

ACT 279

H.B. NO. 2719

A Bill for an Act Relating to Homeless Programs.

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

SECTION 1. The legislature finds that the issue of homelessness in Hawaii is a public issue and should be regarded as one of the most significant social problems facing the people of the State today. The severity of the problem is visible in every area of the State, and signs that the problem is growing progressively worse are becoming more and more prevalent. Without exception, the problem of homelessness affects the lives of every person in the State, and the burden of rectifying this problem should be approached as a collective responsibility. While there are no easy solutions to the problem, it is clear that community involvement in the fight against homelessness is the key toward the development of an effective and workable system.

The purpose of this Act is to conduct a two-year homeless assistance pilot project known as the "Hale Kokua" project which would authorize the payment of a state grant and a monthly rent supplement to any interested property owner who sets aside any existing rental space or undertakes the improvement or construction of any adjoining or separate dwelling unit for the purpose of renting the unit to any family or individual classified as homeless under the program for a period of five years. Participation in the Hale Kokua project will be strictly voluntary.

The project, which initially, will be limited in scope to the city and county of Honolulu, will preliminarily place a priority on placing homeless families who have been homeless in the State the longest and have been living in parks, cars, the streets, or other public areas in rental housing made available under the program. To ensure that no particular district or community of the city and county is

unduly burdened by the sudden influx of homeless families holding rental contracts with qualified homeowners under the project, the number of homeowners authorized to take part in the Hale Kokua project will be limited to five per census tract. With approximately one hundred ninety-six census tracts throughout the city and county of Honolulu, the project will carry the potential of making nine hundred eighty units available to homeless families on Oahu. With an average of two and one-half members per homeless family, the program may ultimately provide homes for 2,450 people during the initial phase of the program alone. Over the long term, the purpose of the Hale Kokua project will be to develop the framework to implement the system statewide.

The Hale Kokua project will assist homeless families and individuals willing to engage in self-improvement programs and regular employment with an alternative to living in homeless shelters where homeless families as well as the special needs homeless are indiscriminately grouped together. Accordingly, the project will allow other available programs to focus more intently on the problems of the special needs homeless. This Act also calls for the establishment of a cooperative effort between the State, the counties, and the federal government to provide the community and the Hale Kokua project with the resources and the incentives to eliminate the condition of homelessness. Because the Hale Kokua project shares the capital development costs of building rental units between the public and private sector, the cost of implementing this program will be far less than the cost of building new homeless shelter facilities.

Because the project has the potential to drastically reduce the actual number of homeless families and individuals living in public areas, full and free access to Hawaii's malls, streets, parks, and camp grounds will be restored, enabling stricter enforcement of the State's public access laws by the law enforcement community. As a result, the overall quality of life for all of the people will be enriched and Hawaii's reputation as one of the most beautiful areas in the world to visit will be enhanced.

SECTION 2. There is established, within the Hawaii housing authority, a two-year homeless assistance pilot project to be known as the "Hale Kokua" project to provide incentives and assistance to private homeowners in the city and county of Honolulu who set aside existing dwelling units, or construct new or improve existing dwelling units, for rental for a period of five years by families or individuals classified as homeless under the project. The project shall be headed by the state homeless programs coordinator with the assistance of the homeless assistance coordinating committee. The executive director of the Hawaii housing authority shall administer the Hale Kokua project and adopt the standards and the framework necessary to implement the project statewide after the initial phase of the project.

SECTION 3. The executive director of the Hawaii housing authority shall appoint a state homeless programs coordinator to carry out the purposes of this Act and to coordinate all programs and responses of state agencies as to the problem of homelessness. The coordinator may be assisted by an administrative assistant and one clerical position, both appointed by the executive director without regard to chapters 76 and 77, Hawaii Revised Statutes. The coordinator, with approval of the executive director, may contract with private services to carry out the duties and responsibilities of the project.

Under the supervision of the executive director, the duties of the coordinator shall include:

- (1) Carrying out the requirements of the Hale Kokua project under this Act;
- (2) Developing and adopting the requirements, qualifications, registration, background check, initial screening procedures, and follow-up after placement, to determine the ability to make rental payments and the need for social services and referrals for homeless families and individuals to qualify them as tenants under this project. The coordinator shall place a priority on arranging the placement of homeless families living in parks, cars, camp grounds, on the streets, or other public areas, into rental units under this project;
- (3) Developing and adopting the requirements, qualifications, and the registration procedures for property owners who provide rental housing to qualified homeless tenants, provided that priority shall be given to those not requesting construction grants;
- (4) Developing appropriate waivers of liability; and adopting the procedures to place qualified homeless tenants with property owners participating in the project. Participating property owners shall be given the opportunity to conduct interviews and make the final tenant selection from lists of prospective tenants compiled by the coordinator;
- (5) Establishing the procedures and requirements for the disbursement of building improvement grants and rental subsidies and the amounts thereof to property owners participating in the project;
- (6) Working with the counties to develop and propose uniform incentives to encourage and facilitate the participation of property owners, including real property tax waivers or reductions, and exemptions in zoning or building code requirements;
- (7) Monitoring the financial status and progress of recovery of the homeless tenants and cooperating with other agencies in establishing and coordinating self-help, job training, and other self-improvement programs for the homeless;
- (8) Promoting and assisting in the development of employer-employee relationships between homeless tenants and participating property owners, including but not limited to tenant caretaker, housekeeper, or groundskeeper employment situations;
- (9) Assisting homeless families and individuals wishing to return or relocate to out-of-state locations to carry out their relocation;
- (10) Securing financial, in-kind, and administrative assistance from law enforcement and other state and county agencies and the private sector to implement the project;
- (11) Securing funding assistance from federal agencies and programs involved in housing development, job-training, or homeless assistance;
- (12) Adopting rules under chapter 91, Hawaii Revised Statutes; provided that any rules adopted within one year after the effective date of this Act shall be exempt from the public notice and public hearing requirements of chapter 91;
- (13) Reporting monthly to the homeless programs coordinating committee;
- (14) Monitoring the progress of the Hale Kokua project, and collecting annual statistics showing the numbers of homeless people, homeless families, and homeless children, using measurement systems with a view to uniformity with national surveys on homelessness;

- (15) Preparing an interim report on the status of the Hale Kokua project during the first year of its operation, for submittal to the 1993 legislature by the authority, which shall include the statistics listed above and other relevant information; and
- (16) Preparing a final report for submittal to the 1994 legislature by the authority at the end of the Hale Kokua project pilot period containing findings, the framework to implement the project statewide, and recommendations, which shall include means of encouraging participating property owners to sign up for additional terms.

SECTION 4. There is established a homeless assistance coordinating committee consisting of eleven members to provide advisory assistance to the state homeless programs coordinator in carrying out this Act. The committee shall regularly consult with homeless persons. The executive director of the Hawaii housing authority or a designee shall serve as the ex officio voting chairperson of the committee. The members of the committee shall include the director of human services, the director of labor and industrial relations, the director of health, the superintendent of education, and the governor's advisor on housing. The governor shall appoint one member to represent the homeless population, and one member each to represent each county from a list of two nominees submitted by the mayor of each county.

The committee shall be deemed the State's "interagency council on the homeless" as authorized by the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11320(b)). The members of the committee shall serve without compensation but shall be reimbursed for necessary expenses incurred while attending meetings and while in the discharge of their responsibilities.

SECTION 5. The coordinator shall permit the participation of a maximum number of five property owners in the Hale Kokua project within each census tract at any given period in time, without regard to the existence or operation of shelters and other facilities to aid the homeless in the tract. The coordinator shall notify prospective participants registered on the waiting list in each census tract of the opportunity to participate in the project as these opportunities may arise in each tract.

Assistance to any qualified property owner providing rental housing to any homeless tenant under this Act for a period of five years shall include, but not be limited to, at least one of the following:

- (1) The payment of up to \$7,500 as a state grant to offset the cost of renovating, improving, building any adjoining addition, or constructing any separate structure upon the premises of the owner's property in preparation for its use as a homeless assistance unit under the project;
- (2) The payment of a \$300 monthly state rent subsidy to supplement the monthly rental payments made by the homeless tenant;
- (3) Real property tax rate waivers or reductions proposed by the coordinator and approved by the council of the county in which the property is located;
- (4) Zoning and building code exemptions applicable to the construction of adjoining or separate dwelling units on the owner's property, provided that the county, by ordinance, may establish minimum development and construction standards for these units and procedures for approval thereto; and

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- (5) Other incentives consistent with the purposes of this Act to assist in the participation of property owners under the project that are adopted by the state homeless programs coordinator.

SECTION 6. Any property owner who withdraws from the Hale Kokua project prior to the expiration of five years shall return the state grant for construction improvements within ninety days of the date of withdrawal. The coordinator shall effect the recovery of the grant, including but not limited to the filing of liens against the real property of withdrawing property owners. The respective county government whose jurisdiction includes the site shall determine the disposition of the additional unit constructed with the grant.

SECTION 7. Nothing contained in this Act shall be deemed to delegate or detract in any way from the functions, powers, and duties prescribed by law for any other department or agency of the State or counties, nor to interrupt or preclude the direct relationships of any such department or agency in the performance of such functions, powers, and duties.

SECTION 8. This Act shall take effect upon its approval, and shall be repealed on July 1, 1994; provided that the repeal of this Act shall not affect the right to recover grants under section 6.

(Approved June 19, 1992.)