# A BILL FOR AN ACT

RELATING TO THE PUBLIC HOUSING AUTHORITY.

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

- 1 SECTION 1. Chapter 356D, Hawaii Revised Statutes, is
- 2 amended by adding a new section to part I to be appropriately
- 3 designated and to read as follows:
- 4 "§356D- Ceded lands; vacancy; development. (a) No
- 5 housing projects developed or constructed pursuant to this part
- 6 shall be developed or constructed on ceded land that is vacant
- 7 on or after January 1, 2022.
- 8 (b) For the purposes of this section, "housing project"
- 9 shall have the same meaning as that term is defined in section
- 10 356D-11."
- 11 SECTION 2. Section 356D-1, Hawaii Revised Statutes, is
- 12 amended by amending the definition of "public housing project",
- 13 "housing project", or "complex" to read as follows:
- ""Public housing project"[, "housing project",] or
- 15 "complex" means a housing project directly controlled, owned,
- 16 developed, or managed by the authority pursuant to any federally
- 17 assisted housing as defined in title 24 Code of Federal

- 1 Regulations section 5.100, but does not include state low-income
- 2 housing projects as defined in section 356D-51."
- 3 SECTION 3. Section 356D-11, Hawaii Revised Statutes, is
- 4 amended to read as follows:
- 5 "§356D-11 Development of property. (a) The authority, in
- 6 its own behalf or on behalf of any government, may:
- 7 (1) Clear, improve, and rehabilitate property; and
- 8 (2) Plan, develop, construct, and finance [public] housing
- 9 projects.
- 10 (b) The authority may develop public land in an
- 11 agricultural district subject to the prior approval of the land
- 12 use commission when developing lands greater than five acres in
- 13 size. The authority shall not develop state monuments,
- 14 historical sites, or parks. When the authority proposes to
- 15 develop public land, it shall file with the department of land
- 16 and natural resources a petition setting forth [such] that
- 17 purpose. The petition shall be conclusive proof that the
- 18 intended use is a public use superior to that to which the land
- 19 had been appropriated.

- 1 (c) The authority may develop or assist in the development
- 2 of federal lands with the approval of appropriate federal
- 3 authorities.
- 4 (d) The authority shall not develop any public land where
- 5 the development may endanger the receipt of any federal grant,
- 6 impair the eligibility of any government agency for a federal
- 7 grant, prevent the participation of the federal government in
- 8 any government program, or impair any covenant between the
- 9 government and the holder of any bond issued by the government.
- 10 (e) The authority may contract or sponsor with any county,
- 11 housing authority, or person, subject to the availability of
- 12 funds, [an experimental or demonstration] housing [project]
- 13 projects designed to meet the needs of elders, disabled,
- 14 displaced or homeless persons, low- and moderate-income persons,
- 15 government employees, teachers, or university and college
- 16 students and faculty.
- 17 (f) The authority may enter into contracts with eliqible
- 18 developers to develop [public] housing projects in exchange for
- 19 mixed use development rights. Eligibility of a developer for an
- 20 exchange pursuant to this subsection shall be determined

- 1 pursuant to rules adopted by the authority in accordance with
- 2 chapter 91.
- 3 As used in this subsection, "mixed use development rights"
- 4 means the right to develop a portion of a [public] housing
- 5 project for commercial use.
- 6 (q) The authority may develop, with an eligible developer,
- 7 or may assist under a government assistance program in the
- 8 development of, [public] housing projects. The land planning
- 9 activities of the authority shall be coordinated with the county
- 10 planning departments and the county land use plans, policies,
- 11 and ordinances.
- 12 Any person, if qualified, may act simultaneously as
- 13 developer and contractor.
- In selecting eligible developers or in contracting any
- 15 services or materials for the purposes of this subsection, the
- 16 authority shall be subject to all federal procurement laws and
- 17 regulations.
- 18 For purposes of this subsection, "government assistance
- 19 program" means a [public] housing program qualified by the
- 20 authority and administered or operated by the authority or the

- 1 United States or any of their political subdivisions, agencies,
- 2 or instrumentalities, corporate or otherwise.
- 3 (h) In connection with the development of any [public]
- 4 housing dwelling units under this chapter, the authority may
- 5 also develop commercial properties and industrial properties and
- 6 sell or lease other properties if it determines that the uses
- 7 will be an integral part of the [public] housing development or
- 8 a benefit to the community in which the properties are situated.
- 9 The authority may designate any portions of the [public] housing
- 10 development for commercial, industrial, or other use and shall
- 11 have all the powers granted under this chapter with respect
- 12 thereto. The authority may use any funding authorized under
- 13 this chapter to implement this subsection.
- 14 The net proceeds of all sales or leases, less costs to the
- 15 authority, shall be deposited in the public housing special fund
- 16 established by section 356D-28.
- 17 (i) For purposes of this section, "housing" or "housing
- 18 project" means any home, house, residence, building, apartment,
- 19 living quarters, abode, domicile, or dwelling unit that is
- 20 designed principally for the purposes of sheltering people."

- 1 SECTION 4. Section 356D-12, Hawaii Revised Statutes, is
- 2 amended to read as follows:
- 3 "[+] §356D-12[+] Development of property; additional
- 4 powers. (a) Notwithstanding any other law to the contrary,
- 5 whenever the bids submitted for the development or
- 6 rehabilitation of any [public] housing project authorized
- 7 pursuant to this chapter exceed the amount of funds available
- 8 for that project, the authority, with the approval of the
- 9 governor, may disregard the bids and enter into an agreement to
- 10 carry out the project, undertake the project, or participate in
- 11 the project under the agreement; provided that:
- 12 (1) The total cost of the agreement and the authority's
- participation, if any, shall not exceed the amount of
- funds available for the project; and
- 15 (2) If the agreement is with a nonbidder, the scope of the
- 16 project under agreement shall remain the same as that
- for which bids were originally requested.
- 18 (b) For purposes of this section, "housing project" shall
- 19 have the same meaning as that term is defined in section
- **20** 356D-11."

1 SECTION 5. Section 356D-12.5, Hawaii Revised Statutes, is 2 amended to read as follows: 3 "[{]§356D-12.5[}] Development of property; partnership or 4 development agreement. (a) Any [public] housing project may be 5 developed under sections 356D-11 and 356D-12 by the authority in 6 partnership or under a development agreement with a private 7 party; provided that a written partnership or development 8 agreement is executed by the authority. At a minimum, the 9 partnership or development agreement shall provide for: 10 A determination by the authority that the partnership 11 or development agreement is for a public purpose; and 12 (2) Final approval by the authority of the plans and 13 specifications for the [public] housing project. 14 For the development of [public] housing projects 15 pursuant to subsection (a), except as provided by federal law or 16 regulation, the authority shall not be subject to chapters 103 17 and 103D or any and all other requirements of law for 18 competitive bidding for partnership or development agreements,

construction contracts, or other contracts; provided that the

procurement of goods, services, and construction, consistent

authority shall develop internal policies and procedures for the

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- 1 with the goals of public accountability and public procurement
- 2 practices.
- 3 (c) The authority shall submit an annual report to the
- 4 legislature, no later than twenty days prior to the convening of
- 5 each regular session, on the status of all [public] housing
- 6 projects being developed using partnership or development
- 7 agreements pursuant to subsection (a).
- 8 (d) The authority may adopt rules pursuant to chapter 91
- 9 necessary for the purposes of this section.
- (e) For the purposes of this section, "housing project"
- 11 shall have the same meaning as that term is defined in section
- 12 356D-11."
- SECTION 6. Section 356D-71, Hawaii Revised Statutes, is
- 14 amended to read as follows:
- 15 "§356D-71 Resident selection; dwelling units; rentals. In
- 16 the administration of elder or elderly housing, the authority
- 17 shall observe the following with regard to resident selection,
- 18 dwelling units, and rentals:
- 19 (1) Except as provided in this section, the authority
- shall accept elder or elderly households as residents
- in the housing projects;

1	(2)	it may accept as residents in any dwelling unit one or
2		more persons, related or unrelated by blood or
3		marriage. It may also accept as a resident in any
4		dwelling unit or in any housing project, in the case
5		of illness or other disability of an elder who is a
6		resident in the dwelling unit or in the housing
7		project, a person designated by the elder as the
8		elder's live-in aide whose qualifications as a live-in
9		aide are verified by the authority, although the
10		person is not an elder; provided that the person shall
11		cease to be a resident therein upon the recovery of,
12		or removal from the housing project of, the elder;
13	(3)	It may rent or lease to an elder a dwelling unit
14		consisting of any number of rooms as the authority
15		deems necessary or advisable to provide safe and
16		sanitary accommodations to the proposed resident or
17		residents without overcrowding; and
18	(4)	Notwithstanding that the elder has no written rental
19		agreement or that the agreement has expired, during
20		hospitalization of the elder due to illness or other
21		disability so long as the elder continues to tender

l	the usual rent to the authority or proceeds to tender
2	receipts for rent lawfully withheld, no action or
3	proceeding to recover possession of the dwelling unit
4	may be maintained against the elder, nor shall the
5	authority otherwise cause the elder to quit the
6	dwelling unit involuntarily, demand an increase in
7	rent from the elder, or decrease the services to which
8	the elder has been entitled."
9	SECTION 7. Section 356D-102, Hawaii Revised Statutes, is
10	amended to read as follows:
11	"[+]§356D-102[+] Facilities and services by counties to
12	authority and tenants. Each county within which the authority
13	may own, operate, or administer any public housing project or
14	complex and to which, or for whose benefit, the authority or its
15	predecessors in interest has made (by payment to the county) or
16	may hereafter make, gifts or donations including any payment in
17	lieu of taxes, upon request of the authority, shall provide and
18	furnish to the authority in regard to every public housing
19	project or complex, and to the tenants and other occupants of
20	the <u>public</u> housing project, free of charge and without condition
21	or other requirement, all the facilities, services, and

- 1 privileges as it provides or furnishes, with or without charge
- 2 or other consideration, to any person or persons. The
- 3 facilities and services may include police protection, fire
- 4 protection, street lighting, paving maintenance, traffic
- 5 control, garbage or trash collection and disposal, use of
- 6 streets or highways, use of county incinerators or garbage
- 7 dumps, storm drainage, and sewage disposal. In addition, each
- 8 county, upon request of the authority and free of charge and
- 9 without condition or other requirement, shall open or close, but
- 10 not construct or reconstruct, streets, roads, highways, alleys,
- 11 or other facilities within any public housing project or complex
- 12 within the county. Nothing in this section shall be construed
- 13 to restrict or limit the power of the authority to agree to pay,
- 14 or to pay, for any and all of the facilities, services, and
- 15 privileges, if in its discretion it deems the payment
- 16 advisable."
- 17 SECTION 8. Statutory material to be repealed is bracketed
- 18 and stricken. New statutory material is underscored.
- 19 SECTION 9. This Act shall take effect upon its approval.

S.B. NO. 2251 S.D. 2 H.D. 2 C.D. 1

#### Report Title:

HPHA; Non-Subsidized Housing; Affordable Housing; Ceded Land; Vacant

#### Description:

Allows the Hawaii Public Housing Authority to develop mixedincome and mixed-financed housing projects. Prohibits the development or construction of housing projects on ceded land that is vacant on or after 1/1/2022. (CD1)

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