

JAN 24 2018

# A BILL FOR AN ACT

RELATING TO AFFORDABLE HOUSING.

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

SECTION 1. Chapter 171, Hawaii Revised Statutes, is amended by adding a new section to subpart D of part II to be appropriately designated and to read as follows:

"§171- Affordable housing; county-designated transit-oriented development zone. (a) For a leasehold residential development project subject to section 171-60(a), the board shall require in its development contract with the developer or developers that, if the development project is located on public land that is wholly or partially situated within a county-designated transit-oriented development zone, then no less than \_\_\_\_\_ per cent of the residential units in the development project shall be sold or rented only to low-income residents for the entire term of the developer's or developers' leasehold interest in the land.

(b) For the purposes of this section, a "low-income resident" means an individual who is a resident of the State and:



(1) Is the only member of a family of one and has an  
income of not more than            per cent of the area  
median income for a family of one; or

(2) Is part of a family with an income of not more than  
          per cent of the area median income for a family  
of the same size."

SECTION 2. Chapter 201H, Hawaii Revised Statutes, is  
amended by adding a new section to part II to be appropriately  
designated and to read as follows:

**"§201H-     Affordable housing; county-designated**  
**transit-oriented development zone.** (a) In addition to the  
restrictions under section 201H-47, if the real property to be  
developed and sold is located wholly or partially within a  
county-designated transit-oriented development zone, the  
corporation shall:

(1) Sell only a leasehold interest in the real property;  
and

(2) Require in the lease that no less than            per cent  
of the dwelling units in the development project shall  
be sold or rented only to low-income residents for the



1           entire term of the purchaser's leasehold interest in  
2           the real property.

3           (b) For the purposes of this section, a "low-income  
4 resident" means an individual who is a resident of the State  
5 and:

6           (1) Is the only member of a family of one and has an  
7           income of not more than           per cent of the area  
8           median income for a family of one; or

9           (2) Is part of a family with an income of not more than  
10                     per cent of the area median income for a family  
11           of the same size."

12           SECTION 3. Chapter 206E, Hawaii Revised Statutes, is  
13 amended by adding a new section to part I to be appropriately  
14 designated and to read as follows:

15           "**§206E-           Affordable housing; county-designated**  
16 **transit-oriented development zone.** (a) In addition to the  
17 authority granted under section 206E-15, if the authority deems  
18 it desirable to develop and transfer to qualified persons a  
19 residential project that is:

20           (1) Located on public land that is under the control and  
21           management of the authority; and



1        (2) Wholly or partially situated within a county-  
2        designated transit-oriented development zone,  
3        then the project shall be subject to the requirements of  
4        subsection (b).

5        (b) The authority shall:

6        (1) Transfer to qualified persons only a leasehold  
7        interest in the land; and

8        (2) Require in the leasehold agreement with the qualified  
9        persons that no less than        per cent of the  
10       residential units in the project shall be sold or  
11       rented only to low-income residents for the entire  
12       term of the leasehold interest in the public land.

13       (c) For the purposes of this section, a "low-income  
14       resident" means an individual who is a resident of the State  
15       and:

16       (1) Is the only member of a family of one and has an  
17       income of not more than        per cent of the area  
18       median income for a family of one; or

19       (2) Is part of a family with an income of not more than  
20             per cent of the area median income for a family  
21       of the same size."



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1       SECTION 4. This Act does not affect rights and duties that  
2 matured, penalties that were incurred, and proceedings that were  
3 begun before its effective date.

4       SECTION 5. New statutory material is underscored.

5       SECTION 6. This Act shall take effect upon its approval.  
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# S.B. NO. 2917

**Report Title:**

Affordable Housing; County-Designated Transit-Oriented  
Development Zone

**Description:**

Requires a percentage of units in a housing development on public land or real property in a county-designated transit-oriented development zone and under the control of the Board of Land and Natural Resources, the Hawaii Housing Finance and Development Corporation, or the Hawaii Community Development Authority to be sold or rented to low-income residents. Applies only to transfers of a leasehold interest in the public land or real property.

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

