
A BILL FOR AN ACT

RELATING TO HOUSING.

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

1 PART I

2 SECTION 1. The legislature finds that Hawaii has the
3 highest homelessness rate per capita in the nation. The 2024
4 Point In Time Count showed a total of 6,389 people experiencing
5 homelessness in the State. The majority of the homeless are on
6 Oahu with 4,494, followed by Hawaii with seven hundred eighteen,
7 Maui with six hundred fifty-four, and Kauai with five hundred
8 twenty-three homeless individuals. Between 2023 and 2024, there
9 was a twelve per cent increase in the number of people
10 experiencing homelessness on Oahu. Sixty-two per cent of Oahu's
11 homeless were unsheltered, and thirty-eight per cent were
12 sheltered.

13 The legislature under Act 209, Session Laws of Hawaii 2018,
14 established the ohana zones pilot program, which initially
15 appropriated \$30,000,000 to fund nonprofit and county government
16 programs aimed to reduce homelessness. Act 128, Session Laws of
17 Hawaii 2019, expanded the use of ohana zone funds to include



1 private lands and appropriated \$2,000,000 for the construction
2 of modular temporary units, renovation of existing structures on
3 public lands, or creation of infrastructure to make land
4 suitable for temporary housing. The ohana zones pilot program
5 was extended from 2021 to 2023. The legislature finds that in
6 addition to the six mandated housing sites in the ohana zones
7 pilot program, fourteen additional programs were established.

8 Act 235, Session Laws of Hawaii 2022, further extended the
9 ohana zones pilot program through June 30, 2026, and provided an
10 additional \$15,000,000 to fund services. In 2023, the
11 legislature also set aside \$5,000,000 to fund a supportive
12 housing pilot program designed to address individuals with
13 special housing needs, including individuals with alcohol or
14 drug addiction; individuals transitioning from incarceration;
15 youth aging out of foster care; domestic violence survivors;
16 veterans; individuals with intellectual, developmental, physical
17 disabilities, or mental illness; frail elderly; and chronically
18 homeless individuals. In 2023, the legislature also set aside
19 \$25,000,000 to fund the kauhale initiative to create deeply
20 affordable spaces for housing and healing the houseless. At
21 that time, kauhale was defined as "communal living spaces, with



1 modest housing units for individual households and shared space
2 for cooking, eating, recreation, growing food, and engaging in
3 group activities". As proposed, kauhale was envisioned as
4 "prefabricated homes, or other modest, low-cost housing unit",
5 but "could also be created in an existing apartment, dormitory,
6 or office building, so long as there is communal space and an
7 investment in building communal responsibility." Over time, the
8 kauhale initiative has evolved to a range of responses for
9 homeless individuals and families and those at risk of
10 homelessness. Kauhale now include temporary, time-limited
11 options such as emergency shelter, medical respite, and mobile
12 outreach and navigation, as well as long-term solutions such as
13 supportive housing and affordable housing targeting extremely
14 low-income households.

15 The legislature further finds that among the important
16 principles of the State's kauhale initiative is building
17 partnerships between government and community, providing
18 affordable spaces for housing and healing, and fostering
19 belonging and responsibility. Every kauhale is a partnership
20 between government and community with flexible state funding



1 used to empower community champions to fill resource gaps where
2 needed.

3 The legislature also finds that to ensure there is capacity
4 within the State to meet the needs for long-term solutions to
5 homelessness and the risk of homelessness, it is necessary for
6 the State to develop the capacity of its affordable housing
7 financing and development agency to work with developers to
8 create additional supportive housing units.

9 Accordingly, the purpose of this Act is to appropriate
10 funds for:

11 (1) The continued implementation of:

12 (A) The kauhale initiative; and

13 (B) The ohana zones pilot program established under
14 Act 209, Session Laws of Hawaii 2018; and

15 (2) The development, operation, and maintenance of
16 affordable, supportive housing projects and the
17 provision of supportive services for households with
18 special needs who reside in the supportive housing
19 projects.

20 PART II



SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$ or so much thereof as may be necessary for fiscal year 2025-2026 and the same sum or so much thereof as may be necessary for fiscal year 2026-2027 for the continued operation of the kauhale initiative, including expenses related to:

- (1) The development and operation of kauhale;
- (2) The provision of project-based rent supplement payments;
- (3) The provision of support services for qualified individuals and families in kauhale;
- (4) Staffing and related costs to administer the kauhale initiative;
- (5) Addressing basic needs of individuals and families experiencing homelessness;
- (6) Wrap around services;
- (7) Social and health care services;
- (8) Transportation; and
- (9) Other services with the goal of alleviating poverty and transitioning individuals and families



1 experiencing homelessness or housing instability into
2 supportive or affordable housing.

3 The sums appropriated shall be expended by the office of
4 the governor for the purposes of this part.

5 SECTION 3. There is appropriated out of the general
6 revenues of the State of Hawaii the sum of \$ or so
7 much thereof as may be necessary for fiscal year 2025-2026 and
8 the same sum or so much thereof as may be necessary for fiscal
9 year 2026-2027 for the continued implementation of the ohana
10 zones pilot program established under Act 209, Session Laws of
11 Hawaii 2018.

12 The sums appropriated shall be expended by the office of
13 the governor for the purposes of this Act.

14 PART III

15 SECTION 4. The legislature finds that combining affordable
16 housing with access to services to help special needs
17 populations, such as individuals with alcohol or drug addiction;
18 individuals transitioning from incarceration; youth aging out of
19 foster care; domestic violence survivors; veterans; individuals
20 with intellectual, developmental, physical disabilities, or



1 mental illness; frail elderly; and chronically homeless
2 individuals, live more stable and productive lives.

3 The legislature further finds that the Hawaii housing
4 finance and development corporation administers various programs
5 to finance mixed-income rental housing developments. Providing
6 funding will enable the Hawaii housing finance and development
7 corporation to facilitate the development of supportive housing
8 units in stand-alone projects or integrated in mixed-income
9 rental housing projects.

10 The purpose of this part is to appropriate funds for the
11 development, operation, and maintenance of affordable,
12 supportive housing projects and the provision of supportive
13 services for households with special needs who reside in the
14 supportive housing projects.

15 SECTION 5. There is appropriated out of the general
16 revenues of the State of Hawaii the sum of \$ or so
17 much thereof as may be necessary for fiscal year 2025-2026 and
18 the same sum or so much thereof as may be necessary for fiscal
19 year 2026-2027 for the development, operation, and maintenance
20 of affordable, supportive housing projects and the provision of



1 supportive services for households with special needs who reside
2 in the supportive housing projects.

3 The sums appropriated shall be expended by the Hawaii
4 housing finance and development corporation for the purposes of
5 this part.

6 PART IV

7 SECTION 6. This Act shall take effect on June 29, 3000;
8 provided that sections 2, 3, and 5 shall take effect on July 1,
9 3000.



Report Title:

Office of the Governor; HHFDC; Housing; Kauhale Initiative;
Ohana Zones Pilot Program; Supportive Housing; Appropriations

Description:

Appropriates funds to the Office of the Governor for the continued implementation of the Kauhale Initiative and Ohana Zones Pilot Program. Appropriates funds to the Hawaii Housing Finance and Development Corporation for the development of supportive housing projects and provision of supportive services for certain households in the supportive housing projects. Effective 6/29/3000. (SD1)

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