

SPECIAL HOUSING STAKEHOLDER FORUM

January 19, 2021
Rep. Nadine Nakamura
Chair, Housing Committee



FY22-FY23 BUDGET: “BIG PICTURE”

\$1.8 billion deficit

Governor’s budget includes:

- ❓ \$300+ million/year furloughs
- ❓ \$120 million short-term loan
- ❓ Putting off retirement and other post employment benefit payments



SHORT TERM FIXES VS. RESTRUCTURING

Short-term



- New taxes
- Furloughs
- 5, 10, 15% cuts

Long-term



- Eliminate
- Consolidate
- Restructure

HOUSING COMMITTEE: IMMEDIATE NEEDS

Rent relief: from January –
December 2021

Renters: eviction diversion
program

Homeowners: Mortgage
modification agreements to
avoid foreclosures

STATE HOUSING RELIEF PROGRAM 2020

HHFDC CATHOLIC CHARITIES AND AUW

13,663	18,306 <i>(Total)</i>	4,807 <i>(Invalid)</i>	\$1.79M	\$58.04M	\$59.8M	<i>As of 12/31/20</i>
HOUSEHOLDS ASSISTED	APPLICATIONS	PAYMENTS				
		Payments Pending	Payments Made	Approved for Payment		

\$200 million

Distributed to
Counties

Uses: rent and
utilities

EMERGENCY
RENTAL
ASSISTANCE
PROGRAM
2021

MAJOR DIFFERENCES

- Landlord may apply for one or multiple properties and receive direct payment
- Eligible household changed from 100% AMI to 80% AMI
- Priority assistance to households with income less than 50% AMI; or one or member in household unemployed and have not been employed for 90 days
- Covers utilities

ELIGIBLE HOUSEHOL DS

- One or more household member qualified for unemployment benefits or experienced a reduction in income, directly or indirectly, due to COVID-19
- One or more household member can demonstrate homelessness or housing instability
- Household income not more than 80% AMI

APPLICATION



Apply for three months at a time



If there's back rent (from January 1, 2021), must reduce back rent to receive prospective rent payments



Financial assistance not to exceed 12 months

EVICTIION MORATORIUMS

Federal eviction moratorium - expires
January 31, 2021

31 Jan. 2021

Biden administration proposal – national
eviction and foreclosure moratorium until
September 30, 2021

30 Sep. 2021

14 Feb. 2021

State eviction moratorium – expires
February 14, 2021

RENTER HOUSEHOLD
DELINQUENCIES
PROJECTION BY DR. PHIL
GARBODEN

As of December 2020,
there is an estimated
14,800 renters who are one
to six months behind in
rent



EVICTION DIVERSION WORKING GROUP

- Tenants
- Landlords
- Property Managers
- Mediators
- Nonprofits
- Judiciary
- HHFDC
- Legislators

EVICTION DIVERSION PROGRAM

Goal 1:

Prevent an avalanche of cases flooding courts once eviction moratorium is lifted

Goal 2:

Prevent the filing of an eviction lawsuit that may hurt a tenant's ability to rent in the future

EVICTIION DIVERSION PROGRAM - CONCEPT

- Landlord notifies tenant and mediation center of intent to mediate delinquent rent
- Mediation center has 15 days to schedule mediation
- Landlord and tenant have 15 days to finalize mediation
- If mediation is unsuccessful, landlord may file for eviction

HOUSING COMMITTEE GOALS: CONTINUE FUNDING

Rental Housing Revolving Fund

Dwelling Unit Revolving Fund

Low-Income Housing Tax Credits

OTHER PRIORITIES

Identify priorities and fund infrastructure around TOD stations

Reduce regulatory barriers

Restructure government to create efficiencies

HOUSING NEED CONTINUUM

30% and below
AMI
15,111 households

30-60% AMI
18,859 households

60 – 80% AMI
9,458 households

80 – 120% AMI
8,291 households

120-140% AMI
5,378 households

GOVERNOR'S BUDGET RENTAL HOUSING REVOLVING FUND



FY 22 - \$40 million for Hawaii Public Housing Authority School Street Senior Affordable Housing Project



FY 22 - \$38 million to replace conveyance tax distribution



FY23 - \$25 million



FY23 - \$38 million to replace conveyance tax distribution

**GOVERNOR'S
BUDGET
DWELLING
UNIT
REVOLVING
FUND**



FY22 - \$20 million

HOUSING LEGISLATION: N: LOW INCOME HOUSING TAX CREDITS

Modernize LIHTC program

Allow high net worth individuals to compete for tax credits

Increase pool of potential investors

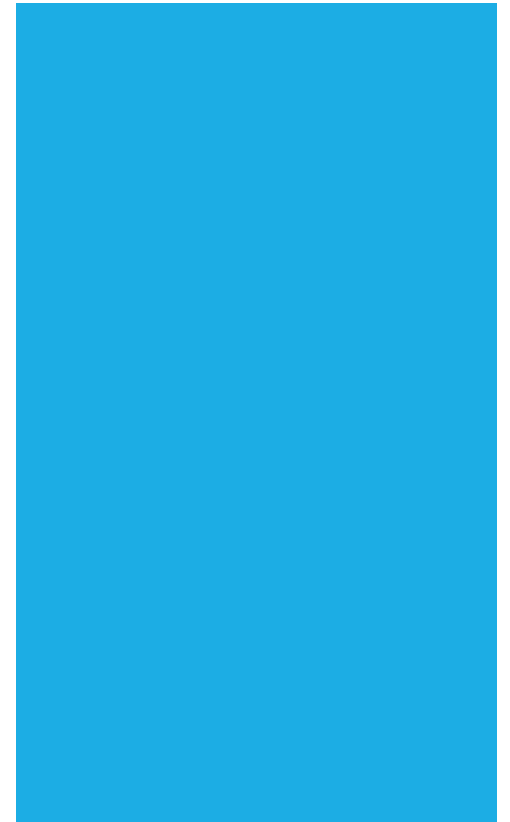
Extends sunset date for another 5 years

OTHER BILLS...

HHFDC - exempts lands set aside by the Governor to HHFDC for affordable housing from classification as public lands

State Historic Preservation Division management and program audit

Eliminate PUC approval for underground construction of high-voltage electric transmission lines if certain conditions are met



HAWAIIAN HOME LANDS

Support

Support CIP requests for priority projects

Support

Support legislation to reduce development costs

Listen

Listen to proposals for alternative sources of financing to address waitlist backlog

MORE HOUSING BILLS



Require fiscal impact analysis on the cost of developing single- and multi-family homes of proposed changes to the State Building Code



Create the position of housing advocate in the Office of the Governor to facilitate development of housing



Create an affordable homeownership revolving loan fund

TRANSIT-ORIENTED DEVELOPMENT

Strategic infrastructure development

UH West Oahu – Farrington Highway

Aloha Stadium – Stadium replacement & entertainment district

Iwilei, Liliha Civic Center

Neighbor Islands



**LOOK
FORWARD TO
WORKING
WITH YOU!**