

ACT 179

S.B. NO. 2958

A Bill for an Act Relating to Housing.

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

PART I

SECTION 1. Act 196, Session Laws of Hawaii 2005 (Act 196), was passed by the legislature to address Hawaii's affordable housing and homeless crisis. Act 196 provided a number of mechanisms and incentives to increase the supply of low-

income rental housing. In addition, the legislature, recognizing that more meaningful solutions to Hawaii's housing and homeless crisis were needed, established a joint legislative housing and homeless task force to further identify near-term solutions to Hawaii's affordable housing and homeless problem.

The task force spent many hours researching data and meeting with state and county officials, private developers, and nonprofit organizations in the city and county of Honolulu and the counties of Hawaii, Kauai, and Maui, and also held public hearings and briefings in each county. The task force relied on the information collected in developing its recommendations.

The purpose of this Act is to implement several of the recommendations of the task force.

PART II

SECTION 2. Section 201G-3, Hawaii Revised Statutes, is amended as follows:

1. By amending subsection (a) to read as follows:

“(a) There is created a board consisting of [~~nine~~] eleven members, of whom [~~eight~~] ten shall be public members appointed by the governor as provided in section 26-34. Public members shall be appointed from each of the counties of Honolulu, Hawaii, Maui, and Kauai. At least one public member shall be a person who is directly assisted by the administration under the federal low-rent public housing or federal section 8 tenant-based housing assistance payments program while serving on the board. One public member shall be an advocate for low-income or homeless persons. One public member shall be a person with a disability or an advocate for persons with disabilities. The public members of the board shall serve four-year staggered terms; provided that the initial appointments shall be as follows: four¹ members to be appointed for four years; three² members to be appointed for three years; and three members to be appointed for two years. The director of human services, or a designated representative, shall be an ex officio voting member. The administration shall be headed by the board.”

2. By amending subsection (c) to read as follows:

“(c) [~~Five~~] Seven members shall constitute a quorum, whose affirmative vote shall be necessary for all actions by the administration. The members shall receive no compensation for services, but shall be entitled to necessary expenses, including travel expenses, incurred in the performance of their duties.”

SECTION 3. Section 201G-44, Hawaii Revised Statutes, is amended to read as follows:

“**§201G-44 Administration of state low-income public housing projects and programs.** (a) The administration [~~may~~] shall construct, develop, and administer property or housing for the purpose of state low-income public housing projects and programs.

(b) The administration [~~may~~] shall offer any decommissioned low-income public housing project, except for federal housing projects, to nonprofit or for-profit organizations or government agencies for rehabilitation into emergency or transitional shelter facilities for the homeless or rehabilitation into rental units that set aside at least fifty per cent of the units to persons or families with incomes at or below fifty per cent of the area median family income; provided that:

(1) The housing project is wholly owned by the State on either state-owned or ceded lands;

- (2) ~~[The administration has determined that the housing project is no longer suitable for its original use and intends to demolish the housing project;~~
- (3) The administration has determined that the housing project is not eligible for rehabilitation using the administration's current resources; and
- [(4)] (3) The nonprofit or for-profit organization or government agency demonstrates expertise in rehabilitation of housing projects and has community, public, and private resources to substantially pay for the rehabilitation.

The land and improvements may be leased to the nonprofit or for-profit organization or government agency for a period not to exceed ninety-nine years for a sum of \$1 per year.

(c) The administration shall adopt necessary rules in accordance with chapter 91, including the establishment and collection of reasonable fees for administering the public housing projects or programs and to carry out any state program under subsection (a).”

PART III

SECTION 4. Chapter 201H, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

“**§201H- Leases; self-help housing.** (a) The administration may lease parcels that it deems suitable for affordable housing at \$1 per year for up to fifty years to organizations or community trusts to develop the parcel with ownership units through self-help development.

(b) The administration may extend or modify the fixed rental period of the lease or extend the term of the lease.

(c) Parcels leased under this section may be transferred or assigned by devise, bequest, or intestate succession, and may be sublet with the approval of the administration.”

SECTION 5. The department of land and natural resources shall initiate transfer to the Hawaii housing finance and development administration, no later than December 1, 2006, of the lands identified as suitable for affordable housing development in Appendix F of the Joint Legislative Housing and Homeless Task Force Report to the 2006 Session of the Legislature.

PART IV

SECTION 6. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.³

SECTION 7. This Act shall take effect on July 1, 2006.

(Approved June 9, 2006.)

Notes

1. Prior to amendment “three” appeared here.
2. Prior to amendment “two” appeared here.
3. Edited pursuant to HRS §23G-16.5.