
A BILL FOR AN ACT

RELATING TO KUKUI GARDENS RENTAL HOUSING COMPLEX.

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

1 SECTION 1. The legislature finds that the Kukui Gardens
2 rental housing complex has served the community for several
3 decades and has provided affordable housing at reasonable rates
4 for many local residents. The master lease that controls the
5 complex, however, is due to expire in a few years, placing the
6 tenants of the complex's eight hundred fifty-seven units in
7 jeopardy. Considering the tight rental market in Honolulu and
8 the growing homeless problem, it is incumbent upon the
9 legislature to ensure that Kukui Gardens remains affordable for
10 many years to come.

11 The purpose of this Act is to preserve affordable housing
12 by:

13 (1) Implementing the recommendation to increase the bond
14 ceiling to serve as one of the possible financing
15 solutions to acquire the Kukui Gardens rental housing
16 complex, pursuant to the report relating to land
17 acquisition of Kukui Gardens pursuant to Act 288,
18 Session Laws of Hawaii 2006;



- 1 (2) Appropriating funds to finance condemnation
2 proceedings; and
- 3 (3) Appropriating funds for the purchase of a property
4 interest in all or a portion of Kukui Gardens.

5 SECTION 2. Act 291, Session Laws of Hawaii 1980, as
6 amended by Act 304, Session Laws of Hawaii 1996, as amended by
7 Act 185, Session Laws of Hawaii 2004, is amended by amending
8 section 11 to read as follows:

9 "SECTION 11. **Issuance of revenue bond; amount authorized.**

10 Revenue bonds may be issued by the [~~housing and community~~
11 ~~development corporation of Hawaii~~] Hawaii housing finance and
12 development corporation pursuant to part III, chapter 39 and
13 subpart [~~B~~] A of part III of chapter [~~201G,~~] 201H, Hawaii
14 Revised Statutes, in an aggregate principal amount not to exceed
15 [~~\$300,000,000,~~] \$400,000,000, at such times and in such amounts
16 as the [~~housing and community development corporation of Hawaii~~]
17 Hawaii housing finance and development corporation deems
18 advisable for the purpose of undertaking and maintaining any of
19 the housing loan programs under subpart [~~B~~] A of part III of
20 chapter [~~201G,~~] 201H, Hawaii Revised Statutes, relating to the
21 funding or purchasing of eligible project loans."



1 SECTION 3. There is appropriated out of the general
 2 revenues of the State of Hawaii the sum of \$ or so much
 3 thereof as may be necessary for fiscal year 2007-2008 to finance
 4 condemnation and eminent domain proceedings pursuant to Act 288,
 5 Session Laws of Hawaii 2006, and section 201H-13, Hawaii Revised
 6 Statutes, to ensure that the Kukui Gardens rental housing
 7 complex will continue to provide affordable rental rates in
 8 perpetuity

9 The sum appropriated shall be expended by the Hawaii
 10 housing finance and development corporation for the purposes of
 11 this Act.

12 SECTION 4. There is appropriated out of the general
 13 revenues of the State of Hawaii the sum of \$ or so much
 14 thereof as may be necessary for fiscal year 2007-2008 for the
 15 purchase of a property interest in all or a portion of the land
 16 and improvements at Kukui Gardens pursuant to a memorandum of
 17 understanding between Carmel Partners, Inc., and Faith Action
 18 for Community Equity and Kukui Gardens Residents Association.

19 The sum appropriated shall be expended by the Hawaii
 20 housing finance and development corporation for the purposes of
 21 this Act.

22 SECTION 5. This Act shall take effect on July 1, 2020.



Report Title:

Kukui Gardens; Eminent Domain

Description:

Appropriates funds to purchase a property interest or finance condemnation proceedings to acquire the Kukui Gardens rental housing complex. Increases the ceiling on state revenue bonds issued by the Hawaii Housing Finance and Development Corporation to assist the tenants of Kukui Gardens rental housing complex to acquire the complex in fee. (HB667 HD1)

