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# A BILL FOR AN ACT

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RELATING TO HOMELESSNESS.

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

1       SECTION 1. The legislature finds that homelessness is one  
2 of the most pressing problems in Hawaii. Hawaii has the highest  
3 homelessness rate in the nation and it is driven by insufficient  
4 affordable housing. Due to improved coordination and investment  
5 in proven programs such as housing first, Hawaii is turning the  
6 tide on the homelessness crisis, seeing the first reduction in  
7 the homelessness rate in years in 2017. However, given the  
8 sheer magnitude of homelessness in the State, Hawaii must  
9 increase investments in housing and other support to fully  
10 address homelessness.

11       Chronic homelessness is distinct from other forms of  
12 homelessness and is defined by either being continuously  
13 homeless for a year or more or having had at least four episodes  
14 of homelessness in the past three years. The unaddressed  
15 problem of chronic homeless is a particularly costly problem for  
16 Hawaii that puts a large burden on the State's health care and  
17 emergency service systems. Addressing chronic homelessness



1 across the State will result in significant cost savings for  
2 health care and emergency services systems and create a solid  
3 foothold for addressing all other forms of homelessness.

4 The legislature also finds that according to the Partners  
5 in Care 2017 point in time report, Oahu has 1,159 chronically  
6 homeless individuals. Permanent supportive housing is the best  
7 way to address chronic homelessness. Permanent supportive  
8 housing is an approach to homelessness that integrates  
9 permanent, affordable rental housing with best practice  
10 community-based supportive services to allow individuals and  
11 households who have serious and long-term disabilities such as  
12 mental illnesses, developmental disabilities, physical  
13 disabilities, substance use disorders, and chronic health  
14 conditions to maintain stable housing in the community.

15 An initial investment of \$325,000,000 will cover the  
16 development and construction costs of nine hundred four  
17 permanent supportive housing units and the first year's costs  
18 for the operation of the units, permanent supportive housing  
19 vouchers, and permanent supportive housing services. After the  
20 initial investment, annual expenditures of approximately  
21 \$43,500,000 will cover the ongoing costs of the operating the



1 permanent supportive housing units, permanent supportive housing  
2 vouchers, and permanent supportive housing services.

3 The purpose of this Act is to authorize the issuance of  
4 general obligation bonds and appropriate bond proceeds to the  
5 Hawaii housing finance and development corporation to begin the  
6 development and construction of nine hundred four critically-  
7 needed permanent supportive housing units to meet the needs of  
8 chronically homeless individuals and families in the State.

9 SECTION 2. The director of finance is authorized to issue  
10 general obligation bonds in the sum of \$25,100,000 or so much  
11 thereof as may be necessary and the same sum or so much thereof  
12 as may be necessary is appropriated for fiscal year 2018-2019  
13 for the purpose of the initial phase required for development  
14 and construction of nine hundred four permanent supportive  
15 housing units to meet the needs of chronically homeless  
16 individuals and families.

17 The sum appropriated shall be expended by the Hawaii  
18 housing finance and development corporation for the purposes of  
19 this Act; provided that the Hawaii housing finance and  
20 development corporation shall partner with other appropriate  
21 government entities to ensure that sufficient and appropriate



1 services are accounted for in the development of the permanent  
2 supportive housing units.

3 SECTION 3. The appropriation made for the capital  
4 improvement project authorized by this Act shall not lapse at  
5 the end of the fiscal biennium for which the appropriation is  
6 made; provided that all moneys from the appropriation  
7 unencumbered as of June 30, 2021, shall lapse as of that date.

8 SECTION 4. This Act shall take effect on January 1, 2050.



**Report Title:**

Chronic Homelessness; Permanent Supportive Housing; General  
Obligation Bonds

**Description:**

Authorizes the issuance of general obligation bonds and  
appropriates proceeds to the Hawaii Housing Finance and  
Development Corporation for the development and construction of  
permanent supportive housing units for the chronically homeless.  
(HB2475 HD1)

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