



# Hawaii

## Low Income Housing Preservation in 2010

### Low Income Housing Tax Credits (9% Tax Credits)

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In the 2009 - 2010 QAP, Hawaii provides up to 2 points for "preservation of existing affordable rental housing at risk of being converted to market." To qualify for these points, proposals must be 1) acquisition/rehabilitation of a LIHTC property with an expiring compliance period (pre-1990) or an expiring extended use period (post-1990) and agree to extend the affordability for 30 additional years; or 2) acquisition/rehabilitation of a property which is at risk of being converted to market rate rental or for sale, which would result in lost affordable rental apartments. In this case, the property must have a contractual obligation with HUD, USDA RD or State or County housing programs to provide affordable housing, and must extend affordability for 30 additional years.

The 2009 - 2010 QAP also provides up to 4 points for a property that "will be receiving project based rental assistance subsidies which would result in eligible tenants paying approximately 30% of their gross monthly income towards rent." Eligible programs include, but are not limited to, Section 515 or Section 8 programs. The number of points awarded depends on how many of the apartments have project based subsidies.

**Allocations (2003-2009)**

*Properties Preserved:* 5

*Apartments Preserved:* 244

*Additional Info:* In both 2008 and 2009, Hawaii allocated over 15% of its 9% tax credit towards preservation.

### State Low Income Housing Tax Credits

In 2011, Hawaii allocated \$2,942,553 toward its state tax credit program. The state credits are administered separately from the federal LIHTC program and bear a 10 year credit period.

### Private Activity Bonds with 4% Tax Credits

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**Allocations (2003-2009)**

*Properties Preserved:* 3

*Apartments Preserved:* 244

*Additional Info:* Hawaii has only sporadically allocated 4% tax credits towards preservation in 2003 - 2009. Only in 2005, 2007, and 2009 were preservation allocations made.

### Housing Trust Funds

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Hawaii's Rental Housing Trust Fund, administered by the Housing Finance & Development Corporation, provides "Equity Gap" low-interest loans or grants to qualified owners and developers constructing affordable housing units. Funds may be used to provide a loan or a grant for the development, pre-development, construction, acquisition, preservation, and substantial rehabilitation of rental housing apartments. Permitted uses of the fund may include, but are not limited to planning, design, land acquisition, costs of options, agreements of sale, down payments, equity financing, or other housing development services or activities approved by the Commission.

**PLEASE NOTE:** *Some of the information on housing trust funds included in this report was generously provided by the Center for Community Change (Housing Trust Fund Project).*

## **Green Multifamily Preservation Initiatives**

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### ***Green Incentives in State Tax Credit Allocation Plan***

Up to three points will be awarded for including at least 4 items from the green building lists, which includes, among others, the following elements: installation of Energy Star appliances; using at least 25% reclaimed or recycled content materials; and implementing renewable energy technologies.

### ***Other Green Incentives Relevant to Preservation***

Other incentives include tax credits for renewable energy systems, solar water heater rebates, loans for solar roofs, utility rebates, and priority permit processing for green

***For additional information on green initiatives, visit [www.aceee.org](http://www.aceee.org) for more on policies related to energy efficiency or [www.dsireusa.org](http://www.dsireusa.org) for programs that may be available to developers to incentivize renewable energy or energy efficiency.***

## **Sustainable Communities & Transit-Oriented Development Incentives**

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Hawaii's 2009 - 2010 QAP awards 2 points to projects located in a Qualified Census Tract, the development of which contributes to a concerted community revitalization plan as determined by HHFDC.

Among the items for which developments can earn points off the green building list mentioned in the "Green Multifamily Preservation Initiatives" above is "locating within 1/2 mile of a mass or public transit station, rail system, or bus depot or stop with schedule service at intervals of at most 30 minutes between the hours of 7am and 7pm."