# A BILL FOR AN ACT

RELATING TO HOMELESSNESS.

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

1 SECTION 1. The legislature finds that homelessness is one 2 of the most pressing problems in Hawaii. Hawaii has the highest 3 homelessness rate in the nation, which is driven by insufficient 4 affordable housing. Through improved coordination and 5 investment in proven programs such as housing first, Hawaii is turning the tide on the homelessness crisis. In 2017, Hawaii 6 7 saw its first reduction in the rate of homelessness in years. 8 However, given the magnitude of homelessness in the State, 9 Hawaii must continue to increase investments in housing and 10 other supports to fully address homelessness.

11 Chronic homelessness is distinct from other forms of 12 homelessness and is defined by being continuously homeless for a 13 year or more, or having had at least four episodes of 14 homelessness in the past three years. The unaddressed problem 15 of chronic homeless is a particularly costly problem for Hawaii 16 that places a large burden on the State's health care and 17 emergency service systems. Addressing chronic homelessness



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across the State will result in significant cost savings for
 health care and emergency services systems and create a solid
 foundation for addressing other forms of homelessness.

4 The legislature also finds that, according to the Partners 5 in Care 2020 point in time report, Oahu has 3,257 chronically homeless individuals. Permanent supportive housing is the best 6 7 way to address chronic homelessness. Permanent supportive 8 housing is an approach to homelessness that integrates 9 permanent, affordable rental housing with best practice 10 community-based supportive services to allow individuals and 11 households who have serious and long-term disabilities such as 12 mental illnesses, developmental disabilities, physical 13 disabilities, substance use disorders, and chronic health 14 conditions to maintain stable housing in the community.

15 An initial investment of \$60,000,000 will cover the 16 development and construction costs of one hundred permanent 17 supportive housing units.

18 The purpose of this Act is to authorize the issuance of 19 general obligation bonds and appropriate bond proceeds to the 20 Hawaii public housing authority to begin the development and 21 construction with a qualified developer or operator of permanent



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supportive housing units to meet the housing needs individuals
 in the State, including those individuals who are exiting
 correctional facilities, those with several mental illness or
 developmental disabilities, and those who are stepping down from
 a higher level of care in institutional settings.

6 SECTION 2. The Hawaii housing finance and development 7 corporation shall consider any applicable competitive federal low-income housing tax credits allowed under section 42 of the 8 9 Internal Revenue Code of 1986, as amended, that are needed for the construction of permanent supportive housing units developed 10 11 and constructed pursuant to this Act to the Hawaii public 12 housing authority, the developer or operator partnered with the Hawaii public housing authority for the construction of 13 14 permanent supportive housing units, or both.

15 SECTION 3. (a) The Hawaii public housing authority shall 16 include the status of the development and operation of permanent 17 supportive housing units authorized under this Act in its annual 18 report to the legislature required pursuant to section 356D-20, 19 Hawaii Revised Statutes.

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(b) The department of land and natural resources shall
 assist the Hawaii public housing authority by providing suitable
 public lands for this project.

4 (c) The Hawaii public housing authority may partner with 5 other appropriate government and non-government entities to 6 ensure that sufficient and appropriate services are accounted 7 for in the development and operation of permanent supportive 8 housing units.

SECTION 4. The director of finance is authorized to issue 9 10 general obligation bonds in the sum of \$60,000,000 or so much thereof as may be necessary and the same sum or so much thereof 11 as may be necessary is appropriated for fiscal year 2022-2023 12 for the initial phase of development and construction of up to 13 14 one hundred permanent supportive housing units to meet the housing needs of individuals and families in the State, 15 16 including those who are exiting correctional facilities, those with several mental illness or developmental disabilities, and 17 18 those who are stepping down from a higher level of care in 19 institutional settings.

20 SECTION 5. The appropriation made for the capital
21 improvement project authorized by this Act shall not lapse at

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the end of the fiscal biennium for which the appropriation is
 made; provided that all moneys from the appropriation
 unencumbered as of June 30, 2024, shall lapse as of that date.
 SECTION 6. This Act shall take effect on July 1, 2050.



### Report Title:

Permanent Supportive Housing; Low-Income Housing Tax Credit; General Obligation Bonds; Hawaii Public Housing Authority

#### Description:

Authorizes the issuance of general obligation bonds for the development and construction of permanent supportive housing for certain vulnerable individuals. Requires the Hawaii Housing Finance and Development Corporation to consider the construction of permanent supportive housing for any available federal low-income housing tax credits. Effective 7/1/2050. (SD1)

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