
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 and families and
15 other vulnerable populations in the State; and
16 (2) Authorize the Hawaii housing finance and development
17 corporation to consider any application for
18 competitive federal low-income housing tax credits
19 from the Hawaii public housing authority for the
20 construction of these units.



1 SECTION 2. The Hawaii housing finance and development
2 corporation may consider any application for any applicable
3 competitive federal low-income housing tax credits allowed under
4 section 42 of the Internal Revenue Code of 1986, as amended,
5 that are needed for the construction of permanent supportive
6 housing units developed and constructed pursuant to this Act
7 from the Hawaii public housing authority, the developer or
8 operator partnered with the Hawaii public housing authority for
9 the construction of these housing units, or both.

10 SECTION 3. (a) To promote the quick construction of
11 permanent supportive housing units authorized under this Act,
12 the Hawaii public housing authority shall be exempt from chapter
13 103D, Hawaii Revised Statutes.

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

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



1 (d) The Hawaii public housing authority may partner with
2 other appropriate government and non-government entities to
3 ensure that sufficient and appropriate services are accounted
4 for in the development and operation of permanent supportive
5 housing units.

6 SECTION 4. The director of finance is authorized to issue
7 general obligation bonds in the sum of \$25,100,000 or so much
8 thereof as may be necessary and the same sum or so much thereof
9 as may be necessary is appropriated for fiscal year 2022-2023
10 for the initial phase of development and construction of up to
11 nine hundred four permanent supportive housing units to meet the
12 needs of chronically homeless individuals and families and other
13 vulnerable populations; provided that any funds appropriated
14 pursuant to this section shall be in addition to and shall not
15 supplant any portion of the base budget of the Hawaii public
16 housing authority.

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

19 SECTION 5. The appropriation made for the capital
20 improvement project authorized by this Act shall not lapse at
21 the end of the fiscal biennium for which the appropriation is



1 made; provided that all moneys from the appropriation
2 unencumbered as of June 30, 2024, shall lapse as of that date.

3 SECTION 6. This Act shall take effect on July 1, 2060.

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Report Title:

Chronically Homeless; Vulnerable Populations; Permanent Supportive Housing; Low-income Housing Tax Credit; General Obligation Bonds; HHFDC; HPHA

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 and other vulnerable populations. Permits the Hawaii housing and finance development corporation to consider an application for any competitive federal low-income housing tax credits from the Hawaii public housing authority for construction of permanent supportive housing units. Effective 7/1/2060. (HD1)

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