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# A BILL FOR AN ACT

RELATING TO AFFORDABLE HOUSING.

**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 part II to be appropriately  
3 designated and to read as follows:  
4           "§201H-       Public-private development of projects. (a)  
5 The corporation may enter into partnerships with private sector  
6 entities in order to develop real property and construct  
7 dwelling units thereon; provided that not more than forty per  
8 cent of the total number of units in single-family projects  
9 sponsored by the partnership shall be first offered for rent to  
10 employees of the private sector entity. The percentage of units  
11 which are first offered for rent to employees of the private  
12 sector entity shall be equal to the percentage, up to forty per  
13 cent, of the private sector entity's capital contribution in the  
14 development of the project. For the purposes of this section,  
15 "private sector entity" means a partnership, firm, association,  
16 public or private corporation doing business in the State of  
17 Hawaii.



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1       (b) In working in partnership with a private sector  
2 entity, the corporation shall have sole control of the  
3 partnership, shall keep all books of the partnership, and shall  
4 ascertain all costs of the partnership, including the cost of  
5 services performed by the private sector entity, and the  
6 corporation shall audit the same. The private sector entity  
7 shall perform services for the partnership under the direction  
8 of the corporation and shall be reimbursed for all costs  
9 relating to the project as certified by the corporation,  
10 including administrative and overhead costs.

11       (c) All rental payments made by employees of the private  
12 sector entity shall be paid to the corporation.

13       (d) The units offered for rent to employees of the private  
14 sector entity must be rented to households with an income of up  
15 to fifty per cent of the area median income as determined by the  
16 United States Department of Housing and Urban Development.

17       (e) The corporation may adopt rules pursuant to chapter 91  
18 necessary to carry out the purposes of this section."

19       SECTION 2. New statutory material is underscored.

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1 SECTION 3. This Act shall take effect upon its approval.

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JAN 21 2020



# H.B. NO. 2182

**Report Title:**

Public Private Partnership; HHFDC; Low Income Housing

**Description:**

Allows the HHFDC to enter into public private partnerships with private sector entities to build affordable housing and reserves a portion of the housing units for the exclusive use of the employees of the private sector entity partner.

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

