

### A BILL FOR AN ACT

RELATING TO RESERVED HOUSING.

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

1	SECT	ION 1. Section 206E-4, Hawaii Revised Statutes, is
2	amended t	o read as follows:
3	"§20	6E-4 Powers; generally. Except as otherwise limited
4	by this c	hapter, the authority may:
5	(1)	Sue and be sued;
6	(2)	Have a seal and alter the same at pleasure;
7	(3)	Make and execute contracts and all other instruments
8		necessary or convenient for the exercise of its powers
9		and functions under this chapter;
10	(4)	Make and alter bylaws for its organization and
11		internal management;
12	(5)	Make rules with respect to its projects, operations,
13		properties, and facilities, which rules shall be in
14		conformance with chapter 91;
15	(6)	Through its executive director appoint officers,
16		agents, and employees, prescribe their duties and

1		qualifications, and fix their salaries, without regard
2		to chapter 76;
3	(7)	Prepare or cause to be prepared a community
4		development plan for all designated community
5		development districts;
6	(8)	Acquire, reacquire, or contract to acquire or
7		reacquire by grant or purchase real, personal, or
8		mixed property or any interest therein; to own, hold,
9		clear, improve, and rehabilitate, and to sell, assign,
10		exchange, transfer, convey, lease, or otherwise
11		dispose of or encumber the same;
12	(9)	Acquire or reacquire by condemnation real, personal,
13		or mixed property or any interest therein for public
14		facilities, including but not limited to streets,
15		sidewalks, parks, schools, and other public
16		improvements;
17	(10)	By itself, or in partnership with qualified persons,
18		acquire, reacquire, construct, reconstruct,
19		rehabilitate, improve, alter, or repair or provide for
20		the construction, reconstruction, improvement,
21		alteration, or repair of any project; own, hold, sell,

1		assign, transfer, convey, exchange, lease, or
2		otherwise dispose of or encumber any project, and in
3		the case of the sale of any project, accept a purchase
4		money mortgage in connection therewith; and repurchase
5		or otherwise acquire any project that the authority
6		has theretofore sold or otherwise conveyed,
7		transferred, or disposed of;
8	(11)	Arrange or contract for the planning, replanning,
9		opening, grading, or closing of streets, roads,
10		roadways, alleys, or other places, or for the
11		furnishing of facilities or for the acquisition of
12		property or property rights or for the furnishing of
13		property or services in connection with a project;
14	(12)	Grant options to purchase any project or to renew any
15		lease entered into by it in connection with any of its
16		projects, on terms and conditions as it deems
17		advisable;
18	(13)	Prepare or cause to be prepared plans, specifications,
19		designs, and estimates of costs for the construction,
20		reconstruction, rehabilitation, improvement,
21		alteration, or repair of any project, and from time to

1		time to modify the plans, specifications, designs, or
2		estimates;
3	(14)	Provide advisory, consultative, training, and
4		educational services, technical assistance, and advice
5		to any person, partnership, or corporation, either
6		public or private, to carry out the purposes of this
7		chapter, and engage the services of consultants on a
8		contractual basis for rendering professional and
9		technical assistance and advice;
10	(15)	Procure insurance against any loss in connection with
11		its property and other assets and operations in
12		amounts and from insurers as it deems desirable;
13	(16)	Contract for and accept gifts or grants in any form
14		from any public agency or from any other source;
15	(17)	Do any and all things necessary to carry out its
16		purposes and exercise the powers given and granted in
17		this chapter; and
18	(18)	Allow satisfaction of any affordable housing
19		requirements imposed by the authority upon any
20		proposed development project through the construction
21		of reserved housing, as defined in section 206E-101,

1	by a person on land located outside the geographic
2	boundaries of the authority's jurisdiction[; provided
3	that the] . The authority [may] shall not permit cash
4	payments in lieu of providing reserved housing. The
5	substituted housing shall be located on the same
6	island as the development project and shall be
7	substantially equal in value to the required reserved
8	housing units that were to be developed on site. The
9	authority shall establish the following priority in
10	the development of reserved housing:
11	(A) Within the community development district;
12	(B) Within areas immediately surrounding the
13	community development district;
14	(C) Areas within the central urban core;
15	(D) In outlying areas within the same island as the
16	development project.
17	The Hawaii community development authority shall
18	adopt rules relating to the approval of reserved
19	housing that are developed outside of a community
20	development district. The rules shall include, but

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1	are not limited to, the establishment of guidelines to
2	ensure compliance with the above priorities."
3	SECTION 2. Statutory material to be repealed is bracketed
4	and stricken. New statutory material is underscored.
5	SECTION 3. This Act shall take effect upon its approval.
6	INTRODUCED BY:  Market Hall  San All  All  All  All  All  All  All  All

#### Report Title:

Reserved Housing; Cash-in-Lieu Payment; HCDA

#### Description:

Prohibits the satisfaction of a development project's affordable housing requirement in a Community Development District through a cash payment in lieu of providing reserved housing.

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