
A BILL FOR AN ACT

RELATING TO THE DWELLING UNIT REVOLVING FUND.

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

1 SECTION 1. (a) The Hawaii housing finance and development
2 corporation shall establish a five-year dwelling unit revolving
3 fund equity pilot program to address the high, unmet demand of
4 for-sale units by Hawaii residents, specifically those residents
5 earning more than eighty per cent and up to one hundred twenty
6 per cent of the area median income.

7 (b) The Hawaii housing finance and development corporation
8 shall purchase equity in for-sale housing development projects;
9 provided that this equity shall be allocated to specific units
10 within the housing development projects and the price to be paid
11 by each eligible buyer of a unit shall be reduced by the Hawaii
12 housing finance and development corporation's equity amount for
13 that unit.

14 (c) If a buyer sells the buyer's unit within thirty years
15 of the date of the buyer's purchase of the unit, then at the
16 time of the sale, the buyer shall repay to the Hawaii housing
17 finance and development corporation the corporation's



1 appreciated equity value; provided that if the buyer does not
2 sell the unit within thirty years of the date of the buyer's
3 purchase of the unit then, before the expiration of this
4 thirty-year period, the buyer shall repay to the Hawaii housing
5 finance and development corporation the corporation's
6 appreciated equity value; provided further that this requirement
7 shall run with the deed for each unit until the obligation to
8 repay the appreciated equity value has been satisfied.

9 (d) The Hawaii housing finance and development corporation
10 shall establish rules pursuant to chapter 91, Hawaii Revised
11 Statutes, to implement this section, including rules
12 establishing the methods by which appreciated equity values
13 shall be calculated, assessed, and satisfied.

14 (e) The Hawaii housing finance and development corporation
15 shall submit interim reports on the dwelling unit revolving fund
16 equity pilot program to the legislature no later than twenty
17 days prior to the convening of the regular sessions of 2024,
18 2025, 2026, 2027, and 2028. The Hawaii housing finance and
19 development corporation shall submit a final report on the
20 dwelling unit revolving fund equity pilot program to the



1 legislature no later than twenty days prior to the convening of
2 the regular session of 2029.

3 (f) As used in this section:

4 "Housing development project" means a plan, design, or
5 undertaking by the Hawaii housing finance and development
6 corporation or an eligible developer for the development of
7 units. "Housing development project" includes all real and
8 personal property, buildings and improvements, commercial space,
9 lands for farming and gardening, community facilities acquired
10 or constructed or to be acquired or constructed, and all
11 tangible or intangible assets held or used in connection with
12 the housing development project.

13 "Unit" means:

14 (1) The structure and land upon which the structure is
15 constructed, whether on fee simple or leasehold
16 property, developed for residential purposes pursuant
17 to chapter 201H, Hawaii Revised Statutes; or

18 (2) Improved or unimproved real property that is developed
19 for residential purposes pursuant to chapter 201H,
20 Hawaii Revised Statutes.

21 "Unit" includes dwelling units.



1 SECTION 2. There is appropriated out of the general
2 revenues of the State of Hawaii the sum of \$ or so
3 much thereof as may be necessary for fiscal year 2023-2024 and
4 the same sum or so much thereof as may be necessary for fiscal
5 year 2024-2025 to be deposited into the dwelling unit revolving
6 fund.

7 SECTION 3. There is appropriated out of the dwelling unit
8 revolving fund the sum of \$ or so much thereof as may
9 be necessary for fiscal year 2023-2024 and the same sum or so
10 much thereof as may be necessary for fiscal year 2024-2025 for
11 the dwelling unit revolving fund equity pilot program
12 established pursuant to this Act.

13 The sums appropriated shall be expended by the Hawaii
14 housing finance and development corporation for the purposes of
15 this Act.

16 SECTION 4. There is appropriated out of the general
17 revenues of the State of Hawaii the sum of \$ or so
18 much thereof as may be necessary for fiscal year 2023-2024 and
19 the same sum or so much thereof as may be necessary for fiscal
20 year 2024-2025 for the establishment and hiring of one full-time
21 equivalent (1.00 FTE) housing development specialist III



1 position to support the dwelling unit revolving fund equity
2 pilot program.

3 The sums appropriated shall be expended by the Hawaii
4 housing finance and development corporation for the purposes of
5 this Act.

6 SECTION 5. This Act shall take effect on June 30, 3000,
7 and shall be repealed on June 30, 2028.



H.B. NO. 677 H.D. 1

Report Title:

HHFDC; Dwelling Unit Revolving Fund Equity Pilot Program;
Appropriation

Description:

Requires HHFDC to establish a five-year dwelling unit revolving fund equity pilot program. Creates one full-time equivalent housing development specialist III position. Appropriates funds. Sunsets 6/30/2028. Effective 6/30/3000. (HD1)

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