

JAN 25 2023

A BILL FOR AN ACT

RELATING TO HOMELESSNESS.

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

1 PART I

2 SECTION 1. The legislature finds that homelessness
3 continues to be one of Hawaii's most dire and persistent
4 challenges. The legislature further finds that the solution to
5 homelessness lies in the creation of homes that are affordable,
6 even to individuals with very little income. However, three of
7 the biggest barriers to creating truly affordable housing for
8 those most in need are the high cost of construction per unit of
9 housing; a long and unpredictable planning and permitting
10 process that adds risk and costs for developers; and opponents
11 of housing projects who use the lengthy planning and permitting
12 process to block unwanted projects.

13 Despite these obstacles, Hawaii has unique advantages that
14 it can draw upon to end homelessness, particularly its strong
15 sense of family and community. Many people experiencing
16 homelessness build a community with each other where they can
17 and are accustomed to operating like a village, relying on each



1 other for safety and support. These supportive networks can be
2 leveraged to create village-style affordable housing, or
3 kauhale, that is less costly to construct and operate.
4 Expediting the creation of these kauhale, either through new
5 construction or adaptive re-use of existing buildings, can help
6 bring an end to Hawaii's homeless crisis.

7 The purpose of this Act is to:

- 8 (1) Authorize the Hawaii public housing authority to
9 establish a kauhale program to provide housing and
10 services to homeless individuals and families;
11 (2) Provide continued exemptions for low-income rental
12 units, tiny homes, and kauhale constructed pursuant to
13 the governor's 2015 and 2018 proclamations on
14 homelessness; and
15 (3) Appropriate funds for the establishment and
16 administration of the kauhale program.

17 PART II

18 SECTION 2. Chapter 356D, Hawaii Revised Statutes, is
19 amended by adding a new section to part I to be appropriately
20 designated and to read as follows:



1 "§356D- Kauhale program; authority to establish;
2 requirements. (a) The authority may establish a kauhale
3 program to provide individual or shared housing units and
4 support services to homeless individuals and families who meet
5 the definition of "chronically homeless", as defined by the
6 United States Department of Housing and Urban Development.

7 (b) The authority shall cooperate with any state
8 department or agency and private nonprofit organizations as
9 needed to expedite the development and operation of housing
10 under the kauhale program, including entities having specific
11 expertise in construction development and in administering
12 services for homeless persons. Any kauhale constructed under
13 this section shall be situated on public or private lands in
14 accordance with subsection (c); provided that the authority
15 shall identify at least three sites on Oahu and one site on each
16 of the islands of Hawaii, Kauai, and Maui for a kauhale.

17 (c) The authority may coordinate with public or private
18 entities, as appropriate, to develop and implement the kauhale
19 program; provided that:



1 (1) If any public land under the jurisdiction of a state
2 or county agency is determined to be suitable for use
3 as a kauhale, the authority shall:

4 (A) Work with the appropriate state or county agency
5 that controls the land to transfer the land
6 designated for use as a kauhale to an agency or
7 nonprofit organization whose mission is more
8 suited to the management of housing persons who
9 meet the definition of "chronically homeless";
10 and

11 (B) Work with the appropriate state or county agency
12 that controls the land and its construction
13 agency to ensure that the kauhale's
14 infrastructure needs are met and minimize adverse
15 impacts to the environment, including nearshore
16 resources such as corals, reef fish, and
17 seabirds;

18 (2) Use of any private lands determined to be suitable for
19 kauhale shall be for limited purposes and require a
20 written agreement between the authority and the
21 private landowner; provided that the private landowner



1 shall ensure the private lands shall be used for
2 affordable housing in perpetuity through a deed
3 restriction, easement, or other legally binding
4 measure; and

5 (3) The kauhale communities may allow for off-the-grid
6 technologies that can provide drinking water and
7 electricity and process sewage without existing
8 infrastructure.

9 (d) The kauhale program may provide the following
10 facilities and services at each site:

11 (1) Secure dwelling spaces that:

12 (A) May be private or communal;

13 (B) Are designed aesthetically and constructed of
14 quality materials;

15 (C) Have access to toilets, showers, and other
16 hygiene facilities;

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

19 (E) Have common spaces that build community and
20 encourage sustainability; and

21 (F) Include living units;



- 1 (2) Medical and social support services; and
- 2 (3) Transportation to appointments related to medical care
- 3 or supportive services that are not available onsite.

4 (e) The construction of living units pursuant to
5 section (d)(1)(F) shall be exempt from the requirements of
6 chapter 46, to the extent that any county ordinance, rule,
7 regulation, or provision that applies to any county permitting,
8 licensing, zoning, variance, processes, procedures, or fees, or
9 any other county requirements, hinder, delay, or impede the
10 purposes of this section; provided that:

- 11 (1) All construction shall conform to drawings and plans
- 12 stamped by licensed architects and engineers;
- 13 (2) Stamped drawings and plans shall be submitted to the
- 14 appropriate county planning and permitting agencies
- 15 for informational purposes;
- 16 (3) Submitted plans shall list any deviations from
- 17 existing county building codes; and
- 18 (4) No deviations from any county building codes that
- 19 relate to life safety shall be allowed.

20 (f) The authority may employ persons for the kauhale
21 program who are exempt from chapters 76, 89, and 89C.



1 (g) Any appropriations by the legislature for the kauhale
2 program shall be exempt from section 37-41.

3 (h) The state historic preservation division shall
4 prioritize the review of projects under the kauhale program and
5 shall complete its review of the projects within forty-five days
6 of initiating the review. If a review of a project under the
7 kauhale program is not completed by the state historic
8 preservation division within forty-five days of the division
9 initiating its review, the project shall be exempt from
10 chapter 6E; provided that the developer for the project shall
11 commission historical, cultural, and archaeological background
12 research and a field inspection report by a licensed
13 archaeologist; provided further that the report shall:

14 (1) Determine the likelihood that historic or cultural
15 assets may be affected by the project;

16 (2) Make cultural resource management recommendations if
17 historical or cultural assets are likely to be
18 affected by the project; and

19 (3) Shall be submitted to the state historic preservation
20 division for informational purposes.



1 (i) Projects shall be exempt from the land use
2 requirements of chapter 205; provided that the site plan for the
3 development of a project shall include measures to conform with
4 the purposes of the original classification of the land on which
5 the project is to be built.

6 (j) The kauhale program shall be exempt from the
7 requirements of chapters 206E and 346, and sections 102-2,
8 103-53, 103-55, 105-1 to 105-10, and 464-4.

9 (k) The authority may establish the following:

10 (1) The criteria that the authority will use to evaluate
11 potential kauhale projects;

12 (2) The evaluation criteria and process that the authority
13 intends to use each year when reviewing the success
14 and sustainability of the kauhale, including:

15 (A) Occupancy rates; and

16 (B) Effectiveness of support services provided
17 through the kauhale; and

18 (3) The monitoring and oversight controls that the
19 authority will have over the kauhale to identify,
20 address, and prevent possible fraud, waste, and abuse



1 and ensure compliance with federal, state, and local
2 laws.

3 (1) The authority may establish a community advisory
4 committee for the kauhale program to advise and assist the
5 authority, which may comprise the following invited members to
6 be appointed by the governor in accordance with section 26-34:

7 (1) Two nonprofit developers of affordable housing;

8 (2) Two nonprofit homeless services providers;

9 (3) One representative of Partners in Care;

10 (4) One representative of Bridging the Gap Hawaii; and

11 (5) Two individuals who are currently experiencing or have
12 experienced homelessness within twenty-four months
13 prior to invitation and appointment.

14 (m) If exercising its authority under this section to
15 establish a kauhale program, the authority shall submit reports
16 to the legislature no later than twenty days prior to the
17 convening of each regular session, beginning with the regular
18 session of 2024.

19 (n) The report submitted no later than twenty days prior
20 to the convening of the regular session of 2024 shall include
21 the following information:



- 1 (1) A summary and explanation of the process that the
2 authority engaged in to identify possible kauhale
3 locations; and
- 4 (2) A summary of the information required under
5 subsection (k).
- 6 (o) The reports submitted no later than twenty days prior
7 to the convening of each regular session following the regular
8 session of 2024 shall include the following information:
- 9 (1) Any milestones that were met by the authority and by
10 any kauhale established during the fiscal year;
- 11 (2) An evaluation of the kauhale to determine whether the
12 objectives set have been met or exceeded; and
- 13 (3) An assessment of the impact of the kauhale model on
14 the homelessness problem in the State.
- 15 (p) The authority shall consult with the department of
16 human services and department of health to administer the
17 kauhale program pursuant to this section; provided that the
18 homeless programs office of the department of human services
19 shall administer kauhale operations, including the provision of
20 supportive services under the kauhale program.



1 (q) As used in this section, "kauhale" means individual or
 2 shared housing units and support services for homeless
 3 individuals and families who meet the definition of "chronically
 4 homeless", as defined by the United States Department of Housing
 5 and Urban Development. The term includes housing typically
 6 found in urban environments, such as single room occupancy
 7 buildings, dormitory-style buildings, and multi-unit buildings."

PART III

9 SECTION 3. All low-income rental units, tiny home
 10 villages, and kauhale built pursuant to the governor's 2015 and
 11 2018 proclamations on homelessness shall be exempt from the
 12 following provisions of the Hawaii Revised Statutes; provided
 13 that the permanent housing created under the governor's
 14 proclamations on homelessness shall be safe, sanitary, and
 15 suitable for human habitation:

- 16 (1) Chapter 6E, historic preservation;
- 17 (2) Section 37-41, appropriations to revert to state
- 18 treasury;
- 19 (3) Section 37-74(d), program execution, except for
- 20 sections 37-74(d)(2) and 37-74(d)(3), and any
- 21 transfers or changes shall be considered authorized



- 1 transfers or changes for purposes of
2 section 34-74(d)(1) for legislative reporting
3 requirements;
- 4 (4) Section 40-66, lapsing of appropriations;
- 5 (5) Chapter 46, county organization and administration, to
6 the extent that any county ordinance, rule,
7 regulation, or provision that applies to any county
8 permitting, licensing, zoning, variance, processes,
9 procedures, or fees, or any other county requirements,
10 hinder, delay, or impede the purposes of this Act;
- 11 (6) Chapter 76, civil service;
- 12 (7) Chapter 89, collective bargaining in public
13 employment;
- 14 (8) Chapter 89C, public officers and employees excluded
15 from collective bargaining;
- 16 (9) Chapter 92, public agency meetings and records, to the
17 extent that any notice requirements or any other
18 provisions of chapter 92 may delay the expeditious
19 action, decision, or approval of any agency;
- 20 (10) Section 102-2, contracts for concessions in government
21 buildings; bid requirements;



- 1 (11) Section 103-2, general fund;
- 2 (12) Section 103-53, contracts with the State or counties;
- 3 tax clearances, assignments;
- 4 (13) Section 103-55, wages, hours, and working conditions
- 5 of employees of contractors performing services;
- 6 (14) Chapter 103D, Hawaii public procurement code;
- 7 (15) Chapter 103F, purchases of health and human services;
- 8 (16) Chapter 104, wages and hours of employees on public
- 9 works;
- 10 (17) Sections 105-1 to 105-10, use of government motor
- 11 vehicles, limitations;
- 12 (18) Section 127A-30, rental or sale of essential
- 13 commodities during a state of emergency; prohibition
- 14 against price increases;
- 15 (19) Chapter 171, public lands;
- 16 (20) Chapter 205, land use commission;
- 17 (21) Chapter 205A, coastal zone management;
- 18 (22) Chapter 206E, Hawaii community development authority;
- 19 (23) Chapter 343, environmental impact statements;
- 20 (24) Chapter 346, social services;



1 (25) Section 464-4, public works required to be supervised
 2 by certain professionals; and
 3 (26) Sections 601-1.5, 708-817, 708-818, 708-820,
 4 708-830.5, and 708-840, to the extent that these
 5 sections contain provisions for the suspension,
 6 tolling, extension, or granting of relief from
 7 deadlines, time schedules, or filing requirements in
 8 civil, criminal, or administrative matters before the
 9 courts of the State, or to the extent that these
 10 sections contain provisions for criminal penalties
 11 that are automatically heightened by reason of any
 12 declared disaster or emergency.

13 PART IV

14 SECTION 4. The governor may by executive order identify
 15 and transfer to the Hawaii public housing authority suitable
 16 lands upon which the authority may construct kauhale in
 17 accordance with section 356D- , Hawaii Revised Statutes.

18 PART V

19 SECTION 5. There is appropriated out of the general
 20 revenues of the State of Hawaii the sum of \$ or so
 21 much thereof as may be necessary for fiscal year 2023-2024 and



1 the same sum or so much thereof as may be necessary for fiscal
2 year 2024-2025 to establish and administer the kauhale program
3 authorized under part II of this Act.

4 The sums appropriated shall be expended by the Hawaii
5 public housing authority for the purposes of this Act.

6 SECTION 6. New statutory material is underscored.

7 SECTION 7. This Act shall take effect on July 1, 2023.

8

INTRODUCED BY:

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S.B. NO. 1617

Report Title:

Homelessness; Housing; Services; Kauhale Program; Hawaii Public Housing Authority; Appropriation

Description:

Authorizes the Hawaii Public Housing Authority, in consultation with the Department of Human Services and Department of Health, to establish and administer the kauhale program to provide individual or shared housing units and support services to homeless individuals and families who meet the definition of "chronically homeless". Authorizes the Hawaii Public Housing Authority to establish an advisory committee. Requires reports to the Legislature. Exempts existing low-income rental units, tiny home villages, and kauhale from certain provisions of the HRS, consistent with the Governor's 2015 and 2018 proclamations on homelessness. Appropriates funds.

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

