

ACT 261

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H. B. NO. 392

A Bill for an Act Relating to Funds for the Initial Costs to Develop Low and Middle Cost Public Housing.

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

SECTION 1. Act 25, Session Laws of Hawaii 1968, is amended by amending the new section therein to read as follows:

“Sec. 77- . Housing development fund created. (a) 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. All repayments or 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.

(b) The Hawaii housing authority may make loans to cover planning, development, and initial costs of commencing projects to provide non-profit, low and middle cost housing through the use of federal funds. In managing the fund, the authority may cooperate with other public and private agencies or individuals and may enter into loan agreements with them. The necessity for the extent and nature of security required for a loan shall be determined by the authority. The security may include, but is not limited to, a borrowing resolution of the non-profit entity.

The foregoing powers are subject, however, to the following restrictions and limitations:

(1) No single loan shall exceed two per cent of the project cost;

(2) The loan shall be repaid with simple interest in the amount of six per cent per year;

(3) The monies loaned shall be used only for the planning, development, and initial costs of commencing projects to provide non-profit low and middle cost housing.

The authority may in accord with chapter 6C make rules and regulations to carry out the purposes of this Act.”

SECTION 2. Notwithstanding the adoption of Act 16, Session Laws of Hawaii 1968, this Act shall have full force according to its intent. Upon the taking effect of this Act or the Hawaii Revised Statutes, whichever occurs later, this Act shall be construed to be in amendment of or in addition to the Hawaii Revised Statutes, all references in this Act being construed to refer to the applicable or corresponding provisions of the Hawaii Revised Statutes.

The Revisor of Statutes may reword and renumber the references in this Act and make such other formal or verbal changes as may be necessary to conform with the Hawaii Revised Statutes.

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

(Approved July 16, 1969.)