

JAN 21 2022

A BILL FOR AN ACT

RELATING TO HOUSING.

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

1 SECTION 1. Chapter 356D, Hawaii Revised Statutes, is
2 amended by adding a new part to be appropriately designated and
3 to read as follows:

4 "PART . HOUSING FOR TRANSITION AGED YOUTH

5 §356D- Definitions. As used in this part:

6 "Current or former foster youth" means youth under twenty-
7 six years of age who are currently or were formerly removed from
8 their home pursuant to chapter 587A or section 571-48.

9 "Eligible activities" includes funding capital development
10 programs, such as acquisition, leasing, construction, and
11 rehabilitation sites for emergency shelter, transitional
12 housing, and permanent supportive housing for transition aged
13 youth; or capital development loans for the conversion of
14 emergency shelter or transitional housing to permanent
15 supportive housing for transition aged youth.

16 "Eligible organization" means an agency of local government
17 or a nonprofit corporation that provides, or contracts with



1 community organizations to provide, emergency shelter or
2 transitional housing, or both.

3 "Homeless youth" means an unaccompanied youth between
4 twelve and twenty-four years of age, inclusive, who is
5 experiencing homelessness, as defined in subsection (2) of
6 Section 725 of the United States McKinney-Vento Homeless
7 Assistance Act of 1987.

8 "Nonprofit corporation" means a corporate entity that is
9 registered with the State and has received a written
10 determination from the Internal Revenue Service that it is
11 exempt under either section 501(c)(3), section 501(c)(4), or so
12 much of section 501(c)(2) as applied to title holding entities
13 that turn over their income to organizations that are exempt
14 under either section 501(c)(3) or 501(c)(4), of the Internal
15 Revenue Code of 1986, as amended.

16 "Transition aged youth" means current or former foster
17 youth, or homeless youth.

18 **§356D- Transition aged youth housing special fund. (a)**

19 There is established in the state treasury the transition aged
20 youth housing special fund into which shall be deposited
21 appropriations made by the legislature to the fund.



1 (b) Moneys from the transition aged youth housing special
2 fund shall be used for the purpose of creating housing for youth
3 under twenty-six years of age who have been removed from their
4 homes or are experiencing homelessness unaccompanied by a parent
5 or legal guardian.

6 (c) A total of up to \$50,000,000 shall be distributed by
7 the authority for the purposes of this part; provided that:

8 (1) The authority makes at least 47.5 per cent of the
9 funds available to eligible organizations for projects
10 to house current foster youth between eighteen and
11 twenty-one years of age, inclusive. If the authority
12 is unable to comply with this paragraph due to a lack
13 of applications, it may spend the remaining funds
14 pursuant to paragraph (2);

15 (2) Not more than five per cent of available funds shall
16 be expended on program administration, including state
17 operations expenditures and technical assistance; and

18 (3) The remaining available funds not subject to paragraph
19 (1) or (2) are made available to eligible
20 organizations for eligible activities consistent with
21 this section.



1 (d) The authority shall disburse grant funds as promptly
2 as possible.

3 §356D- Grants; loans. (a) The authority shall award
4 grants to eligible organizations for the development of housing
5 for transition aged youth.

6 (b) The authority shall distribute funds for eligible
7 activities as grants in the form of forgivable deferred loans

8 (c) Funding shall be made available to each project
9 granted to an eligible organization as a loan with a term of
10 five years for rehabilitation, seven years for substantial
11 rehabilitation, ten years for acquisition and rehabilitation or
12 new construction, or twenty years for conversion to permanent
13 supportive housing for transition age youth.

14 (d) Each deferred loan shall be secured by a deed of trust
15 and promissory note.

16 (e) Repayment of the loan shall be deferred if the project
17 is used as an emergency shelter, permanent supportive housing,
18 or transitional housing for transition aged youth.

19 (f) The loan shall be forgiven at the completion of the
20 specified year term.



1 (g) If a transfer or conveyance of the project property
2 occurs before the authority forgives the loan, and the transfer
3 or conveyance results in the property no longer being an
4 emergency shelter, permanent supportive housing, or transitional
5 housing for transition aged youth, the authority shall terminate
6 the grant and require the repayment of the deferred loan in
7 full.

8 (h) A project may opt for the authority to not forgive the
9 loan.

10 **§356D- Criteria; evaluation.** (a) The authority shall
11 develop and set forth the criteria for evaluating applications
12 in a notice of funding availability.

13 (b) The authority shall award grants to applicants that
14 best meet the criteria; provided that no grants made pursuant to
15 this chapter shall be awarded for projects, development, or
16 other similar activities that take place on ceded lands.

17 (c) The authority shall give preference to applications
18 from organizations that have experience providing direct
19 services to transition aged youth and organizations working in
20 partnership with those that provide direct services to
21 transition aged youth.



1 (d) The authority shall specify the minimum and maximum
2 grant award amount in the notice of funding availability.

3 (e) The authority's decision to approve or deny an
4 application and the determination of the amount of funding to be
5 provided shall be final.

6 (f) The authority shall maintain and make available to the
7 public the following:

8 (1) The number of applications for the program funding
9 received by the authority;

10 (2) The number of applicants for the program funding
11 denied by the authority;

12 (3) The name of each recipient of program funds and any
13 subrecipients; and

14 (4) The number of new and converted units created for
15 transition aged youth, by year.

16 **§356D- Recipients.** (a) Grants awarded by the authority
17 shall be used by the grant recipient to defray costs of eligible
18 activities.

19 (b) Grant awards for projects that have not begun
20 construction within twelve months of the award shall be
21 terminated and the authority shall reallocate the funds. The



1 authority may extend the twelve-month period by an additional
2 period of no more than twelve months.

3 (c) An applicant that receives funds pursuant to this
4 section shall provide the authority with a list of all
5 subrecipients.

6 §356D- Consultation. The authority shall consult with
7 the office of youth services on all matters concerning
8 transition aged youth."

9 SECTION 2. There is appropriated out of the general fund
10 the sum of \$50,000,000 or so much thereof as may be necessary
11 for fiscal year 2022-2023 to be deposited into the transition
12 aged youth housing special fund.

13 The sum appropriated shall be expended by the public
14 housing authority for the purposes of this Act.

15 SECTION 3. This Act shall take effect on July 1, 2022.

16

INTRODUCED BY:

A handwritten signature in black ink, appearing to be "Stacy", written over a horizontal line.

S.B. NO. 2224

Report Title:

Housing; Homelessness; Transition Aged Youth; Housing Fund;
Appropriation

Description:

Creates the transition aged youth housing special fund to provide homes for youth ages twelve through twenty-six who face homelessness. Appropriates funds.

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

