

ACT 25

S. B. 117.

A Bill for an Act Relating to Housing.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. This Act is hereby declared to be an urgency measure deemed necessary in the public interest within the meaning of section 11 of Article III of the Constitution of the State of Hawaii.

The following is a statement of the facts constituting such urgency:

There is a pressing need for development in the community of housing in the low and moderate cost ranges. A major approach to developing such housing can be found in federally funded programs to provide housing. A difficulty in carrying out at the local level, such housing projects is that before

federal funds can be obtained "seed money" must be raised to pay preliminary costs. Through the utilization of a development fund, this "seed money" can be raised. It is urgent and in the public interest to create a development fund to begin to meet the great demand for low and middle cost housing.

SECTION 2. Chapter 77 of the Revised Laws of Hawaii 1955 is amended by adding the following section to be appropriately designated and to read as follows:

§ 77- . Housing development fund created. There shall be a revolving fund to be known as the Hawaii development revolving fund for housing which shall be administered by the Hawaii housing authority. The fund may be used to make loans for the planning, development, and initial costs of commencing projects to provide nonprofit, low and middle cost housing through the use of federal funds. In managing the fund, the Hawaii housing authority may cooperate with other public and private agencies or individuals and may enter into secured loan agreements with them; provided that no single loan for a project shall exceed three-fourths of one per cent of the project cost. All repayments of principal and interest on loans made by the Hawaii housing authority from the fund shall be placed in the Hawaii development revolving fund for housing to be used for the purposes of this section."

SECTION 3. The sum of \$100,000 or so much thereof as may be necessary is appropriated to the Hawaii housing authority for the purposes of this Act.

SECTION 4. This Act shall take effect upon its approval.
(Approved May 7, 1968.)