A BILL FOR AN ACT

RELATING TO HOMELESSNESS.

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

SECTION 1. The legislature finds that homelessness is one 1 2 of the most pressing problems in the State. Hawaii has the highest homelessness rate in the nation, which is driven by 3 insufficient affordable housing. Through improved coordination 4 and investment in proven programs such as housing first, Hawaii 5 6 is turning the tide on the homelessness crisis. In 2017, the State saw its first reduction in the rate of homelessness in 7 years. However, given the magnitude of homelessness in the 8 State, Hawaii must continue to increase investments in housing 9 10 and other supports to fully address homelessness. Chronic homelessness is distinct from other forms of 11 homelessness and is defined by being continuously homeless for a 12 year or more, or having had at least four episodes of 13 14 homelessness in the past three years. The unaddressed problem 15 of chronic homelessness is a particularly costly problem for Hawaii that places a large burden on the State's health care and 16 17 emergency service systems. Addressing chronic homelessness

- 1 across the State will result in significant cost savings for
- 2 health care and emergency services systems and create a solid
- 3 foundation for addressing other forms of homelessness.
- 4 The legislature also finds that, according to the Partners
- 5 in Care 2023 point in time report, there are at least four
- 6 thousand twenty-eight people experiencing homelessness in Oahu.
- 7 Permanent supportive housing is the best way to address
- 8 homelessness. Permanent supportive housing is an approach to
- 9 homelessness that integrates permanent, affordable rental
- 10 housing with best practice community-based supportive services
- 11 to allow individuals and households who have serious and long-
- 12 term disabilities such as mental illnesses, developmental
- 13 disabilities, physical disabilities, substance use disorders,
- 14 and chronic health conditions to maintain stable housing in the
- 15 community.
- An initial investment of \$60,000,000 will cover the
- 17 development and construction costs of one hundred permanent
- 18 supportive housing units.
- 19 The purpose of this Act is to authorize the issuance of
- 20 general obligation bonds and appropriate bond proceeds to the
- 21 Hawaii public housing authority to begin the development and

- 1 construction with a qualified developer or operator of permanent
- 2 supportive housing units to meet the housing needs of
- 3 individuals in the State, including those individuals who are
- 4 exiting correctional facilities, those with severe mental
- 5 illness or developmental disabilities, and those who are
- 6 stepping down from a higher level of care in institutional
- 7 settings.
- 8 SECTION 2. The Hawaii housing finance and development
- 9 corporation shall consider any applicable competitive federal
- 10 low-income housing tax credits allowed under section 42 of the
- 11 Internal Revenue Code of 1986, as amended, that are needed for
- 12 the construction of permanent supportive housing units developed
- 13 and constructed pursuant to this Act to the Hawaii public
- 14 housing authority, the developer or operator partnered with the
- 15 Hawaii public housing authority for the construction of
- 16 permanent supportive housing units, or both.
- 17 SECTION 3. (a) The Hawaii public housing authority shall
- 18 include the status of the development and operation of permanent
- 19 supportive housing units authorized under this Act in its annual
- 20 report to the legislature required pursuant to section 356D-20,
- 21 Hawaii Revised Statutes.

- (b) The department of land and natural resources shall
 assist the Hawaii public housing authority by providing suitable
 public lands for this Act.
 (c) The Hawaii public housing authority may partner with
- other appropriate government and non-government entities to
 ensure that sufficient and appropriate services are accounted
 for in the development and operation of permanent supportive
 housing units.
- 9 (d) In determining eligibility for the permanent
 10 supportive housing units, the Hawaii public housing authority
 11 may verify whether an individual or household qualifies as
 12 homeless, using the existing process of homeless verification
 13 letters provided by recognized homeless services providers.
- 14 SECTION 4. The director of finance is authorized to issue general obligation bonds in the sum of \$60,000,000 or so much 15 16 thereof as may be necessary is appropriated for fiscal year 17 2024-2025 for the initial phase of development and construction of up to one hundred permanent supportive housing units to meet 18 19 the housing needs of individuals and families in the State, including those who are exiting correctional facilities, those **20** with severe mental illness or developmental disabilities, and 21

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- 1 those who are stepping down from a higher level of care in
- 2 institutional settings.
- 3 SECTION 5. The appropriation made for the capital
- 4 improvement project authorized by this Act shall not lapse at
- 5 the end of the fiscal biennium for which the appropriation is
- 6 made; provided that all moneys from the appropriation
- 7 unencumbered as of June 30, 2026, shall lapse as of that date.
- 8 SECTION 6. This Act shall take effect on July 1, 2024.

INTRODUCED BY:

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JAN 2 2 2024

Report Title:

Permanent Supportive Housing; Low-Income Housing Tax Credit; GO Bonds; HPHA; HHFDC; Appropriation

Description:

Authorizes the issuance of general obligation bonds to the Hawaii Public Housing Authority for the development and construction of permanent supportive housing for certain vulnerable individuals. Requires the Hawaii Housing Finance and Development Corporation to consider any available federal lowincome housing tax credits needed for construction of permanent supportive housing units.

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