### A BILL FOR AN ACT

RELATING TO COUNTY HOUSING POWERS.

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

- 1 SECTION 1. Section 46-15.1, Hawaii Revised Statutes, is
- 2 amended as follows:
- 3 1. By amending subsection (a) to read:
- 4 "(a) Notwithstanding any law to the contrary, any county
- 5 shall have and may exercise the same powers, subject to
- 6 applicable limitations, as those granted the Hawaii housing
- 7 finance and development corporation pursuant to chapter 201H
- 8 insofar as those powers may be reasonably construed to be
- 9 exercisable by a county for the purpose of planning, developing,
- 10 constructing, financing, and providing housing projects,
- including low- and moderate-income housing[+] and mixed-use
- 12 developments; provided that no county shall be empowered to
- 13 cause the State to issue general obligation bonds to finance a
- 14 project pursuant to this section; provided further that county
- 15 projects shall be granted an exemption from general excise or
- 16 receipts taxes in the same manner as projects of the Hawaii
- 17 housing finance and development corporation pursuant to section



1	201H-36;	and provided further that section 201H-16 shall not							
2	apply to	this section unless federal guidelines specifically							
3	provide l	ocal governments with that authorization and the							
4	authorization does not conflict with any state laws. The powers								
5	shall include the power, subject to applicable limitations, to:								
6	(1)	Develop and construct dwelling units, alone or in							
7		partnership with developers;							
8	(2)	Acquire necessary land by lease, purchase, exchange,							
9		or eminent domain;							
10	(3)	Provide assistance and aid to a public agency or other							
11		person in developing and constructing new housing and							
12		rehabilitating existing housing for elders of low- and							
13		moderate-income, other persons of low- and moderate-							
14		income, and persons displaced by any governmental							
15		action, by making long-term mortgage or interim							
16		construction loans available;							
17	(4)	Contract with [any] eligible bidders to provide for							
18		construction of urgently needed housing for persons of							
19		low- and moderate-income;							
20	(5)	Guarantee the top twenty-five per cent of the							
21		principal balance of real property mortgage loans,							

1		plus interest thereon, made to qualified borrowers by
2		qualified lenders;
3	(6)	Enter into mortgage guarantee agreements with
4		appropriate officials of any agency or instrumentality
5		of the United States to induce those officials to
6		commit to insure or to insure mortgages under the
7		National Housing Act, as amended;
8	(7)	Make a direct loan to any qualified buyer for the
9		downpayment required by a private lender to be made by
10		the borrower as a condition of obtaining a loan from
11		the private lender in the purchase of residential
12		property;
13	(8)	Provide funds for a share, not to exceed fifty per
14		cent, of the principal amount of a loan made to a
15		qualified borrower by a private lender who is unable
16		otherwise to lend the borrower sufficient funds at
17		reasonable rates in the purchase of residential
18		property; and
19	(9)	Sell or lease completed dwelling units.

- 1 For purposes of this section, a limitation is applicable to
- 2 the extent that it may reasonably be construed to apply to a
- 3 county."
- 4 2. By amending subsections (f) and (g) to read:
- 5 "(f) The provisions of this section shall be construed
- 6 liberally so as to effectuate the purpose of this section in
- 7 facilitating the planning, development, construction, financing,
- 8 and provision of housing projects, including low- and moderate-
- 9 income housing and mixed-use developments, by the various
- 10 counties.
- 11 (g) For purposes of this section  $[\tau]$ :
- "[low] Low and moderate income housing" means any housing
- 13 project that meets the definition of "low- and moderate-income
- 14 housing project" in section 39A-281.
- 15 "Mixed-use development" has the same meaning as in
- 16 subsection 201H-12(a)."
- 17 SECTION 2. This Act does not affect rights and duties that
- 18 matured, penalties that were incurred, and proceedings that were
- 19 begun before its effective date.
- 20 SECTION 3. Statutory material to be repealed is bracketed
- 21 and stricken. New statutory material is underscored.

1	SECTION 4.	This	Act	shall	take	effect	upon	its	approval;
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- 2 provided that the amendments made to section 46-15.1, Hawaii
- 3 Revised Statutes, by section 1 of this Act shall not be repealed
- 4 when that section is reenacted on July 1, 2030, pursuant to
- 5 sections 2 and 3 of Act 90, Session Laws of Hawaii 2023.

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INTRODUCED BY:

JAN 1 9 2024

#### Report Title:

Counties; County Housing Powers; Housing and Mixed-Use Development Projects

#### Description:

Expands the housing powers of the counties to include the planning, development, construction, financing, and providing of housing projects, including low- and moderate-income housing and mixed-use developments.

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