THE SENATE THIRTY-SECOND LEGISLATURE, 2023 STATE OF HAWAII **S.B. NO.** ¹⁶¹⁷ S.D. 1

A BILL FOR AN ACT

RELATING TO HOMELESSNESS.

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

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PART I

2 SECTION 1. The legislature finds that homelessness 3 continues to be one of Hawaii's most dire and persistent 4 challenges. The legislature further finds that the solution to 5 homelessness lies in the creation of homes that are affordable, 6 even to individuals with very little income. However, three of 7 the biggest barriers to creating truly affordable housing for those most in need are the high cost of construction per unit of 8 9 housing; a long and unpredictable planning and permitting process that adds risk and costs for developers; and opponents 10 of housing projects who use the lengthy planning and permitting 11 12 process to block unwanted projects.

Despite these obstacles, Hawaii has unique advantages that it can draw upon to end homelessness, particularly its strong sense of family and community. Many people experiencing homelessness build a community with each other where they can and are accustomed to operating like a village, relying on each

2023-1421 SB1617 SD1 SMA.docx

1 other for safety and support. These supportive networks can be 2 leveraged to create village-style affordable housing, or 3 kauhale, that is less costly to construct and operate. Expediting the creation of these kauhale, either through new 4 5 construction or adaptive re-use of existing buildings, can help bring an end to Hawaii's homeless crisis. 6 7 The purpose of this Act is to: 8 (1) Authorize the Hawaii public housing authority to 9 establish a kauhale program to provide housing and services to homeless individuals and families; 10 11 (2) Provide certain continued exemptions for low-income 12 rental units, tiny homes, and kauhale constructed 13 pursuant to the governor's 2015 and 2018 proclamations on homelessness; and 14 (3) Appropriate funds for the establishment and 15 administration of the kauhale program. 16 1 · · · · PART II 17 18 SECTION 2. Chapter 356D, Hawaii Revised Statutes, is amended by adding a new section to part I to be appropriately 19 20 designated and to read as follows:

2023-1421 SB1617 SD1 SMA.docx

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1. 1. E.

1	" <u>§356D-</u> Kauhale program; authority to establish;
2	requirements. (a) The authority may establish a kauhale
3	program to provide individual or shared housing units and
4	support services to homeless individuals and families who are
5	verified by a government agency or homeless services provider as
6	homeless or at imminent risk of homelessness.
7	(b) If exercising its authority under this section to
8	establish a kauhale program, the authority shall cooperate with
9	any state department or agency and private nonprofit
10	organizations as needed to expedite the development and
11	operation of housing under the kauhale program, including
12	entities having specific expertise in construction development
13	and in administering services for homeless persons. Any kauhale
14	constructed under this section shall be situated on public or
15	private lands in accordance with subsection (c); provided that
16	the authority shall identify at least three sites on Oahu and
17	one site on each of the islands of Hawaii, Kauai, and Maui for a
18	kauhale.
19	(c) The authority may coordinate with public or private
20	entities, as appropriate, to develop and implement the kauhale

21 program; provided that:

2023-1421 SB1617 SD1 SMA.docx

Page 3

1	(1)	If any public land under the jurisdiction of a state
2		or county agency is determined to be suitable for use
3		as a kauhale, the authority shall:
4		(A) Work with the appropriate state or county agency
5		that controls the land to transfer the land
6		designated for use as a kauhale to an agency or
7		nonprofit organization whose mission is more
8		suited to the management of housing persons who
9		meet the definition of "chronically homeless", as
10		defined by the United States Department of
11		Housing and Urban Development; and
12		(B) Work with the appropriate state or county agency
13		that controls the land and its construction
14		agency to ensure that the kauhale's
15		infrastructure needs are met and minimize adverse
16		impacts to the environment, including nearshore
17		resources such as corals, reef fish, and
18		<pre>seabirds;</pre>
19	(2)	Use of any private lands determined to be suitable for
20		kauhale shall be for limited purposes and require a
21		written agreement between the authority and the



1		private landowner; provided that the private landowner
2		shall ensure the private lands shall be used for
3		affordable housing in perpetuity through a deed
4		restriction, easement, or other legally binding
5		measure; and
6	(3)	The kauhale communities may allow for off-the-grid
7		technologies that can provide drinking water and
8		electricity and process sewage without existing
9		infrastructure.
10	(d)	The kauhale program may provide the following
11	facilitie	s and services at each site:
12	(1)	Secure dwelling spaces that:
13		(A) May be private or communal;
14		(B) Are designed aesthetically and constructed of
15		quality materials;
16		(C) Have access to toilets, showers, and other
17		hygiene facilities;
18		(D) Have access to adequate facilities that allow for
19		cooking and meal preparation;
20		(E) Have common spaces that build community and
21		encourage sustainability; and



1		(F) Include living units;
2	(2)	Medical and social support services; and
3	(3)	Transportation to appointments related to medical care
4		or supportive services that are not available onsite.
5	(e)	The construction of living units pursuant to
6	subsectio	n (d)(1)(F) shall be exempt from the requirements of
7	chapter 4	6, to the extent that any county ordinance, rule,
8	regulatio	n, or provision that applies to any county permitting,
9	licensing	, zoning, variance, processes, procedures, or fees, or
10	any other	county requirements, hinder, delay, or impede the
11	purposes	of this section; provided that:
12	(1)	All construction shall conform to drawings and plans
13		stamped by licensed architects and engineers;
14	(2)	Stamped drawings and plans shall be submitted to the
15		appropriate county planning and permitting agencies
16		for informational purposes;
17	(3)	Submitted plans shall list any deviations from
18		existing county building codes;
19	(4)	No deviations from any county building codes that
20		relate to life safety shall be allowed; and

2023-1421 SB1617 SD1 SMA.docx

1	(5) Any project constructed under this section shall
2	comply with county floodplain management regulations.
3	(f) The authority may employ persons for the kauhale
4	program who are exempt from chapters 76, 89, and 89C.
5	(g) Any appropriations by the legislature for the kauhale
6	program shall be exempt from section 37-41.
7	(h) The state historic preservation division shall
8	prioritize the review of projects under the kauhale program and
9	shall complete its review of the projects within forty-five days
10	of initiating the review.
11	(i) Projects shall be exempt from the land use
12	requirements of chapter 205; provided that the site plan for the
13	development of a project shall include measures to conform with
14	the purposes of the original classification of the land on which
15	the project is to be built.
16	(j) The kauhale program shall be exempt from the
17	requirements of chapter 206E, and sections 102-2, 103-53,
18	103-55, 105-1 to 105-10, and 464-4.
19	(k) The authority may establish the following:
20	(1) The criteria that the authority will use to evaluate
21	potential kauhale projects;

2023-1421 SB1617 SD1 SMA.docx

Page 8

1	(2)	The evaluation criteria and process that the authority
2		intends to use each year when reviewing the success
3		and sustainability of the kauhale, including:
4		(A) Occupancy rates; and
5		(B) Effectiveness of support services provided
6		through the kauhale; and
7	(3)	The monitoring and oversight controls that the
8		authority will have over the kauhale to identify,
9		address, and prevent possible fraud, waste, and abuse
10		and ensure compliance with federal, state, and local
11		laws.
12	(1)	The authority may establish a community advisory
13	committee	for the kauhale program to advise and assist the
14	authority	, which may comprise the following invited members to
15	be appoint	ted by the governor in accordance with section 26-34:
16	(1)	Two nonprofit developers of affordable housing;
17	(2)	Two nonprofit homeless services providers;
18	(3)	One representative of Partners in Care;
19	(4)	One representative of Bridging the Gap Hawaii; and

2023-1421 SB1617 SD1 SMA.docx

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1	(5) Two individuals who are currently experiencing or have
2	experienced homelessness within twenty-four months
3	prior to invitation and appointment.
4	(m) If exercising its authority under this section to
5	establish a kauhale program, the authority shall submit annual
6	reports on the status and progress of the activities that it has
7	taken to establish and maintain the kauhale program to the
8	legislature no later than twenty days prior to the convening of
9	each regular session, beginning with the regular session of
10	<u>2025.</u>
11	(n) The authority shall consult with the department of
12	human services and department of health to administer the
13	kauhale program pursuant to this section; provided that the
14	homeless programs office of the department of human services
15	shall administer kauhale operations, including the provision of
16	supportive services under the kauhale program.
17	(o) As used in this section, "kauhale" means decent, safe,
18	and sanitary dwellings."
19	PART III
20	SECTION 3. All low-income rental units, tiny home
21	villages, and kauhale built pursuant to the governor's 2015 and



Page 9

Page 10

S.B. NO. $^{1617}_{S.D. 1}$

1	2018 proc	lamations on homelessness shall be exempt from the
2	following	provisions of the Hawaii Revised Statutes; provided
3	that the	permanent housing created under the governor's
4	proclamat	ions on homelessness shall be safe, sanitary, and
5	suitable	for human habitation:
6	(1)	Section 37-41, appropriations to revert to state
7	·	treasury;
8	(2)	Section 37-74(d), program execution, except for
9		subsections $37-74(d)(2)$ and $37-74(d)(3)$, and any
10		transfers or changes shall be considered authorized
11		transfers or changes for purposes of
12		subsection 34-74(d)(1) for legislative reporting
13		requirements;
14	(3)	Section 40-66; lapsing of appropriations;
15	(4)	Chapter 46, county organization and administration, to
16		the extent that any county ordinance, rule,
17		regulation, or provision that applies to any county
18		permitting, licensing, zoning, variance, processes,
19		procedures, or fees, or any other county requirements,
20		hinder, delay, or impede the purposes of this Act;
21	(5)	Chapter 76, civil service;

2023-1421 SB1617 SD1 SMA.docx

1	(6)	Chapter 89, collective bargaining in public
2		<pre>employment;</pre>
3	(7)	Chapter 89C, public officers and employees excluded
4		from collective bargaining;
5	(8)	Section 102-2, contracts for concessions in government
6		buildings; bid requirements;
7	(9)	Section 103-2, general fund;
8	(10)	Section 103-53, contracts with the State or counties;
9		tax clearances, assignments;
10	(11)	Section 103-55, wages, hours, and working conditions
11		of employees of contractors performing services;
12	(12)	Chapter 103F, purchases of health and human services;
13	(13)	Chapter 104, wages and hours of employees on public
14		works;
15	(14)	Sections 105-1 to 105-10, use of government motor
16		vehicles, limitations;
17	(15)	Section 127A-30, rental or sale of essential
18		commodities during a state of emergency; prohibition
19		against price increases;
20	(16)	Chapter 205, land use commission;
21	(17)	Chapter 205A, coastal zone management;

2023-1421 SB1617 SD1 SMA.docx

Page 12

S.B. NO. ¹⁶¹⁷ S.D. 1

1	(18)	Chapter 206E, Hawaii community development authority;
2	(19)	Chapter 343, environmental impact statements;
3	(20)	Section 464-4, public works required to be supervised
4		by certain professionals; and
5	(21)	Sections 601-1.5, 708-817, 708-818, 708-820,
6		708-830.5, and 708-840, to the extent that these
7		sections contain provisions for the suspension,
8		tolling, extension, or granting of relief from
9		deadlines, time schedules, or filing requirements in
10		civil, criminal, or administrative matters before the
11		courts of the State, or to the extent that these
12		sections contain provisions for criminal penalties
13		that are automatically heightened by reason of any
14		declared disaster or emergency.
15		PART IV
16	SECT	ION 4. The governor may by executive order identify
17	and trans	fer to the Hawaii public housing authority suitable
18	lands upo	n which the authority may construct kauhale in
19	accordanc	e with section 356D- , Hawaii Revised Statutes.
20		PART V

2023-1421 SB1617 SD1 SMA.docx

1	SECT	ION 5. There is appropriated out of the general
2	revenues o	of the State of Hawaii the sum of \$ or so
3	much there	eof as may be necessary for fiscal year 2023-2024 and
4	the same s	sum or so much thereof as may be necessary for fiscal
5	year 2024	-2025 for:
6	(1)	One full-time equivalent (1.0 FTE) development
7		specialist position, who shall be exempt from chapter
8		76, Hawaii Revised Statutes;
9	(2)	One full-time equivalent (1.0 FTE) program
10		administrator position, who shall be exempt from
11		chapter 76, Hawaii Revised Statutes;
12	(3)	One full-time equivalent (1.0 FTE) contract specialist
13		position, who shall be exempt from chapter 76, Hawaii
14	:	Revised Statutes;
15	(4)	One full-time equivalent (1.0 FTE) public housing
16		specialist II position; and
17	(5)	One full-time equivalent (1.0 FTE) secretary I
18		position,
19	to establ:	ish and administer the kauhale program authorized under
20	part II o	fithis Act.

2023-1421 SB1617 SD1 SMA.docx

1	The sums appropriated shall be expended by the Hawaii
2	public housing authority for the purposes of this Act.
3	SECTION 6. New statutory material is underscored.
4	SECTION 7. This Act shall take effect on July 1, 2023.

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Report Title:

Homelessness; Housing; Services; Kauhale Program; Hawaii Public Housing Authority; Positions; Appropriation

Description:

Authorizes the Hawaii Public Housing Authority, in consultation with the Department of Human Services and Department of Health, to establish and administer a Kauhale Program to provide individual or shared housing units and support services to certain homeless individuals and families. Exempts existing low-income rental units, tiny home villages, and kauhale from certain provisions of the Hawaii Revised Statutes. Authorizes the Governor to transfer by executive order suitable land to HPHA for the construction of kauhale. Appropriates funds and establishes positions for the Kauhale Program. (SD1)

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

