

JAN 20 2016

S.B. NO. 2036

A BILL FOR AN ACT

AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS AND MAKING
AN APPROPRIATION FOR THE PURCHASE OF EAST KAUAI WORKFORCE
AFFORDABLE HOUSING.

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

1 SECTION 1. The legislature finds that the affordability
2 requirement of Courtyards at Waipouli, a workforce housing
3 project, expires in 2019. Courtyards at Waipouli was built to
4 satisfy an affordable housing zoning requirement to offset the
5 impacts of the Kauai Lagoons development (now known as Hokuala),
6 which was granted an entitlement for eight hundred fifty resort-
7 residential units. The county of Kauai has the first right of
8 refusal to purchase the workforce units, which enables the units
9 to be affordable to qualified families.

10 The legislature further finds that if the county of Kauai
11 does not purchase the units, and the units are allowed to be
12 sold or rented at market rates, the county of Kauai will have
13 eighty-two fewer units in its workforce housing inventory. This
14 would mean that the affordable housing inventory on Kauai's east
15 side would shrink rather than grow. Affordable housing is
16 desperately needed on Kauai, especially on its east side, where



1 the bulk of Kauai's population lives. Families who currently
2 reside in rented dwelling units at Courtyards at Waipouli at
3 affordable rates will effectively be evicted by 2019.

4 The legislature further finds that the county of Kauai and
5 its people will benefit if the county achieves its goal of an
6 ever-increasing inventory of workforce housing that is
7 affordable in perpetuity. While the county prefers to purchase
8 Courtyards at Waipouli, the purchase of other properties on the
9 east side of Kauai for use as affordable rental housing is a
10 reasonable alternative, if circumstances render the purchase of
11 Courtyards at Waipouli impossible.

12 The purpose of this Act is to ensure the availability of
13 affordable rental housing on the east side of the island of
14 Kauai by:

15 (1) Authorizing the issuance of general obligation bonds;
16 and

17 (2) Appropriating the moneys from the issuance of those
18 bonds to the county of Kauai for the purchase of
19 properties on the east side of the island of Kauai for
20 use as affordable rental housing.



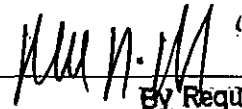
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1 SECTION 2. The director of finance is authorized to issue
2 general obligation bonds in the sum of \$5,000,000 or so much
3 thereof as may be necessary and the same sum or so much thereof
4 as may be necessary is appropriated for fiscal year 2016-2017
5 for the purpose of purchasing properties on the east side of the
6 island of Kauai for use as affordable rental housing.

7 SECTION 3. This Act shall take effect on July 1, 2016.

8

INTRODUCED BY: _____



By Request



S.B. NO. 2036

Report Title:

Kauai County Council Package; Affordable Housing; GO Bonds

Description:

Authorizes the issuance of general obligation bonds.
Appropriates moneys to the county of Kauai to ensure the availability of affordable rental housing on the east side of the island of Kauai.

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