



**HOUSING AND COMMUNITY DEVELOPMENT
CORPORATION OF HAWAII**

LINDA LINGLE
GOVERNOR

NEWS RELEASE

Stephanie Aveiro, Executive Director
Phone: (808) 587-0680

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**GOVERNOR LINGLE SIGNS BILLS TO INCREASE FUNDING FOR
HOMELESS AND AFFORDABLE HOUSING PROGRAMS**

HONOLULU – Governor Linda Lingle today signed three bills that dedicate more than \$40 million to help end homelessness in Hawai'i and increase the availability of affordable housing.

The bills (HB2176, HB2964 and HB2991) represent a 400 percent increase in funding for homeless programs and services and will help public, private and non-profit housing developers build more affordable housing.

"Homelessness and affordable housing are major issues that our Administration worked closely with the Legislature and others in our community to address," said Governor Lingle. "The bills do not provide the 'silver bullet' to solve the problem of homelessness and the affordable housing shortage. However, they do provide much-needed financial resources and other tools to allow us to take the next step to maintain the momentum we have achieved in meeting one of the most basic needs of our residents – housing."

HB2176 HD2 SD2 CD1 (Act 100) appropriates \$31.6 million to combat homelessness and provide incentives to increase low-income rental and affordable housing. The bill includes \$10 million to repair and modernize vacant federal and state public housing units and \$5 million to renovate existing federal and state buildings as emergency and transitional shelters. It provides \$16.6 million in grants in aid to fund new, innovative homeless and low-income and affordable housing programs as well as existing service providers (see attached list). Recognizing the critical role the counties have in assisting the homeless, the grant total includes \$2 million to the City and County of Honolulu and \$400,000 to each of the neighbor island counties to locate, designate and maintain temporary emergency shelters.

Under the new law, the amount of the conveyance tax that goes into the Rental Housing Trust Fund will increase from 30 percent to 50 percent for one year. The Department of Taxation estimates this will generate an additional \$8.4 million to support developers who want to build homes for low- and moderate-

income state residents. The Administration had proposed permanently increasing this percentage to 65 percent.

HB2176 also appropriates to the Hawai'i Housing Finance and Development Corporation \$1.5 million to assist in buying land owned by Kamehameha Schools under the Kulana Nani apartments in Kaneohe to maintain affordable units for low and moderate-income singles and families in this 160-unit project.

To address the shortage of affordable rentals and homes for sale, Governor Lingle signed HB2964 HD1 SD2 (Act 101) allowing the state to lease public lands to qualified non-profit organizations for as little as \$1 per year in return for guarantees that the land will be used to build and maintain affordable housing.

The Governor also signed HB2991 HD2 SD2 CD1 (Act 102), which authorizes the issuance of special purpose revenue bonds for non-profit, for profit, and government agencies that agree to develop low- and moderate-income housing. Projects may be rental units, homes or condominiums but all will have units set-aside for low- and moderate-income families.

“Every Hawai'i resident needs and deserves safe, quality, affordable housing for themselves and their families and real help to get back on their feet when things go wrong,” said Governor Lingle. “These bills encourage state, private and non-profit developers to continue to work together to meet Hawai'i's critical housing needs.”

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For further information contact:

Stephanie Aveiro
Executive Director, HCDCH
Phone: (808) 587-0680

Lenny Klompus
Senior Advisor-Communications
Phone: (808) 586-7708

Russell Pang
Chief of Media Relations
Phone: (808) 586-0043

GRANTS IN AID IN HB2176 HD 2 SD2 CD1

\$16,598,581 for Grants in Aid (GIA)

- ▶ \$3.2 million to the counties to locate, designate and maintain temporary emergency shelters
 - \$2 million to the City and County of Honolulu
 - \$400,000 each to Maui, Kaua`i and Hawai`i Counties

- ▶ \$500,000 for H-5 (Hawai`i Helping the Hungry Have Hope) pilot project (renovating old tour buses into mobile shelters)
- ▶ \$690,000 for Kaua`i Economic Opportunity, Inc. for homeless emergency shelter and wastewater system
- ▶ \$2.1 million for `Ohana Ola O Kahumana for community center and transitional shelter
- ▶ \$599,161 for `Ohana Family of the Living God for temporary mobile shelters pilot project
- ▶ \$300,000 to Victory `Ohana Prison Fellowship to assist mentally ill, parolees, and substance abusers who are homeless
- ▶ \$68,920 to Victory `Ohana Prison Fellowship to purchase computer system and classroom for job training and education to assist mentally ill, parolees, and substance abusers who are homeless
- ▶ \$65,500 to Victory `Ohana Prison Fellowship to purchase a solar energy system for homeless shelter
- ▶ \$180,000 to Catholic Charities for the Ma`ili Land Transitional Housing Program
- ▶ \$2 million for Child and Family Service for construction of emergency and transitional housing for abused families with children
- ▶ \$5 million for Hawai`i Coalition of Christian Churches for the development of a housing project to include emergency, transitional, and low-income rental housing and related services in Wai`anae
- ▶ \$50,000 for Street Beat, Inc. for homeless outreach
- ▶ \$80,000 for County of Hawai`i Department of Parks and Recreation for transportation for homeless and disabled
- ▶ \$700,000 for Habitat for Humanity to establish a zero interest revolving loan fund for self-help ownerships homes
- ▶ \$350,000 for the Nanakuli Housing Corporation for Project Hana Hou
- ▶ \$225,000 for the Hawai`i HomeOwnership Center to provide homebuyer education and counseling on O`ahu, Kaua`i, and Hawai`i
- ▶ \$490,000 for Lokahi Pacific for a mixed-use affordable rental housing and economic development project