

**ACT 164**

H.B. NO. 1398

A Bill for an Act Relating to the Hawaii Public Housing Authority.

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

SECTION 1. The legislature finds that the development of additional public housing is essential to the well-being of Hawaii's poorest residents. The

ability of the State to provide an adequate supply of safe, affordable public housing can be enhanced by public-private partnerships that authorize private entities to undertake all or a portion of the study, planning, design, development, financing, acquisition, installation, construction, improvement, operation, or maintenance of public housing facilities. Public-private partnership public housing projects provide a sound economic investment opportunity for the private sector and the State with increased options to develop this critically needed housing.

The purpose of this Act is to encourage joint ventures with private parties for the development of public housing.

SECTION 2. Chapter 356D, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

**“§356D- Development of property; partnership or development agreement.** (a) Any public housing project may be developed under sections 356D-11 and 356D-12 by the authority in partnership or under a development agreement with a private party; provided that a written partnership or development agreement is executed by the authority. At a minimum, the partnership or development agreement shall provide for:

- (1) A determination by the authority that the partnership or development agreement is for a public purpose; and
- (2) Final approval by the authority of the plans and specifications for the public housing project.

(b) For the development of public housing projects pursuant to subsection (a), except as provided by federal law or regulation, the authority shall not be subject to chapters 103 and 103D or any and all other requirements of law for competitive bidding for partnership or development agreements, construction contracts, or other contracts; provided that the authority shall develop internal policies and procedures for the procurement of goods, services, and construction, consistent with the goals of public accountability and public procurement practices.

(c) The authority shall submit an annual report to the legislature, no later than twenty days prior to the convening of each regular session, on the status of all public housing projects being developed using partnership or development agreements pursuant to subsection (a).

(d) The authority may adopt rules pursuant to chapter 91 necessary for the purposes of this section.”

SECTION 3. New statutory material is underscored.<sup>1</sup>

SECTION 4. This Act shall take effect on July 1, 2012.

(Approved June 26, 2012.)

#### Note

1. Edited pursuant to HRS §23G-16.5.