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# A BILL FOR AN ACT

RELATING TO AN INFRASTRUCTURE DEVELOPMENT LOAN REVOLVING FUND.

**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 development loan revolving fund.

5           (a) There is established in the state treasury the  
6 infrastructure development loan revolving fund to be  
7 administered by the corporation for the purpose of making loans  
8 to developers to finance the costs of the infrastructure of  
9 qualified developments.

10           (b) The following shall be deposited into the  
11 infrastructure development loan revolving fund:

12           (1) Appropriations from the legislature;

13           (2) Moneys received as repayments of loans; and

14           (3) Investment earnings;

15           provided that the total amount of moneys in the fund shall not  
16 exceed \$ \_\_\_\_\_.



1        (c) Within thirty days of the completion of the qualified  
2 development, a developer who receives a loan under this section  
3 shall provide written notification to the corporation of the  
4 date upon which the qualified development was completed. Within  
5 one year after the date of notification of the development's  
6 completion, the corporation shall set:

- 7        (1) The commencement date for the repayment of the loan;
- 8        (2) A time period of more than twenty years for the  
9        repayment of the loan;
- 10       (3) The number of payments per year; and
- 11       (4) An annual interest rate of not more than the prime  
12       lending rate in effect at the time repayments are  
13       scheduled to commence.

14       (d) For the purposes of this section:  
15       "Infrastructure" includes water, drainage, sewer, waste  
16 disposal and waste treatment systems, roads, and street lighting  
17 and projects relating to that infrastructure.

18       "Qualified development" means a development in which:

- 19       (1) \_\_\_\_\_ per cent of the housing units in the development  
20       are rented to households with incomes at or below  
21       eighty per cent of the area median income as



1           determined by the United States Department of Housing  
2           and Urban Development; or  
3           (2)   per cent of the housing units in the development  
4           are sold in fee simple to households with incomes at  
5           or below one hundred forty per cent of the area median  
6           income as determined by the United States Department  
7           of Housing and Urban Development."

8           SECTION 2. There is appropriated out of the general  
9 revenues of the State of Hawaii the sum of \$           or so much  
10 thereof as may be necessary for fiscal year 2017-2018 for  
11 deposit into the infrastructure development loan revolving fund.

12           SECTION 3. There is appropriated out of the infrastructure  
13 development loan revolving fund the sum of \$           or so much  
14 thereof as may be necessary for fiscal year 2017-2018 and the  
15 same sum or so much thereof as may be necessary for fiscal year  
16 2018-2019 to implement this Act.

17           The sums appropriated shall be expended by the department  
18 of business, economic development, and tourism for the purposes  
19 of this Act.

20           SECTION 4. New statutory material is underscored.

21           SECTION 5. This Act shall take effect on July 1, 2030.



**Report Title:**

Affordable Housing; Revolving Fund; Loans; Development  
Infrastructure Costs; Department of Business, Economic  
Development, and Tourism

**Description:**

Establishes the Infrastructure Development Loan Revolving Fund  
to make loans to developers to finance the costs of the  
infrastructure of affordable rental and fee simple housing  
developments. Appropriates funds. (HB660 HD2)

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