

JAN 19 2024

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# A BILL FOR AN ACT

RELATING TO AFFORDABLE HOUSING.

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

1           SECTION 1. The legislature finds that Hawaii is facing an  
2 affordable housing crisis. Nearly half of Hawaii's residents  
3 are struggling financially to afford basic needs.

4           The legislature further finds that Hawaii's affordable  
5 housing crisis has led to the departure of many of Hawaii's  
6 residents. The lack of affordable housing has also increased  
7 the number of homeless people who have jobs but cannot afford  
8 the high rent for housing. State and county housing agencies  
9 have been trying to create enough affordable housing for  
10 decades. However, housing development costs are so high, and  
11 the shortage of affordable housing is so great, that only a  
12 fraction of the affordable housing that is needed has been  
13 developed.

14           The purpose of this Act is to establish a task force to  
15 propose a plan for a public-private partnership to develop  
16 alienable state land for affordable housing with the opportunity  
17 for the residents to eventually purchase their units. The plan



1 will then be implemented as a model for future affordable  
2 housing projects.

3 SECTION 2. (a) There is established the model affordable  
4 housing task force. The purpose of the task force shall be to  
5 propose a plan for the development of a high-rise affordable  
6 housing project on alienable state land that is developed  
7 through a partnership with the applicable county and the private  
8 sector.

9 (b) The task force shall consist of the following members  
10 or their designees:

- 11 (1) The chairperson of the board of land and natural  
12 resources, who shall serve as the chairperson of the  
13 task force;
- 14 (2) The executive director of the Hawaii housing finance  
15 and development corporation;
- 16 (3) The executive director of the Hawaii community  
17 development authority;
- 18 (4) The director of the office of planning and sustainable  
19 development; and
- 20 (5) The mayors of each county.



1 (b) The task force shall draft a proposal that includes  
2 the following:

3 (1) Identification of alienable state land suitable for  
4 development as affordable housing; provided that no  
5 lands identified shall include ceded lands or Hawaiian  
6 home lands;

7 (2) At least one high-rise building consisting primarily  
8 of affordable housing on the identified alienable  
9 state land that shall be constructed by a private  
10 entity contracted by the applicable county;

11 (3) A requirement that the applicable county construct the  
12 infrastructure for the project or the county contract  
13 for the infrastructure construction;

14 (4) A requirement that the State match county funds on a  
15 one-to-one basis to fund the infrastructure costs;  
16 provided that state funds shall only be released to  
17 the county after the infrastructure construction has  
18 been completed;

19 (5) A requirement that rents for the units be set at  
20 affordable rates, as defined by the United States



1 Department of Housing and Urban Development or another  
2 appropriate entity;

3 (6) A requirement that the contractor or the contractor's  
4 designee allow any resident to purchase the fee simple  
5 interest of a unit at an affordable price after living  
6 in it for not less than fifteen years;

7 (7) Guidelines for the materials to be used for the  
8 construction, in consideration of cost, energy savings  
9 and use, durability, and construction standards; and

10 (8) Specification that a certain percentage of the unit  
11 sales may be set aside as the profit for the  
12 contractor.

13 (c) The task force may submit more than one proposal.

14 (d) The task force shall submit the proposal along with  
15 proposed legislation to the legislature no later than twenty  
16 days prior to the convening of the regular session of 2025.

17 (e) The task force shall cease to exist on June 30, 2025.

18 SECTION 3. This Act shall take effect upon its approval.

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INTRODUCED BY: 

# S.B. NO. 2590

**Report Title:**

Affordable Housing; Task Force; Department of Land and Natural Resources; Hawaii Housing Finance and Development Corporation; Hawaii Public Housing Authority; Office of Planning and Sustainable Development; Counties; Report

**Description:**

Establishes a task force to identify 1 or more parcels of alienable state land and propose a plan for a public-private partnership to develop that land for affordable housing. Requires a report to the Legislature prior to the convening of the 2025 Regular Session.

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