

JAN 23 2015

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# A BILL FOR AN ACT

RELATING TO HOUSING.

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

1           SECTION 1. Chapter 201H, Hawaii Revised Statutes, is  
2 amended by adding a new section to be appropriately designated  
3 and to read as follows:

4           "§201H- Affordable housing; community land trust.

5 Where a development is required to include a number of  
6 affordable rental housing units pursuant to this chapter, the  
7 required number of affordable rental housing units shall be  
8 reduced by fifty per cent if more than half of the available  
9 units in the development are owned by or subject to a community  
10 land trust.

11           For purposes of this section, "community land trust" means  
12 a nonprofit organization that:

13           (1) Acquires parcels of land, held in perpetuity,  
14           primarily for conveyance under long-term ground  
15           leases;

16           (2) Transfers ownership of any structural improvements  
17           located on leased parcels to the lessees; and



- 1        (3) Has its corporate membership open to any adult
- 2                resident of a particular geographic area specified in
- 3                the organization's bylaws;
- 4        (4) Retains a first option to purchase any structural
- 5                improvement at a price determined by formula that is
- 6                designed to ensure that the improvement remains
- 7                affordable to low- and moderate-income households; and
- 8        (5) Is governed by a board of directors that:
- 9                (A) Includes a majority of members who are elected by
- 10               the corporate membership; and
- 11               (B) Is composed of equal numbers of lessees,
- 12               corporate members who are not lessees, and any
- 13               other category of persons described in the bylaws
- 14               of the organization."

15        SECTION 2.    New statutory material is underscored.

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

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INTRODUCED BY:           *Randy H. Beh*            
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**Report Title:**

Affordable Housing; Community Land Trust

**Description:**

Reduces the required number of affordable rental housing units by 50% if more than half of the available units in the development are owned by or subject to a community land trust.

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