
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
2 continues to be one of Hawaii's most dire and persistent
3 challenges. Native Hawaiians are disproportionately affected by
4 the housing crisis. Although Native Hawaiians represent less
5 than twenty per cent of the State's population, according to the
6 2020 point-in-time count, Native Hawaiians represent over half
7 of all homeless individuals.

8 The legislature further finds that the Hawaiian Homes
9 Commission Act, 1920, as amended, was enacted by the United
10 States Congress to distribute benefits to native Hawaiians.
11 These benefits include establishing a government-sponsored
12 homesteading program. The department of Hawaiian home lands has
13 been granted the authority to lease, not sell, land to native
14 Hawaiian beneficiaries and provide financial assistance.
15 However, the legislature finds that, according to the 2020
16 department of Hawaiian home lands applicant survey,
17 approximately fifty per cent of applicants are considered "less



1 qualified" for a mortgage. Further, of those surveyed, thirteen
2 per cent desired to own a home and seven per cent desired a
3 Kupuna apartment or affordable rental. The legislature finds
4 that establishing a rent-with-option-to-purchase pilot program,
5 similar in nature to projects in Kapolei and west Hawaii island,
6 would greatly benefit native Hawaiian beneficiaries who are
7 homeless, or threatened with homelessness, and currently on the
8 department of Hawaiian home lands waiting list. The legislature
9 further finds that the department of Hawaiian home lands owns
10 lots that are available for development along the Leeward coast
11 of Oahu that might be suitable for this pilot program.

12 Accordingly, the purpose of this Act is to:

- 13 (1) Establish under the department of Hawaiian home lands
14 a rent-with-option-to-purchase pilot program on the
15 Leeward coast of Oahu to provide housing and services
16 to native Hawaiian beneficiaries, who are homeless, or
17 threatened with homelessness, and on the department of
18 Hawaiian home lands waiting list; and
- 19 (2) Appropriate funds to support the establishment of a
20 rent-with-option-to-purchase pilot program on the
21 Leeward coast of Oahu.



1 SECTION 2. (a) There is established the
2 rent-with-option-to-purchase pilot program on the Leeward coast
3 of Oahu under the department of Hawaiian home lands to provide
4 rent-with-option-to-purchase individual or shared micro housing
5 units and services to native Hawaiian beneficiaries who are
6 homeless, or threatened with homelessness, and on the department
7 of Hawaiian home lands waiting list. The department may
8 determine other eligibility requirements as necessary to carry
9 out the purposes of this Act.

10 (b) The department may purchase lands and shall retain the
11 authority to determine which lands to use for the rent-with-
12 option-to-purchase pilot program.

13 (c) The department shall establish any terms, conditions,
14 and requirements as necessary to facilitate the transfer of
15 ownership in a unit to the lessee upon expiration of the rental
16 term and the exercise of the option to purchase.

17 (d) The department may cooperate with any state
18 departments or agencies and private nonprofit organizations as
19 needed to expedite the development and operation of housing
20 under the rent-with-option-to-purchase pilot program, including
21 agencies with specific expertise in construction development and



1 agencies with specific expertise in administering homeless
2 services. The department may construct individual or
3 shared micro housing units, that shall be situated on the
4 Leeward coast of Oahu.

5 (e) The department may coordinate with public or private
6 entities, as appropriate, to develop and implement the
7 rent-with-option-to-purchase pilot program; provided that:

8 (1) The department may work with the appropriate
9 construction agency to ensure that the individual or
10 shared micro housing units' infrastructure needs are
11 met and minimize adverse impacts to the environment,
12 including nearshore resources such as corals, reef
13 fish, and seabirds;

14 (2) Use of the individual or shared micro housing units
15 may be used for affordable housing as may be
16 determined by the department; and

17 (3) The communities may allow for off-the-grid
18 technologies that can provide drinking water,
19 electricity, and process sewage without existing
20 infrastructure.



1 (f) The rent-with-option-to-purchase pilot program may
2 provide the following facilities and services:

3 (1) Secure dwelling spaces that:

4 (A) May be private or communal;

5 (B) Are designed aesthetically and constructed of
6 quality materials;

7 (C) Have access to toilets, showers, and other
8 hygiene facilities;

9 (D) Have access to adequate facilities that allow for
10 cooking and meal preparation; and

11 (E) Have common spaces that build community and
12 encourage sustainability;

13 (2) Medical and social support services; and

14 (3) Transportation to appointments related to medical care
15 or supportive services that are not available onsite.

16 (g) The department may consult with the department of
17 human services and department of health to administer the
18 rent-with-option-to-purchase pilot program pursuant to this
19 section.

20 (h) As used in this section:

21 "Department" means the department of Hawaiian home lands.



1 "Leeward coast" means lands on the island of Oahu west of
2 Kapolei.

3 "Threatened with homelessness" means lacking the resources
4 to maintain the mortgage, utility, taxes, or other expenses
5 associated with maintaining a residence.

6 (i) Nothing in this Act shall be construed to be
7 inconsistent with, or contrary to, any act of the Hawaiian Homes
8 Commission Act 1920, as amended, or any regulation promulgated
9 or standard established pursuant thereto.

10 (j) The rent-with-option-to-purchase pilot program shall
11 not be implemented with any funds from the \$600,000,000
12 appropriation made to the department of Hawaiian home lands
13 pursuant to Act 279, Session Laws of Hawaii 2022.

14 SECTION 3. There is appropriated out of the general
15 revenues of the State of Hawaii the sum of \$ or so
16 much thereof as may be necessary for fiscal year 2023-2024 and
17 the same sum or so much thereof as may be necessary for fiscal
18 year 2024-2025 to establish and administer the
19 rent-with-option-to-purchase pilot program on the Leeward coast
20 of Oahu.



1 The sums appropriated shall be expended by the department
2 of Hawaiian home lands for the purposes of this Act.

3 SECTION 4. This Act shall take effect on July 1, 2050.



Report Title:

DHHL; Rent-With-Option-To-Purchase Pilot Program; Leeward Coast of Oahu; Homelessness; Housing; Services; Appropriations

Description:

Requires the Department of Hawaiian Home Lands to establish the Rent-With-Option-To-Purchase Pilot Program on the Leeward Coast of Oahu to provide rent-with-option-to-purchase individual or shared micro housing units and services to native Hawaiian beneficiaries who are homeless, or threatened with homelessness, and who are on the Department of Hawaiian Home Lands waiting list. Appropriates funds. Effective 7/1/2050. (SD2)

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