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 "kauhale" traditionally means a Hawaiian village and houses members of an ohana, whether related by blood or not, who treat each other as extended family. The concept of kauhale maximizes the sense of community by recognizing and celebrating an individual's skills, knowledge, and experiences with others.

The legislature further finds that this traditional housing model, which is grounded in Hawaiian culture and values, presents an opportunity to improve the lives of people experiencing homelessness. While significant strides have been made, current attempts to address homelessness in Hawaii remain insufficient. Hawaii continues to have the highest number of homeless individuals per capita of any state in the nation. The city and county of Honolulu, which has the highest number of homeless individuals in the State, has seen the number of unsheltered homeless individuals rise over the past five years and the number of people in shelters decline during the same
period, despite increased investment in shelters and

enforcement.

The legislature also finds that the kauhale model has the
potential to serve homeless individuals in a way that existing
programs are currently unable to, with the goal of improving the
health and well-being of homeless individuals.

The purpose of this Act is to establish the kauhale pilot
program to provide permanent shelter and other services to
homeless individuals.

SECTION 2. For purposes of this Act, "homeless" has the
same meaning as in section 346-361, Hawaii Revised Statutes.

SECTION 3. (a) There is established the kauhale pilot
program to provide permanent long-term housing and certain
services to homeless individuals. A kauhale may:

(1) Consist of tiny homes priced at no more than $25,000
per unit;

(2) Have common areas that are designed to encourage
community engagement with residents;

(3) Have shared facilities, including restrooms and
kitchens, to promote shared responsibility and to
reduce cost and infrastructure needs;
(4) Accept residents coping with substance abuse who are
    receiving treatment for substance abuse;

(5) Allow residents to form community associations to
    share responsibilities for management and improvements
    of the kauhale; and

(6) House residents that are chronically homeless, as
    defined by the United States Department of Housing and
    Urban Development.

(b) The lieutenant governor shall administer and oversee
    the operation of the kauhale pilot program. The lieutenant
    governor shall designate the Hawaii housing finance and
    development corporation and other appropriate agencies,
    including an agency with specific expertise in construction
    development and any state agency with specific expertise in
    administering homeless services and housing services, to develop
    and implement the kauhale pilot program. The lieutenant
    governor, through these designated agencies, shall determine the
    number and locations of a kauhale, which shall be situated on
    public or private lands; provided that the designated agencies
    shall identify six sites on Oahu, and at least one site on each
    of the islands of Hawaii, Kauai, and Maui.
The agencies designated pursuant to subsection (b) may coordinate with public or private entities, as appropriate, to develop and implement the kauhale pilot program; provided that if any public land under the jurisdiction of a state or county agency is determined to be suitable for use as a kauhale, the designated agencies shall:

(1) Work with the appropriate state or county agency that controls the land to lease the land designated for use as a kauhale to an agency or public or private entity, as appropriate, whose mission is more suited to the management of a kauhale; and

(2) Work with the appropriate state or county agency that controls the land and its construction agency to ensure that infrastructure needs for a kauhale are met and minimize adverse impacts to the environment, including to nearshore resources such as corals, reef fish, and seabirds.

The kauhale pilot program may provide the following facilities and services at each kauhale:

(1) Secure dwelling spaces that:

(A) May be private or communal;
(B) Have access to toilets, showers, and other hygiene facilities; and

(C) Have access to an area for food storage and meal preparation;

(2) Onsite jobs, micro-enterprise opportunities, micro-farm space, community events, and community centered kuleana;

(3) Medical and social support services; and

(4) Access to transportation to appointments related to medical care or supportive services that are not available at a kauhale.

SECTION 4. (a) Contracts entered into by the agencies designated by the lieutenant governor pursuant to the kauhale pilot program shall be exempt from the requirements of chapters 103D and 103F, Hawaii Revised Statutes, as well as all county ordinance, rule, regulation, law, or provision in any form that applies to any county permitting, licensing, zoning, variance, processes, procedures, fees, or any other requirements that hinder, delay, or impede the purpose of this Act. Exemption from requirements of chapter 103D and 103F, Hawaii Revised Statutes, shall apply to the kauhale pilot program on both
public and private land, but only during the pilot period.

Contracts entered into during the pilot period shall not extend beyond the pilot end date of June 30, 2023.

(b) The governor's emergency proclamation regarding homelessness dated December 14, 2018, is hereby codified in order to eliminate the need to repeatedly extend the governor's proclamation and to support the expeditious delivery of permanent homes in the kauhale pilot program. The kauhale pilot program shall be exempt from the following requirements of the Hawaii Revised Statutes; provided these exemptions shall apply only during the pilot period; and provided further that the permanent housing in the kauhale pilot program shall be safe, sanitary, and suitable for human habitation:

(1) Chapter 6E, historic preservation;

(2) Section 37-41, appropriations to revert to state treasury;

(3) Section 37-74(d), program execution, except for subsections 37-74(d)(2) and 37-74(d)(3), and any such transfers or changes shall be considered authorized transfers or changes for purposes of section 34-74(d)(1) for legislative reporting requirements;
(4) Section 40-66, lapsing of appropriations;

(5) Chapter 46, county organization and administration as any county ordinance, rule, regulation, law, or provision in any form applies to any county permitting, licensing, zoning, variance, processes, procedures, fees, or any other requirements that hinder, delay, or impede the purpose of this Act;

(6) Chapter 89, collective bargaining in public employment;

(7) Chapter 89C, public officers and employees excluded from collective bargaining;

(8) Chapter 92, public agency meetings and records, to the extent that any notice requirements or any other provisions of Chapter 92 may delay the expeditious action, decision, or approval of any agency;

(9) Section 102-2, contracts for concessions in government buildings; bid requirements;

(10) Section 103-2, general fund;

(11) Section 103-53, contracts with the State or counties; tax clearances, assignments;
1  (12) Section 103-55, wages, hours, and working conditions
2  of employees of contractors performing services;
3  (13) Chapter 103D, Hawaii public procurement code;
4  (14) Chapter 103F, purchases of health and human services;
5  (15) Chapter 104, wages and hours of employees on public
6  works;
7  (16) Sections 105-1 to 105-10, use of government vehicles,
8  limitations;
9  (17) Section 127A-30, rental or sale of essential
10  commodities during a state of emergency; prohibition
11  against price increases;
12  (18) Chapter 171, public lands;
13  (19) Chapter 205, land use commission;
14  (20) Chapter 205A, coastal zone management;
15  (21) Chapter 206E, Hawaii community development authority;
16  (22) Chapter 343, environmental impact statements;
17  (23) Chapter 346, social services;
18  (24) Section 464-4, public works required to be supervised
19  by certain professionals; and
20  (25) Sections 601-1.5, 708-817, 708-818, 708-820, 708-
21  830.5, and 708-840, to the extent that these sections
contain provisions for the suspension, tolling, extension, or granting of relief from deadlines, time schedules, or filing requirements in civil, criminal, or administrative matters before the courts of the state or to the extent that these sections contain provisions for criminal penalties that are automatically heightened by reason of any declared disaster or emergency.

(c) The agencies designated by the lieutenant governor pursuant to the kauhale pilot program shall establish no later than December 31, 2020, the following:

(1) The criteria that the agencies will use to evaluate potential kauhale locations;

(2) A monthly timetable of milestones that the agencies expect to meet in establishing one or more kauhale over the course of the pilot program;

(3) Specific, measurable, attainable, reasonable, and time-based performance measures that the agencies expect to meet at the end of each fiscal year;
(4) The evaluation criteria and process that the agencies intend to use each year when reviewing the success and sustainability of a kauhale; and

(5) The monitoring and oversight controls that the agencies will have over a kauhale to identify, address, and prevent possible fraud, waste, and abuse, and ensure compliance with local, state, and federal laws.

(d) The Hawaii housing finance and development corporation shall compile and consolidate information from the agencies designated by the lieutenant governor pursuant to the kauhale pilot program to effectuate this Act and submit an annual report to the legislature no later than twenty days prior to the convening of the regular sessions of 2021, 2022, and 2023.

(e) The report submitted no later than twenty days prior to the convening of the regular session of 2021 shall include the following information:

(1) A summary and explanation of the process that the agencies designated by the lieutenant governor pursuant to the kauhale pilot program engaged in to identify possible kauhale locations; and
(2) A summary of the information required under subsection (b).

(f) The reports submitted no later than twenty days prior to the convening of the regular sessions of 2022 and 2023 shall include the following information:

(1) The milestones established pursuant to subsection (b) that were met by the agencies designated by the lieutenant governor pursuant to the kauhale pilot program and the number of kauhale established during the fiscal year;

(2) An evaluation of the kauhale pilot program to determine whether the objectives set have been met or exceeded;

(3) Any proposed changes that need to be made to the performance measures used to assess the achievement of program goals; and

(4) An assessment of the impact of the kauhale model on the homelessness problem in Hawaii.

(g) The kauhale pilot program shall cease to exist on June 30, 2023.
SECTION 5. There is appropriated out of the general revenues of the State of Hawaii the sum of $20,000,000 or so much thereof as may be necessary for fiscal year 2020-2021 for the establishment of the kauhale pilot program and expenses related to facility construction, infrastructure, provision of services, staffing, and administrative costs.

The sum appropriated shall be expended by the office of the lieutenant governor for the purposes of this Act; provided that the lieutenant governor shall transfer the expenditure authority to the appropriate designated agencies within a reasonable time.

Notwithstanding any other law to the contrary, the lieutenant governor may transfer all or a portion of the appropriation in this section to the lieutenant governor's designated agencies for expenditures incurred to implement the kauhale pilot program.

The lieutenant governor's designated agencies may expend any appropriation transferred pursuant to this section for the performance of their duties under the kauhale pilot program.

SECTION 6. There is appropriated out of the general revenues of the State of Hawaii the sum of $200,000 or so much thereof as may be necessary for fiscal year 2019-2020 for one
1 full-time (1.0 FTE) position for a project manager position and
2 one full-time (1.0 FTE) position for an office assistant III.
3 The sums appropriated shall be expended by the Hawaii
4 housing finance and development corporation for the purposes of
5 this Act.
6 SECTION 7. This Act shall take effect on July 1, 2020.
Report Title:
Kauhale; Pilot Program; Lieutenant Governor; Appropriation

Description:
Establishes the kauhale pilot program to provide shelter and certain services to homeless individuals. Appropriates funds for the kauhale pilot program. Appropriates funds for two FTE employees for the Hawaii Housing Finance and Development Corporation. (SD1)

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