
A BILL FOR AN ACT

RELATING TO HOMELESSNESS.

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

1 SECTION 1. The legislature finds that homelessness is one
2 of the most pressing problems in Hawaii. Hawaii has the highest
3 homelessness rate in the nation, which is driven by insufficient
4 affordable housing. Through improved coordination and
5 investment in proven programs such as housing first, Hawaii is
6 turning the tide in the homelessness crisis. In 2017, Hawaii
7 saw its first reduction in the rate of homelessness in years.
8 However, given the magnitude of homelessness in the State,
9 Hawaii must continue to increase investments in housing and
10 other supports to fully address homelessness.

11 Chronic homelessness is distinct from other forms of
12 homelessness and refers to an individual with a disability who
13 has been continuously homeless for a year or more or has
14 experienced at least four or more occasions of homelessness over
15 the past three years that add up to at least twelve months. The
16 unaddressed problem of chronic homelessness is a particularly
17 costly problem for Hawaii, and one that puts a heavy burden on



1 the State's health care and emergency service systems.
2 Addressing chronic homelessness across the State will result in
3 significant cost savings for health care and emergency services
4 systems and create a solid foundation for addressing other forms
5 of homelessness.

6 According to the 2020 Oahu homeless point-in-time count
7 conducted by Partners in Care, Oahu had 4,448 sheltered and
8 unsheltered homeless persons. Furthermore, nearly one in four
9 homeless adults were considered chronically homeless. The
10 legislature further finds that permanent supportive housing is
11 the best way to address chronic homelessness. Permanent
12 supportive housing is an approach to homelessness that
13 integrates permanent, affordable rental housing with best
14 practice community-based supportive services to allow
15 individuals and households who have serious and long-term
16 disabilities such as mental illnesses, developmental
17 disabilities, physical disabilities, substance use disorders,
18 and chronic health conditions to maintain stable housing in the
19 community.

20 The legislature finds that an initial investment of
21 \$325,000,000 is needed to cover the costs for development and



1 construction of approximately nine hundred permanent supportive
2 housing units as well as the first year of operational costs for
3 the units, permanent supportive housing vouchers, and permanent
4 supportive housing services. After that initial investment,
5 annual expenditures of approximately \$43,500,000 are expected to
6 cover the ongoing operational costs of the permanent supportive
7 housing services.

8 The purpose of this Act is to:

- 9 (1) Authorize the issuance of general obligation bond
10 proceeds to the Hawaii public housing authority to
11 begin the development and construction with a
12 qualified developer or operator of permanent
13 supportive housing units to meet the needs of
14 chronically homeless individuals in the State; and
15 (2) Prioritize competitive federal low-income housing tax
16 credits for the construction of these units.

17 SECTION 2. The Hawaii housing finance and development
18 corporation shall designate and give first priority of any
19 applicable competitive federal low-income housing tax credits
20 allowed under section 42 of the Internal Revenue Code of 1986,
21 as amended, that are needed for the construction of permanent



1 supportive housing units developed and constructed pursuant to
2 this Act to the Hawaii public housing authority, the developer
3 or operator partnered with the Hawaii public housing authority
4 for the construction of these housing units, or both.

5 SECTION 3. (a) To promote the quick construction of
6 permanent supportive housing units authorized under this Act,
7 the Hawaii public housing authority shall be exempt from chapter
8 103D, Hawaii Revised Statutes.

9 (b) The Hawaii public housing authority shall include the
10 status of the development and operation of permanent supportive
11 housing units authorized under this Act in its annual report to
12 the legislature required pursuant to section 356D-20, Hawaii
13 Revised Statutes.

14 (c) The department of land and natural resources shall
15 assist the Hawaii public housing authority by providing suitable
16 public lands for this project.

17 (d) The Hawaii public housing authority may partner with
18 other appropriate government and non-government entities to
19 ensure that sufficient and appropriate services are accounted
20 for in the development and operation of permanent supportive
21 housing units.



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1 SECTION 4. The director of finance is authorized to issue
2 general obligation bonds in the sum of \$25,100,000 or so much
3 thereof as may be necessary and the same sum or so much thereof
4 as may be necessary is appropriated for fiscal year 2022-2023
5 for the initial phase of development and construction of up to
6 nine hundred four permanent supportive housing units to meet the
7 needs of chronically homeless individuals and families.


8 The sum appropriated shall be expended by the Hawaii public
9 housing authority for the purposes of this Act.

10 SECTION 5. The appropriation made for the capital
11 improvement project authorized by this Act shall not lapse at
12 the end of the fiscal biennium for which the appropriation is
13 made; provided that all moneys from the appropriation
14 unencumbered as of June 30, 2024, shall lapse as of that date.

15 SECTION 6. This Act shall take effect on July 1, 2022.

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INTRODUCED BY:



JAN 21 2022



H.B. NO. 1744

Report Title:

Chronically Homeless; Permanent Supportive Housing; Low-income Housing Tax Credit; General Obligation Bonds; Hawaii Public Housing Authority

Description:

Authorizes the issuance of general obligation bonds for the development and construction of permanent supportive housing to address the needs of chronically homeless individuals and families. Requires the Hawaii housing and finance development corporation to give first priority of any competitive federal low-income housing tax credits to the Hawaii public housing authority for construction of permanent supportive housing units.

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