

MAR 09 2023

SENATE CONCURRENT RESOLUTION

URGING THE HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION TO
PROMOTE SUPPORTIVE HOUSING IN THE STATE'S LOW-INCOME
HOUSING TAX CREDIT PROGRAM.

1 WHEREAS, supportive housing combines affordable housing
2 with access to services to help special-needs populations live
3 more stable and productive lives; and

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5 WHEREAS, supportive housing has been demonstrated to
6 decrease high use of emergency services and public systems,
7 generating significant cost savings to taxpayers; and

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9 WHEREAS, according to studies from the Hawaii Pathways
10 Project and City and County of Honolulu's Housing First Program,
11 supportive housing not only benefited individuals with improved
12 housing retention, health, and quality of life but also lowered
13 crime rates and reduced burdens and costs on already stretched
14 public systems; and

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16 WHEREAS, the low-income housing tax credit program is a
17 major financing tool for the construction or rehabilitation of
18 low-income rental units; and

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20 WHEREAS, as the State's low-income housing tax credit
21 administrator, the Hawaii Housing Finance and Development
22 Corporation developed a Qualified Allocation Plan, which sets
23 forth criteria to evaluate and allocate the low-income housing
24 tax credit to projects that meet the housing needs of the people
25 of the State; and

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27 WHEREAS, the Qualified Allocation Plan uses a point system
28 to rank projects based on the established evaluation criteria,
29 and up to two points are provided to projects that serve tenants
30 with special housing needs; and



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WHEREAS, however, occupancy of these special-needs housing units is restricted to special-needs tenants for the duration of the committed affordability period, which often extends beyond the low-income housing tax credit compliance period; and

WHEREAS, moreover, special-needs housing units must be occupied at all times by a special-needs tenant and must remain vacant until a special-needs tenant occupies the unit, regardless of whether there is a waitlist for the project for the other remaining units; and

WHEREAS, given the dearth of supportive housing units in low-income housing tax credit projects, these restrictions appear to hinder the provision of low-rent housing for special-needs populations; and

WHEREAS, amending the Qualified Allocation Plan could reduce development risks and encourage developers to build supportive housing; and

WHEREAS, the Qualified Allocation Plan could be amended to allow:

- (1) Developers to exert their best efforts to restrict the supportive housing units for special-needs tenants for the duration of the committed affordability period or low-income housing tax credit compliance period; and
- (2) For the application of a vacant-unit rule that would allow developers to rent a supportive housing unit to an income-eligible tenant after making reasonable attempts to rent the unit, or the next available unit, to a special-needs tenant; now, therefore,

BE IT RESOLVED by the Senate of the Thirty-second Legislature of the State of Hawaii, Regular Session of 2023, the House of Representatives concurring, that the Hawaii Housing Finance and Development Corporation is urged to promote supportive housing in the State's low-income housing tax credit program; and



S.C.R. NO. 54

1 BE IT FURTHER RESOLVED that the Hawaii Housing Finance and
2 Development Corporation is urged to amend the 2023-2024 Qualified
3 Application Plan for the low-income housing tax credit program
4 to facilitate supportive housing development; and

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6 BE IT FURTHER RESOLVED that certified copies of this
7 Concurrent Resolution be transmitted to the Chairperson of the
8 Board of Directors and Executive Director of the Hawaii Housing
9 Finance and Development Corporation.

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OFFERED BY: *MMO.M.*

By Request

