

ACT 109

S. B. NO. 1626-70

A Bill for an Act Relating to Leases to Certain Developers of Low and Moderate Income Housing.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. Chapter 171-84, Hawaii Revised Statutes, is amended to read as follows:

“Section 171-84. Leases to certain developers of housing for low and moderate income families. Sections 171-73 to 171-76, or any other law to the contrary notwithstanding, residential public lands may be leased on a first priority basis, without a drawing or public auction, by the board of land and natural resources to a developer or mortgagor who qualifies under the federal housing programs for low and moderate income families under the National Housing Act or State housing program for low and moderate income families as approved by the board of land and natural resources, or to a nonprofit or limited distribution corporation or association as defined in section 221(d) (3) of the National Housing Act which conforms to the standards of section 221(d) (3) but which is not a mortgagor under section 221(d) (3), all of which are regulated or supervised under federal or State laws or by political subdivisions of the State, or agencies thereof, as to rents, charges, sales prices, capital structure, rate of return, and methods of operation from the time of issuance of the building permit for the project. The lease under this section shall include terms to meet federal housing administration requirements, if any, and the annual

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rental of the premises shall not exceed \$1 a year to the lessee. The subleasing of individual lots will be allowed with lessee retaining first right of purchase for resale to a qualified low and moderate income family in conformance with the board of land and natural resources requirements.”

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

(Approved June 19, 1970.)