

JAN 22 2015

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# A BILL FOR AN ACT

RELATING TO AFFORDABLE HOUSING.

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

PART I

SECTION 1. The legislature finds that affordable housing is a serious concern for many Hawaii residents. According to the 2011 Hawaii housing planning study, up to 50,000 new housing units will need to be built by 2016 to meet the new demand generated by changing demographics and economic conditions. Failure to produce sufficient units for low- and moderate-income households will cause pent-up demand in these market segments.

The legislature also finds that according to the Hawaii public housing authority annual report for fiscal year 2014, the Hawaii public housing authority's fifty-year-old public housing stock is in need of repairs, with a backlog estimated at \$754,000,000.

The purpose of this Act is to appropriate funds to various housing agencies to increase the supply of affordable and public housing units in the State and to support the State's housing first programs in assisting Hawaii's chronically homeless who



1 are often the most vulnerable, most visible, and most difficult  
2 to serve.

3 **PART II**

4 SECTION 2. The director of finance is authorized to issue  
5 general obligation bonds in the sum of \$60,000,000 or so much  
6 thereof as may be necessary and the same sum or so much thereof  
7 as may be necessary is appropriated for fiscal year 2015-2016  
8 for deposit into the rental housing trust fund established  
9 pursuant to section 201H-202, Hawaii Revised Statutes.

10 SECTION 3. There is appropriated out of the rental housing  
11 trust fund the sum of \$60,000,000 or so much thereof as may be  
12 necessary for fiscal year 2015-2016 for the purposes set forth  
13 in section 201H-202, Hawaii Revised Statutes.

14 The sum appropriated shall be expended by the Hawaii  
15 housing finance and development corporation for the purposes of  
16 this part.

17 **PART III**

18 SECTION 4. The director of finance is authorized to issue  
19 general obligation bonds in the sum of \$20,000,000 or so much  
20 thereof as may be necessary and the same sum or so much thereof  
21 as may be necessary is appropriated for fiscal year 2015-2016 to



1 be deposited into the dwelling unit revolving fund established  
2 pursuant to section 201H-191, Hawaii Revised Statutes.

3 SECTION 5. There is appropriated out of the dwelling unit  
4 revolving fund the sum of \$20,000,000 or so much thereof as may  
5 be necessary for fiscal year 2015-2016 for the development of  
6 infrastructure and improvements of on-site and off-site  
7 development.

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

11 PART IV

12 SECTION 6. There is appropriated out of the general  
13 revenues of the State of Hawaii the sum of \$15,000,000 or so  
14 much thereof as may be necessary for fiscal year 2015-2016 and  
15 the same sum or so much thereof as may be necessary for fiscal  
16 year 2016-2017 for the construction of micro apartment housing  
17 units.

18 For the purposes of this part, "micro apartment housing  
19 unit" means a dwelling unit with a total floor area of not less  
20 than two hundred twenty square feet, and not more than three  
21 hundred twenty square feet for not more than two occupants, and



1 containing a separate closet, kitchen sink, cooking appliance,  
2 refrigeration facilities, and separate bathroom containing a  
3 toilet and a bathtub or shower. The minimum and maximum total  
4 floor area shall increase an additional one hundred square feet  
5 for each occupant in excess of two.

6 The sums appropriated shall be expended by the Hawaii  
7 housing finance and development corporation for the purposes of  
8 this part.

9 PART V

10 SECTION 7. The legislature finds that housing first  
11 programs are a collaborative effort between the department of  
12 human services and the United States Department of Housing and  
13 Urban Development that provides housing and support services for  
14 the chronically homeless, including those who have an addiction  
15 or mental illness, or both. The principles of housing first  
16 programs include:

- 17 (1) Moving the chronically homeless into housing directly  
18 from streets and the shelters without a precondition  
19 of accepting or complying with treatment;



- 1           (2)   Providing robust support services for program  
2           participants that are predicated on assertive  
3           engagement rather than coercion;
- 4           (3)   Granting the chronically homeless priority as program  
5           participants in housing first programs;
- 6           (4)   Embracing a harm-reduction approach to addictions  
7           rather than mandating abstinence while supporting  
8           program participant commitments to recovery; and
- 9           (5)   Providing program participants with leases and tenant  
10          protections as provided by law.

11          The housing first programs in the State closely resemble  
12          the requirements of the United States Department of Housing and  
13          Urban Development shelter plus care program and the Veterans  
14          Administration veteran's assisted supportive housing voucher  
15          program for homeless veterans. In its December 2011 report to  
16          the legislature pursuant to section 346-378, Hawaii Revised  
17          Statutes, the department of human services reported that the  
18          State has six hundred fifty-eight permanent housing placements  
19          plus support services through the shelter plus care and  
20          veteran's assisted supportive housing voucher programs.



1       The purpose of this part is to appropriate funds to the  
2       department of human services to support the State's housing  
3       first programs in assisting Hawaii's chronically homeless who  
4       are often the most vulnerable, most visible, and most difficult  
5       to serve.

6       SECTION 8. There is appropriated out of the general  
7       revenues of the State of Hawaii the sum of \$3,000,000 or so much  
8       thereof as may be necessary for fiscal year 2015-2016 and the  
9       same sum or so much thereof as may be necessary for fiscal year  
10      2016-2017 to be deposited to the credit of the housing first  
11      special fund established under section 346-377, Hawaii Revised  
12      Statutes, for the department of human services to continue to  
13      administer housing first programs for chronically homeless in  
14      the State.

15      SECTION 9. There is appropriated out of the housing first  
16      special fund the sum of \$3,000,000 or so much thereof as may be  
17      necessary for fiscal year 2015-2016 and the same sum or so much  
18      thereof as may be necessary for fiscal year 2016-2017 for the  
19      department of human services to continue to administer housing  
20      first programs for chronically homeless in the State.



1 The sums appropriated shall be expended by the department  
2 of human services for the purposes of this part.

3 PART VI

4 SECTION 10. The appropriations made in parts II and III of  
5 this Act shall not lapse at the end of the fiscal biennium for  
6 which the appropriation is made; provided that all moneys from  
7 the appropriation unencumbered as of June 30, 2018, shall lapse  
8 as of that date.

9 SECTION 11. This Act shall take effect on July 1, 2015.

10 INTRODUCED BY:

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# S.B. NO. 120

**Report Title:**

Appropriation; Kupuna Caucus; Housing Omnibus; Affordable Housing; Housing First

**Description:**

Authorizes the issuance of general obligation bonds and the appropriation of funds for deposit into the rental housing trust fund and the dwelling unit revolving fund to finance affordable rental housing development and infrastructure development. Appropriates funds for the construction of micro apartment housing units. Appropriates funds to the department of human services to continue to administer housing first programs for chronically homeless.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

