

JAN 20 2023

A BILL FOR AN ACT

RELATING TO HOMELESSNESS.

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

1 SECTION 1. The legislature finds that homelessness is one
2 of the most pressing problems in the State. Hawaii has the
3 highest homelessness rate in the nation, which is driven by
4 insufficient affordable housing. Through improved coordination
5 and investment in proven programs such as housing first, Hawaii
6 is turning the tide on the homelessness crisis. In 2017, the
7 State saw its first reduction in the rate of homelessness in
8 years. However, given the magnitude of homelessness in the
9 State, Hawaii must continue to increase investments in housing
10 and other supports to fully address homelessness.

11 Chronic homelessness is distinct from other forms of
12 homelessness and is defined by being continuously homeless for a
13 year or more, or having had at least four episodes of
14 homelessness in the past three years. The unaddressed problem
15 of chronic homeless is a particularly costly problem for Hawaii
16 that places a large burden on the State's health care and
17 emergency service systems. Addressing chronic homelessness



1 across the State will result in significant cost savings for
2 health care and emergency services systems and create a solid
3 foundation for addressing other forms of homelessness.

4 The legislature also finds that, according to the Partners
5 in Care 2020 point in time report, Oahu has 3,257 chronically
6 homeless individuals. Permanent supportive housing is the best
7 way to address chronic homelessness. Permanent supportive
8 housing is an approach to homelessness that integrates
9 permanent, affordable rental housing with best practice
10 community-based supportive services to allow individuals and
11 households who have serious and long-term disabilities such as
12 mental illnesses, developmental disabilities, physical
13 disabilities, substance use disorders, and chronic health
14 conditions to maintain stable housing in the community.

15 An initial investment of \$60,000,000 will cover the
16 development and construction costs of one hundred permanent
17 supportive housing units.

18 The purpose of this Act is to authorize the issuance of
19 general obligation bonds and appropriate bond proceeds to the
20 Hawaii public housing authority to begin the development and
21 construction with a qualified developer or operator of permanent



1 supportive housing units to meet the housing needs of
2 individuals in the State, including those individuals who are
3 exiting correctional facilities, those with severe mental
4 illness or developmental disabilities, and those who are
5 stepping down from a higher level of care in institutional
6 settings.

7 SECTION 2. The Hawaii housing finance and development
8 corporation shall consider any applicable competitive federal
9 low-income housing tax credits allowed under section 42 of the
10 Internal Revenue Code of 1986, as amended, that are needed for
11 the construction of permanent supportive housing units developed
12 and constructed pursuant to this Act to the Hawaii public
13 housing authority, the developer or operator partnered with the
14 Hawaii public housing authority for the construction of
15 permanent supportive housing units, or both.

16 SECTION 3. (a) The Hawaii public housing authority shall
17 include the status of the development and operation of permanent
18 supportive housing units authorized under this Act in its annual
19 report to the legislature required pursuant to section 356D-20,
20 Hawaii Revised Statutes.



1 (b) The department of land and natural resources shall
2 assist the Hawaii public housing authority by providing suitable
3 public lands for this project.

4 (c) The Hawaii public housing authority may partner with
5 other appropriate government and non-government entities to
6 ensure that sufficient and appropriate services are accounted
7 for in the development and operation of permanent supportive
8 housing units.

9 SECTION 4. The director of finance is authorized to issue
10 general obligation bonds in the sum of \$60,000,000 or so much
11 thereof as may be necessary and the same sum or so much thereof
12 as may be necessary is appropriated for fiscal year 2023-2024
13 for the purpose of the initial phase of development and
14 construction of up to one hundred permanent supportive housing
15 units to meet the housing needs of individuals and families in
16 the State, including those who are exiting correctional
17 facilities, those with severe mental illness or developmental
18 disabilities, and those who are stepping down from a higher
19 level of care in institutional settings.

20 SECTION 5. The appropriation made for the capital
21 improvement project authorized by this Act shall not lapse at



1 the end of the fiscal biennium for which the appropriation is
2 made; provided that all moneys from the appropriation
3 unencumbered as of June 30, 2026, shall lapse as of that date.

4 SECTION 6. This Act shall take effect on July 1, 2023.

5

INTRODUCED BY:

A handwritten signature in black ink, appearing to read "J. M. ...", is written over a horizontal line. The signature is cursive and stylized.



S.B. NO. 881

Report Title:

Permanent Supportive Housing; Low-Income Housing Tax Credit;
General Obligation Bonds; Hawaii Public Housing Authority;
Hawaii Housing Finance and Development Corporation

Description:

Authorizes the issuance of general obligation bonds to the Hawaii Public Housing Authority for the development and construction of permanent supportive housing for certain vulnerable individuals. Requires the Hawaii Housing Finance and Development Corporation to consider any available federal low-income housing tax credits needed for construction of permanent supportive housing units.

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