING TO A TRANSIT-ORIENTED DEVELOPMENT REVOLVING FUND.

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

1 SECTION 1. The purpose of this Act is to create a
2 no-interest loan revolving fund to provide loans for public-
3 private partnerships to support transit-oriented development,
4 which may be guaranteed by the department of budget and finance.

5 SECTION 2. Chapter 36, Hawaii Revised Statutes, is amended
6 by adding a new section to be appropriately designated and to
7 read as follows:

8 "§36- Transit-oriented development revolving loan fund.

9 (a) There is established the transit-oriented development
10 revolving loan fund to be administered by the director of
11 finance, into which shall be deposited:

12 (1) Appropriations made by the legislature;

13 (2) Private contributions;

14 (3) Loan payments;

15 (4) Other returns; and

16 (5) Moneys from the federal government and other sources.



1 (b) An amount from the fund to be set by the director may
2 be used for administrative expenses incurred by the department
3 in administering the fund; provided that moneys in the fund may
4 not be used to finance day-to-day administrative expenses of
5 projects allotted fund moneys.

6 (c) The fund shall be used to provide no-interest loans
7 for public-private partnerships intended for development, pre-
8 development, or construction of housing projects, and
9 infrastructure projects including regional sewer, water,
10 drainage systems, roads, and telecommunications and broadband to
11 expedite the building of transit-oriented development, and may
12 include guaranteed loans as designated in subsection (d).
13 Permitted uses of the funds may include planning, design, land
14 acquisition, costs of options, agreements of sale, or other
15 related services or activities that may be provided in rules
16 adopted by the department pursuant to chapter 91.

17 (d) The department may guarantee loans made by lenders
18 authorized to do business in the State to developers for the
19 purpose of developing and implementing transit-oriented
20 development projects that include housing if the following
21 conditions are met:



- 1 (1) The transit-oriented development projects are located
2 to areas as defined in (f);
- 3 (2) The lender has completed its due diligence in
4 approving the loan, including ensuring adequate
5 collateral;
- 6 (3) The lender must comply with all conditions as
7 determined by the department, which shall include the
8 following conditions:
- 9 (i) For any loan that finances operating costs, the
10 maximum term of the loan shall be ten years;
- 11 (ii) For any loan that finances capital improvement
12 costs, the maximum term of the loan shall be
13 twenty years;
- 14 (iii) The total principal amount of the guaranteed
15 portion of all loans outstanding at any time
16 shall not exceed \$8,500,000;
- 17 (4) The department may impose additional conditions that
18 the executive director deems reasonable to implement
19 the loan guaranty;
- 20 (5) The department may adopt rules pursuant to chapter 91
21 to implement this section.



1 (e) The department shall submit annual reports to the
2 legislature no later than twenty days prior to the convening of
3 each regular session describing the projects funded and its
4 efforts to achieve transit-oriented development.

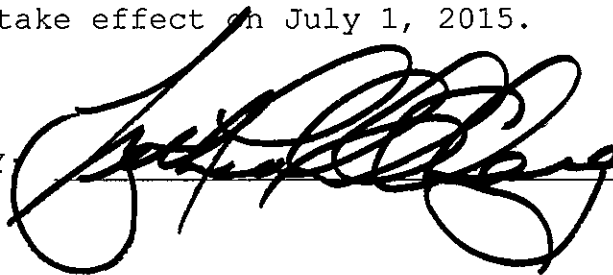
5 (f) For purposes of this section, "transit-oriented
6 development" means any development on one or more contiguous
7 parcels of land within one-half mile of a rail transit station."

8 SECTION 3. New statutory material is underscored.

9 SECTION 4. This Act shall take effect on July 1, 2015.

10

INTRODUCED BY



JAN 29 2015



H.B. NO. 1490

Report Title:

Transit-Oriented Development; Revolving Fund.

Description:

Creates the transit-oriented development revolving fund for public-private partnerships to incentivize construction one-half mile from a transit station. Zero-interest loan, guarantee available. Effective July 1, 2015.

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

