
A BILL FOR AN ACT

RELATING TO AFFORDABLE HOUSING.

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

1 **PART I**

2 SECTION 1. The legislature finds that affordable housing
3 is a serious concern for many Hawaii residents. According to
4 the 2011 *Hawaii Housing Planning Study*, up to 50,000 new housing
5 units will need to be built by 2016 to meet the new demand
6 generated by changing demographics and economic conditions.
7 Failure to produce sufficient units for low- and moderate-income
8 households will cause pent-up demand in these market segments.

9 The legislature also finds that according to the *Hawaii*
10 *Public Housing Authority Annual Report for Fiscal Year 2014*, the
11 Hawaii public housing authority's fifty-year-old public housing
12 stock is in need of repairs, with a backlog estimated at
13 \$754,000,000.

14 The purpose of this Act is to appropriate funds to various
15 housing agencies to increase the supply of affordable and public
16 housing units in the State and to support the State's housing
17 first programs in assisting Hawaii's chronically homeless who



1 are often the most vulnerable, most visible, and most difficult
2 to serve.

3 **PART II**

4 SECTION 2. The director of finance is authorized to issue
5 general obligation bonds in the sum of \$ or so much
6 thereof as may be necessary and the same sum or so much thereof
7 as may be necessary is appropriated for fiscal year 2015-2016
8 for deposit into the rental housing trust fund established
9 pursuant to section 201H-202, Hawaii Revised Statutes.

10 SECTION 3. There is appropriated out of the rental housing
11 trust fund the sum of \$ or so much thereof as may be
12 necessary for fiscal year 2015-2016 for the purposes set forth
13 in section 201H-202, Hawaii Revised Statutes.

14 The sum appropriated shall be expended by the Hawaii
15 housing finance and development corporation for the purposes of
16 this part.

17 **PART III**

18 SECTION 4. 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 2015-2016 to

1 be deposited into the dwelling unit revolving fund established
2 pursuant to section 201H-191, Hawaii Revised Statutes.

3 SECTION 5. There is appropriated out of the dwelling unit
4 revolving fund the sum of \$ or so much thereof as may be
5 necessary for fiscal year 2015-2016 for the development of
6 infrastructure and improvements of on-site and off-site
7 development.

8 The sum appropriated shall be expended by the Hawaii
9 housing finance and development corporation for the purposes of
10 this part.

11 PART IV

12 SECTION 6. The director of finance is authorized to issue
13 general obligation bonds in the sum of \$ or so much
14 thereof as may be necessary and the same sum or so much thereof
15 as may be necessary is appropriated for fiscal year 2015-2016
16 for the construction of micro apartment housing units.

17 For the purposes of this part, "micro apartment housing
18 unit" means a dwelling unit with a total floor area of not less
19 than two hundred twenty square feet, and not more than three
20 hundred twenty square feet for not more than two occupants, and
21 containing a separate closet, kitchen sink, cooking appliance,



1 refrigeration facilities, and separate bathroom containing a
2 toilet and a bathtub or shower. The minimum and maximum total
3 floor area shall increase an additional one hundred square feet
4 for each occupant in excess of two.

5 The sum appropriated shall be expended by the Hawaii
6 housing finance and development corporation for the purposes of
7 this part.

8 **PART V**

9 SECTION 7. The purpose of this part is to establish the
10 housing first voucher program and appropriate funds to the
11 department of human services to support the State's housing
12 first programs in assisting Hawaii's chronically homeless who
13 are often the most vulnerable, most visible, and most difficult
14 to serve.

15 SECTION 8. Chapter 346, Hawaii Revised Statutes, is
16 amended by adding a new section to be appropriately designated
17 and to read as follows:

18 **"§346- Housing first voucher program. (a) There is**
19 **established within the department, the housing first voucher**
20 **program to provide vouchers to provider agencies to assist**
21 **qualified individuals in obtaining rental housing.**



1 (b) The department shall:

2 (1) Contract with provider agencies or implement programs
3 within the department to locate and obtain rental
4 housing for qualified individuals; and

5 (2) Refer qualified individuals to provider agencies or
6 department programs with available housing first
7 vouchers.

8 (c) A provider agency or department program that receives
9 a housing first voucher under this section shall place qualified
10 individuals in rental housing units obtained by the provider
11 agency or department program and funded by housing first
12 vouchers. The provider agency or department program shall:

13 (1) Identify appropriate rental housing units;

14 (2) Enter into rental contracts with the landlord of the
15 identified units to be occupied by qualified
16 individuals;

17 (3) Make direct payments, funded by housing first
18 vouchers, to landlords pursuant to rental contracts
19 and chapter 521;

20 (4) Place qualified individuals in the rental housing
21 units; and



1 (5) Provide or arrange for appropriate support services to
2 successfully maintain the qualified individual's
3 tenancy.

4 (d) The contract between the provider agency or department
5 program and the landlord of the rental housing unit shall be
6 subject to chapter 521 and shall include the initial rent of the
7 unit, any redetermined rent of the unit, the contract term of
8 the unit, and the rights and responsibilities of the provider
9 agency or department program, landlord, and tenant.

10 (e) Any voucher issued under this section shall be
11 retained by the respective provider agency or department
12 program. In cases where a rental housing unit vacancy occurs,
13 the provider agency or department program shall identify a new
14 qualified individual to fill the vacancy and shall inform the
15 landlord. In the case of termination of the rental contract,
16 the landlord shall provide notice to the qualified individual
17 and the provider agency or department program pursuant to the
18 terms of the rental contract and chapter 521. The provider
19 agency or department program shall identify, obtain, and
20 contract for a replacement rental housing unit for the displaced
21 qualified individual.



1 (f) Voucher assistance payments under this section shall
2 be subject to the availability and appropriation of funds as
3 specified under the housing first special fund established under
4 section 346-377.

5 (g) The department shall adopt rules in accordance with
6 chapter 91 to implement this section.

7 (h) As used in this section:

8 "Qualified individual" means a chronically homeless
9 individual as defined in section 346-378 whom a provider agency
10 or department program deems qualified for placement in rental
11 housing under this section."

12 SECTION 9. There is appropriated out of the general
13 revenues of the State of Hawaii the sum of \$ or so much
14 thereof as may be necessary for fiscal year 2015-2016 and the
15 same sum or so much thereof as may be necessary for fiscal year
16 2016-2017 to be deposited to the credit of the housing first
17 special fund established under section 346-377, Hawaii Revised
18 Statutes.

19 SECTION 10. There is appropriated out of the housing first
20 special fund the sum of \$ or so much thereof as may be
21 necessary for fiscal year 2015-2016 and the same sum or so much



1 thereof as may be necessary for fiscal year 2016-2017 for the
2 department of human services to continue to administer housing
3 first programs for chronically homeless in the State.

4 The sums appropriated shall be expended by the department
5 of human services for the purposes of this part.

6 **PART VI**

7 SECTION 11. The appropriations made in parts II, III, and
8 IV of this Act shall not lapse at the end of the fiscal biennium
9 for which the appropriation are made; provided that all moneys
10 from the appropriation unencumbered as of June 30, 2018, shall
11 lapse as of that date.

12 SECTION 12. New statutory material is underscored.

13 SECTION 13. This Act shall take effect on July 1, 2050.



Report Title:

Appropriation; Kupuna Caucus; Housing Omnibus; Affordable Housing; Housing First

Description:

Authorizes the issuance of general obligation bonds and the appropriation of funds to finance affordable rental housing development, infrastructure development, construction of micro apartment housing units, and to continue to administer housing first programs for chronically homeless. Establishes and funds a Housing First Voucher Program in the Department of Human Services. (SB120 HD1)

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