JAN 2 3 2020

A BILL FOR AN ACT

RELATING TO AFFORDABLE HOUSING.

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

- 1 SECTION 1. The legislature recognizes that Hawaii is
- 2 experiencing a severe affordable housing crisis, with a lack of
- 3 affordable rental and affordable for-sale units. According to
- 4 the report "Measuring Housing Demand in Hawai'i, 2015-2025",
- 5 published by the department of business, economic development,
- 6 and tourism, the State is projected to require 64,693 additional
- 7 housing units to meet housing demand by 2025. Nearly seventy
- 8 per cent, or 43,828, of those units will be needed for low-
- 9 income households earning eighty per cent or less of the area
- 10 median income.
- In response to this critical problem, the legislature
- 12 enacted Act 127, Session Laws of Hawaii 2016, which established
- 13 a goal of creating 22,500 new affordable rental units by 2026.
- 14 Achieving this goal will require a variety of approaches,
- 15 including continuing financial programs to promote the
- 16 construction of low-income housing.



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1	Accordingly, the purpose of this Act is to authorize		
2	expenditures from the dwelling unit revolving fund for pre-		
3	development fees associated with affordable housing development.		
4	SECTION 2. Section 201H-191, Hawaii Revised Statutes, is		
5	amended by amending subsection (a) to read as follows:		
6	"(a) There is created a dwelling unit revolving fund. The		
7	funds appropriated for the purpose of the dwelling unit		
8	revolving fund and all moneys received or collected by the		
9	corporation for the purpose of the revolving fund shall be		
10	deposited in the revolving fund. The proceeds in the revolving		
11	fund shall be used to [reimburse]:		
12	(1) Reimburse the general fund to pay the interest on		
13	general obligation bonds issued for the purposes of		
14	the revolving fund[, for];		
15	(2) Fund the necessary expenses in administering housing		
16	development programs and regional state infrastructure		
17	programs[, and for carrying]; and		
18	(3) Carry out the purposes of housing development programs		
19	and regional state infrastructure programs, including		
20	[but not limited to the expansion]:		

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1	<u>(A)</u>	Expansion of community facilities and regional
2		state infrastructure constructed in conjunction
3		with housing and mixed-use transit-oriented
4		development projects, permanent primary or
5		secondary financing, and supplementing building
6		costs, federal guarantees required for
7		operational losses[, and all];
8	<u>(B)</u>	Any pre-development fees associated with any
9		affordable housing development; and
10	<u>(C)</u>	All things required by any federal agency in the
11		construction and receipt of federal funds or
12		low-income housing tax credits for housing
13		projects."
14	SECTION 3	. Statutory material to be repealed is bracketed
15	and stricken.	New statutory material is underscored.
16	SECTION 4	. This Act shall take effect on July 1, 2020.
17		
		INTRODUCED BY: ///////////////////////////////////

By Request

S.B. NO. 2966

Report Title:

Affordable Housing; Dwelling Unit Revolving Fund; Pre-Development Fees

Description:

Authorizes expenditures from the dwelling unit revolving fund for pre-development fees associated with affordable housing development.

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