

JAN 23 2020

A BILL FOR AN ACT

RELATING TO AFFORDABLE HOUSING.

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

1 SECTION 1. The legislature recognizes that Hawaii is
2 experiencing a severe affordable housing crisis with a lack of
3 affordable rental and sale units. Government must do all it can
4 to support affordable housing. Hawaii must build at least
5 twenty-two thousand affordable rental housing units by 2026.

6 According to the "Affordable Rental Housing Report and Ten-
7 Year Plan," prepared by the department of business, economic
8 development, and tourism (July 2018), housing demand is
9 projected to reach 64,693 units by 2025, with nearly seventy per
10 cent (43,828 units) needed for households earning eighty per
11 cent or less of the area median income.

12 The purpose of this Act is to require that when developers
13 make cash payments in lieu of providing the required reserved
14 housing units in the development of residential projects for the
15 Hawaii Community Development Authority, the cash payments shall
16 be deposited into the rental housing revolving fund.



1 SECTION 2. Section 206E-15, Hawaii Revised Statutes, is
2 amended to read as follows:

3 **"§206E-15 Residential projects; cooperative agreements.**

4 (a) If the authority deems it desirable to develop a
5 residential project, it may enter into an agreement with
6 qualified persons to construct, maintain, operate, or otherwise
7 dispose of the residential project. Sale, lease, or rental of
8 dwelling units in the project shall be as provided by the rules
9 established by the authority. The authority may enter into
10 cooperative agreements with the Hawaii housing finance and
11 development corporation for the financing, development,
12 construction, sale, lease, or rental of dwelling units and
13 projects.

14 (b) The authority may transfer the housing fees collected
15 from private residential developments for the provision of
16 housing for residents of low- or moderate-income to the Hawaii
17 housing finance and development corporation for the financing,
18 development, construction, sale, lease, or rental of such
19 housing within or without the community development districts.
20 The fees shall be used only for projects owned by the State or
21 owned or developed by a qualified nonprofit organization. For



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1 the purposes of this section, "nonprofit organization" means a
2 corporation, association, or other duly chartered organization
3 registered with the State, which organization has received
4 charitable status under the Internal Revenue Code of 1986, as
5 amended.

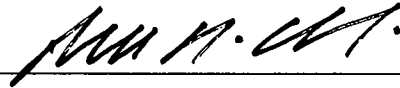
6 (c) Cash payments made by developers in lieu of providing
7 the required reserved housing units shall be deposited into the
8 rental housing revolving fund established under section 201H-
9 202."

10 SECTION 3. New statutory material is underscored.

11 SECTION 4. This Act shall take effect upon its approval.

12

INTRODUCED BY: _____



By Request



S.B. NO. 2965

Report Title:

HCDA; Reserved Housing; Cash-In-Lieu Payments; Deposit

Description:

Requires that when developers make cash payments in lieu of providing the required reserved housing units in the development of residential projects for the Hawaii Community Development Authority, the cash payments shall be deposited into the rental housing revolving fund.

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

