

## ACT 222

S.B. NO. 1917

A Bill for an Act Relating to Housing.

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

**PART I. FINDINGS AND PURPOSE**

SECTION 1. The legislature finds that the homeless and affordable housing crises continue to be two of the State's most significant and challenging social problems.

The most recent estimate of the total number of homeless persons in the State is six thousand twenty-nine on any given day. In addition, the Hawaii Homeless Point-in-Time Study of 2003 found that over four thousand of these homeless persons are unsheltered. This is indicative of the limited shelter space available in the State.

Also troubling is the fact that a staggering thirty-seven per cent of the unsheltered homeless are individuals of Hawaiian or part-Hawaiian ancestry. Equally troubling is the fact that on any given day, there are eight hundred thirty-eight homeless children in the State. None of these numbers reflect the number of people who are considered hidden homeless or those who are at-risk of homelessness.

The housing crisis requires government to explore alternative means of providing shelter to Hawaii's residents. Large numbers of native Hawaiians are currently without shelter. Indigenous forms of shelter may be an option for many native Hawaiians as provided under section 46-1.55, Hawaii Revised Statutes. However, only Maui county has amended its building code to allow for the construction of indigenous Hawaiian structures, and no counties have amended their codes to allow for the construction of indigenous Hawaiian dwellings for residential purposes.

Housing, in general, is a critical issue for many residents in Hawaii, where the costs of homeownership and rental are increasing. The prospect of making high mortgage payments and saving enough money for the downpayment and closing costs needed to buy a home at current market prices is a formidable challenge. Even higher income families must often seek help from relatives to overcome this obstacle. More needs to be done to increase the inventory of and ensure that residents have access to affordable housing as well.

The legislature recognizes that meaningful solutions to Hawaii's housing and homeless problems must be found.

The purpose of this Act is to:

- (1) Provide funding for various homeless shelters and transitional housing programs and services;
- (2) Provide funding for a census, interviews, and homeless best-practice solutions for the Waianae Coast homeless population;
- (3) Require the Hawaii housing finance and development corporation to create an affordable housing inventory registry;
- (4) Extend the sunset date for the allocation of the conveyance tax to the rental housing trust fund to June 30, 2008;
- (5) Provide funding for various affordable and public housing programs; and
- (6) Require counties to adopt rules to allow for the construction of indigenous Hawaiian structures by March 31, 2008.

## PART II. THE HOMELESS; AFFORDABLE AND PUBLIC HOUSING

SECTION 2. Section 201H-6, Hawaii Revised Statutes, is amended to read as follows:

“~~[[§201H-6]]~~ **Housing advocacy and information system.** (a) The corporation, with the assistance of other agencies of the State and counties with related responsibilities, shall develop and maintain a housing advocacy and information system to aid the corporation in meeting the needs and demands of housing consumers.

(b) In establishing and maintaining the housing advocacy and information system, the corporation shall conduct market studies, engage in community outreach, and solicit recommendations from, and statistics and research developed by, agencies of the United States, the State, the counties, private research organizations, nonprofit community groups, trade associations, including those of the construction and real estate industries, departments, individuals at the University of Hawaii, and housing consumers.

(c) The corporation shall analyze the information received and make recommendations to the appropriate agencies and developers.

(d) The corporation, through the housing advocacy and information system, shall act as a clearinghouse for information relating to housing conditions, needs, supply, demand, characteristics, developments, trends in federal housing programs, and housing laws, ordinances, rules, and regulations.

(e) The housing advocacy and information system may be used by housing researchers, planners, administrators, and developers and shall be coordinated with other housing research efforts. The corporation shall maintain a current supply of information, including means to gather new information through surveys, contracted research, and investigations.

(f) The corporation, through the housing advocacy and information system, shall develop and maintain an affordable housing inventory registry to identify:

- (1) Affordable housing projects developed by the corporation utilizing moneys in the rental housing trust fund or the dwelling unit revolving fund;
- (2) State and federal public housing projects identified by the Hawaii public housing authority;
- (3) United States Department of Housing and Urban Development Region 9 federally supported and privately managed housing projects; and
- (4) State and county lands that may be developed for affordable housing, as defined in section 201H-57(b).”

SECTION 3. Section 247-7, Hawaii Revised Statutes, is amended to read as follows:

**“§247-7 Disposition of taxes.** All taxes collected each fiscal year under this chapter shall be ~~[paid into the state treasury to the credit of the general fund of the State, to be used and expended for the purposes for which the general fund was created and exists by law; provided that of the taxes collected each fiscal year:]~~ deposited as follows:

- (1) Ten per cent shall be paid into the land conservation fund established pursuant to section 173A-5;
- (2) Fifty per cent shall be paid into the rental housing trust fund established by section ~~[201G-432;]~~ 201H-202; and
- (3) Twenty-five per cent shall be paid into the natural area reserve fund established by section 195-9; provided that the funds paid into the natural area reserve fund shall be annually disbursed by the department of land and natural resources in the following priority:
  - (A) To natural area partnership and forest stewardship programs after joint consultation with the forest stewardship committee and the natural area reserves system commission;
  - (B) Projects undertaken in accordance with watershed management plans pursuant to section 171-58 or watershed management plans negotiated with private landowners, and management of the natural area reserves system pursuant to section 195-3; and
  - (C) The youth conservation corps established under chapter 193.’’

SECTION 4. Act 100, Session Laws of Hawaii 2006, is amended by amending section 30 to read as follows:

“SECTION 30. This Act shall take effect on July 1, 2006; provided that on June 30, ~~[2007;]~~ 2008, section 21 shall be repealed and section 247-7, Hawaii Revised Statutes, shall be reenacted in the form in which it read on the day before the approval of this Act.’’

SECTION 5. There is appropriated out of the rental housing trust fund the sum of \$14,000,000 or so much thereof as may be necessary for fiscal year 2007-2008 for the planning, development, and construction of affordable housing in cooperation with private and nonprofit developers.

The sum appropriated shall be expended by the Hawaii housing finance and development corporation for the purposes of this section.

SECTION 6. There is appropriated out of the general revenues of the State of Hawaii the sum of \$6,000,000 or so much thereof as may be necessary for fiscal year 2007-2008 to Hawaii public housing authority for:

- (1) Homeless facilities, emergency shelters, and transitional shelters, as defined by section 356D-121, Hawaii Revised Statutes;
- (2) Outreach or support services, or both, to unsheltered homeless, at-risk homeless, and those residing in homeless facilities, including emergency shelters and transitional shelters, pursuant to the purchase of service agreements under chapter 42F, Hawaii Revised Statutes; and
- (3) The provision of continual operational funds to provide matching funds for shelter plus care grants and supportive housing programs and operational funds for nonprofit agencies to develop affordable housing.

The sum appropriated shall be expended by the Hawaii public housing authority for the purposes of this Act.

**PART III. INDIGENOUS HAWAIIAN ARCHITECTURE**

SECTION 7. Section 46-1.55, Hawaii Revised Statutes, is amended to read as follows:

“~~§46-1.55~~ **Indigenous Hawaiian architecture.** (a) Each county shall adopt ordinances allowing the exercise of indigenous native Hawaiian architectural practices, styles, customs, techniques, and materials historically employed by native Hawaiians, in the county’s building code, including but not limited to residential and other structures comprised of either rock wall or wood frame walls covered by thatches of different native grasses or other natural material for roofs.

(b) The application of indigenous Hawaiian architecture shall be permitted in all zoning districts; provided it is consistent with the intent and purpose of the uniquely designated, special, or historic district.

(c) Each county shall adopt or amend its ordinances to implement this section no later than March 31, 2008. The ordinance adopted by Maui county shall serve as a model.”

**PART IV.**

SECTION 8. The appropriations made in sections 5 and 6 of this Act shall not lapse at the end of the fiscal year for which the appropriation is made; provided that all appropriations that are unencumbered as of June 30, 2010, shall lapse as of that date into the appropriate fund.

SECTION 9. If any provision of this Act, or the application thereof to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of the Act, which can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

SECTION 10. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 11. This Act shall take effect on July 1, 2007; provided that section 4 of this Act shall take effect on June 29, 2007.

(Approved June 28, 2007.)