

JAN 15 2025

A BILL FOR AN ACT

RELATING TO THE RENTAL HOUSING REVOLVING FUND.

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

1 SECTION 1. Section 201H-204, Hawaii Revised Statutes, is
2 amended to read as follows:

3 " ~~[+] §201H-204 []~~ Eligible projects. (a) Activities
4 eligible for assistance from the fund shall include but not be
5 limited to:

6 (1) New construction, rehabilitation, or preservation of
7 low-income rental housing units that meet the criteria
8 for eligibility described in subsection (c);

9 (2) The leveraging of moneys with the use of fund assets;

10 (3) Pre-development activity grants or loans to nonprofit
11 organizations; and

12 (4) Acquisition of housing units for the purpose of
13 preservation as low-income or very low-income housing.

14 (b) Preference shall be given to projects ~~[producing units~~
15 ~~in at least one of the following categories:~~

16 ~~(1) Multifamily units;~~

17 ~~(2) Attached single family units;~~



- 1 ~~(3) Apartments;~~
- 2 ~~(4) Townhouses;~~
- 3 ~~(5) Housing units above commercial or industrial space;~~
- 4 ~~(6) Single room occupancy units;~~
- 5 ~~(7) Accessory apartment units;~~
- 6 ~~(8) Employee housing;~~
- 7 ~~(9) United States Department of Housing and Urban~~
- 8 ~~Development mixed finance development of public~~
- 9 ~~housing units; and~~
- 10 ~~(10) Other types of units meeting the criteria for~~
- 11 ~~eligibility set forth in subsection (e).]~~

12 meeting the following criteria:

- 13 (1) Multifamily units near stations of a locally preferred
- 14 alternative of a mass transit project;
- 15 (2) State- or county-owned projects;
- 16 (3) Projects that are required to be conveyed to the State
- 17 or a county at a definite time;
- 18 (4) Projects owned by an organization obliged to use all
- 19 financial surplus generated by the project to
- 20 construct, manage, or rehabilitate owner- or renter-
- 21 occupied housing in the State;



- 1 (5) Projects with a perpetual affordability commitment;
- 2 and
- 3 (6) Projects of applicant developers who request loan
- 4 terms no longer than five years.

5 [~~(e) The corporation shall establish an application~~
6 ~~process for fund allocation that gives preference to projects~~
7 ~~meeting the following criteria that are listed in descending~~
8 ~~order of priority:~~

- 9 ~~(1) Serve the original target group;~~
- 10 ~~(2) Provide at least five per cent of the total number of~~
- 11 ~~units for persons and families with incomes at or~~
- 12 ~~below thirty per cent of the median family income;~~
- 13 ~~(3) Provide the maximum number of units for persons or~~
- 14 ~~families with incomes at or below eighty per cent of~~
- 15 ~~the median family income;~~
- 16 ~~(4) Are committed to serving the target group over a~~
- 17 ~~longer period of time;~~
- 18 ~~(5) Increase the integration of income levels of the~~
- 19 ~~immediate community area;~~



- 1 ~~(6) Meet the geographic needs of the target group of the~~
- 2 ~~proposed rental housing project, such as proximity to~~
- 3 ~~employment centers and services; and~~
- 4 ~~(7) Have favorable past performance in developing, owning,~~
- 5 ~~managing, or maintaining affordable rental housing.~~

6 ~~The corporation may include other criteria as it deems~~
 7 ~~necessary to carry out the purposes of this subpart.~~

8 ~~If the corporation, after applying the process described in~~
 9 ~~this subsection, finds a nonprofit project equally ranked with a~~
 10 ~~for-profit or government project, the corporation shall give~~
 11 ~~preference to the nonprofit project in allotting fund moneys.] "~~

12 SECTION 2. Statutory material to be repealed is bracketed
 13 and stricken. New statutory material is underscored.

14 SECTION 3. This Act shall take effect upon its approval.

15

INTRODUCED BY: ASL

S.B. NO. 71

Report Title:

RHRF; Preference Criteria; Eligibility

Description:

Amends the preference criteria and eligibility requirements for applicant developers seeking assistance from the Rental Housing Revolving Fund.

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