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# A BILL FOR AN ACT

RELATING TO RESERVED HOUSING.

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

- 1           SECTION 1. Section 206E-4, Hawaii Revised Statutes, is  
2 amended to read as follows:
- 3           "**§206E-4 Powers; generally.** Except as otherwise limited  
4 by this chapter, the authority may:
- 5           (1) Sue and be sued;
- 6           (2) Have a seal and alter the same at pleasure;
- 7           (3) Make and execute contracts and all other instruments  
8 necessary or convenient for the exercise of its powers  
9 and functions under this chapter;
- 10           (4) Make and alter bylaws for its organization and  
11 internal management;
- 12           (5) Make rules with respect to its projects, operations,  
13 properties, and facilities, which rules shall be in  
14 conformance with chapter 91;
- 15           (6) Through its executive director appoint officers,  
16 agents, and employees, prescribe their duties and



- 1            qualifications, and fix their salaries, without regard  
2            to chapter 76;
- 3            (7) Prepare or cause to be prepared a community  
4            development plan for all designated community  
5            development districts;
- 6            (8) Acquire, reacquire, or contract to acquire or  
7            reacquire by grant or purchase real, personal, or  
8            mixed property or any interest therein; to own, hold,  
9            clear, improve, and rehabilitate, and to sell, assign,  
10           exchange, transfer, convey, lease, or otherwise  
11           dispose of or encumber the same;
- 12           (9) Acquire or reacquire by condemnation real, personal,  
13           or mixed property or any interest therein for public  
14           facilities, including but not limited to streets,  
15           sidewalks, parks, schools, and other public  
16           improvements;
- 17           (10) By itself, or in partnership with qualified persons,  
18           acquire, reacquire, construct, reconstruct,  
19           rehabilitate, improve, alter, or repair or provide for  
20           the construction, reconstruction, improvement,  
21           alteration, or repair of any project; own, hold, sell,



- 1 assign, transfer, convey, exchange, lease, or  
2 otherwise dispose of or encumber any project, and in  
3 the case of the sale of any project, accept a purchase  
4 money mortgage in connection therewith; and repurchase  
5 or otherwise acquire any project that the authority  
6 has theretofore sold or otherwise conveyed,  
7 transferred, or disposed of;
- 8 (11) Arrange or contract for the planning, replanning,  
9 opening, grading, or closing of streets, roads,  
10 roadways, alleys, or other places, or for the  
11 furnishing of facilities or for the acquisition of  
12 property or property rights or for the furnishing of  
13 property or services in connection with a project;
- 14 (12) Grant options to purchase any project or to renew any  
15 lease entered into by it in connection with any of its  
16 projects, on terms and conditions as it deems  
17 advisable;
- 18 (13) Prepare or cause to be prepared plans, specifications,  
19 designs, and estimates of costs for the construction,  
20 reconstruction, rehabilitation, improvement,  
21 alteration, or repair of any project, and from time to



- 1 time to modify the plans, specifications, designs, or  
2 estimates;
- 3 (14) Provide advisory, consultative, training, and  
4 educational services, technical assistance, and advice  
5 to any person, partnership, or corporation, either  
6 public or private, to carry out the purposes of this  
7 chapter, and engage the services of consultants on a  
8 contractual basis for rendering professional and  
9 technical assistance and advice;
- 10 (15) Procure insurance against any loss in connection with  
11 its property and other assets and operations in  
12 amounts and from insurers as it deems desirable;
- 13 (16) Contract for and accept gifts or grants in any form  
14 from any public agency or from any other source;
- 15 (17) Do any and all things necessary to carry out its  
16 purposes and exercise the powers given and granted in  
17 this chapter; and
- 18 (18) Allow satisfaction of any affordable housing  
19 requirements imposed by the authority upon any  
20 proposed development project through the construction  
21 of reserved housing, as defined in section 206E-101,



1 by a person on land located outside the geographic  
2 boundaries of the authority's jurisdiction[~~,- provided~~  
3 ~~that the~~] but the authority [~~may~~] shall not permit  
4 cash payments in lieu of providing reserved housing.  
5 The substituted housing shall be located on the same  
6 island as the development project and shall be  
7 substantially equal in value to the required reserved  
8 housing units that were to be developed on site. The  
9 authority shall establish the following priority in  
10 the development of reserved housing:  
11 (A) Within the community development district;  
12 (B) Within areas immediately surrounding the  
13 community development district;  
14 (C) Areas within the central urban core;  
15 (D) In outlying areas within the same island as the  
16 development project.

17 The Hawaii community development authority shall adopt  
18 rules relating to the approval of reserved housing that are  
19 developed outside of a community development district. The  
20 rules shall include, but are not limited to, the



1 establishment of guidelines to ensure compliance with the  
2 above priorities."

3 SECTION 2. Statutory material to be repealed is bracketed  
4 and stricken. New statutory material is underscored.

5 SECTION 3. This Act shall take effect on January 1, 2050.



**Report Title:**

Reserved Housing; Cash-in-Lieu Payment; HCDA

**Description:**

Prohibits the Hawaii Community Development Authority from allowing satisfaction of a development project's affordable housing requirement through a cash payment in lieu of providing reserved housing. (HB1349 HD1)

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

