

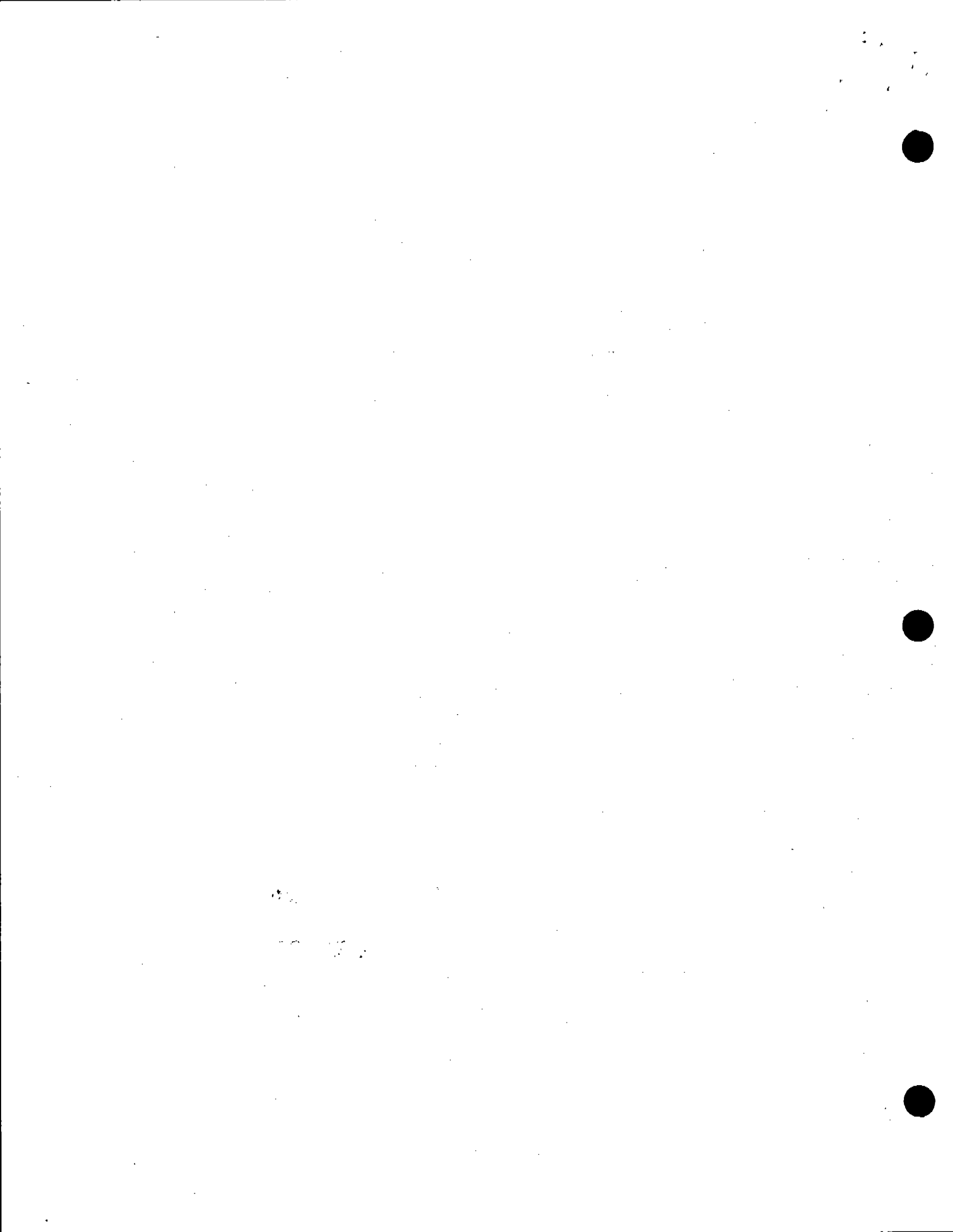
UNIVERSITY OF HAWAI'I

Adoption of Chapter 20-24
Hawai'i Administrative Rules

(June 21, 1996)

SUMMARY

Chapter 24 of Title 20, Hawai'i Administrative Rules, entitled "University-Owned Faculty Housing Units" is adopted.



University of Hawai'i

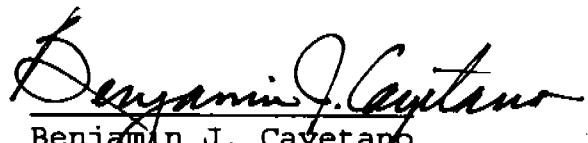
Chapter 20-24, Hawai'i Administrative Rules on the summary page dated June 21, 1996, was adopted on November 15, 1996 following a public hearing held on October 31, 1996 after public notice was given in the Honolulu Advertiser on September 26, 1996; the Hawaii Tribune-Herald on September 24, 1996; the Garden Island on September 23, 1996; and in the Maui News on September 22, 1996

The adoption of Chapter 20-24 shall take effect ten days after filing with the Office of the Lieutenant Governor.



Lily K. Yao
Chairperson
Board of Regents
University of Hawai'i

APPROVED AS TO FORM:


Deputy Attorney General

Benjamin J. Cayetano
Governor
State of Hawai'i

Date: Jan. 7, 1997

JAN 08 1997

Filed

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HAWAI'I ADMINISTRATIVE RULES

TITLE 20

UNIVERSITY OF HAWAI'I

CHAPTER 24

UNIVERSITY-OWNED FACULTY HOUSING UNITS

\$20-24-1	Definitions
\$20-24-2	Purpose
\$20-24-3	Statement of policy
\$20-24-4	Delegation of authority
\$20-24-5	Rental or purchase of the faculty housing units by non-faculty employees, non-University employees and organizations, and the general public
\$20-24-6	Priority of rental
\$20-24-7	Priority of sale
\$20-24-8	Rents and sale prices of housing units offered to non-University employees and organizations and the general public
\$20-24-9	Method for rental or sale of the faculty housing units to non-University employees and organizations and the general public
\$20-24-10	Deposit of rental and sale proceeds
\$20-24-11	Severability

\$20-24-1 Definitions. As used in this chapter:

"Board" refers to the board of regents of the University of Hawai'i.

"Faculty housing assistance program" and "Program" refer to the program established by the University of Hawai'i Board of Regents By-laws and Policies, Section 9-10, Item b., to support the University's competitive strategy in the recruitment and retention of University personnel by offering financial and housing assistance to University employees.

"President" means the president of the University of Hawai'i.

"State" refers to the State of Hawai'i.

"University" refers to the University of Hawai'i.

"University of Hawai'i housing assistance revolving fund" refers to the state fund established by Hawai'i Revised Statutes §304-8.96 to finance and support the operation of the University of Hawai'i faculty housing assistance program.

"University revenue undertakings fund" refers to the state fund established by Hawai'i Revised Statutes §306-10 for the University's bond system projects.

[Eff **JAN 18 1997**] (Auth: HRS §§ 304-2, 304-4, 304-8.96, 306-2, 306-9) (Imp: HRS §§ 304-2, 304-4, 304-8.96, 306-2, 306-9)

§20-24-2 Purpose. The purpose of this chapter is to establish guidelines for the University's Faculty Housing Assistance Program to allow for the rental and sale of University-owned faculty housing units to persons and organizations who are not within the primary target group of the Faculty Housing Assistance Program, and to expressly delegate to the President the authority to administer and manage the rental and sale of the faculty housing units to non-University employees and organizations and the general public in accordance with the guidelines established by and pursuant to this chapter. Nothing in this chapter shall be construed to require the offering of faculty housing units in a project for both rental and sale; faculty housing units within a project may be offered exclusively for rental or exclusively for sale.

[Eff **JAN 18 1997**] (Auth: HRS §§ 304-2, 304-4, 304-8.96, 306-2, 306-9) (Imp: HRS §§ 304-2, 304-4, 304-8.96, 306-2, 306-9)

§20-24-3 Statement of policy. It is necessary and desirable for the University to establish and maintain a faculty housing program to compete effectively against other peer institutions which offer prospective recruitment candidates the benefits of such programs. Most of the University's peer institutions offer conceptually identical benefit programs to their faculty. Because such housing finance and development programs are directly impacted by the conditions of the national and local economy,

the University will assume program risks as a real estate developer, lender, and investor. During such periods when market conditions may make it difficult to rent or sell all available housing units in inventory exclusively to its full-time faculty members, the University may wish to offer the remaining units in inventory to other University employees, non-University employees and organizations, and to the general public to assist in the University's cash flow needs.

[Eff **JAN 18 1997**] (Auth: HRS §§ 304-2, 304-4, 304-8.96, 306-2, 306-9) (Imp: HRS §§ 304-2, 304-4, 304-8.96, 306-2, 306-9)

S20-24-4 Delegation of authority. The Board hereby delegates to the President the authority to administer and manage the rental and sale of the University-owned housing units of the Faculty Housing Assistance Program to persons and organizations who are not within the primary target group of the Program, in accordance with the guidelines established in this chapter. To supplement those guidelines and to fully implement the policy set forth in S20-24-3, the President is hereby authorized to establish the following for the rental and sale of housing units to all persons: (1) eligibility and priority criteria such as, but not limited to, non-homeownership, non full-time work employment status, income, and rank, and (2) terms and conditions of the rentals and sales. The President shall establish administrative procedures governing the sale and rental of the faculty housing units including the collection and disposition of the rental and sale proceeds. The President may delegate the authority granted under this section to an officer or appropriate office of the University.

[Eff **JAN 18 1997**] (Auth: HRS §§ 304-2, 304-4, 304-8.96, 306-2, 306-9) (Imp: HRS §§ 304-2, 304-4, 304-8.96, 306-2, 306-9)

S20-24-5 Rental or purchase of the housing units by non-faculty University employees, non-University employees and organizations, and the general public. The University, as a public institution, is not in

competition with other institutions or commercial enterprises in the rental of the University's faculty housing units. Housing units developed for or by the University are intended to be rented or sold primarily to full-time University faculty members. However, circumstances, such as cash flow needs, may require the University to rent or sell its housing units to persons and organizations outside the primary target group of the Faculty Housing Assistance Program.

[Eff. **JAN 18 1997**] (Auth: HRS §§ 304-2, 304-4, 304-8.96, 306-2, 306-9) (Imp: HRS §§ 304-2, 304-4, 304-8.96, 306-2, 306-9)

§20-24-6 Priority of rental. The President shall first offer the faculty housing units for rent to appointees of the Board. If all housing units offered initially to the Board appointees are not reserved for rental after 120 calendar days, the President may offer any remaining housing unit for rental to full-time civil service employees of the University. Thereafter, in the event that the President determines, in his/her judgment, that the demand and interest are insufficient, the President may offer the remaining housing units for rent to employees of the Center for Cultural and Technical Interchange Between East and West, Inc. (aka East-West Center) and of The Research Corporation of the University of Hawai'i. Thereafter, in the event the demand and interest continues to be insufficient, the President may offer any remaining housing units for rent to members of the general public.

[Eff. **JAN 18 1997**] (Auth: HRS §§ 304-2, 304-4, 304-8.96, 306-2, 306-9) (Imp: HRS §§ 304-2, 304-4, 304-8.96, 306-2, 306-9)

§20-24-7 Priority of sale. The President shall initially offer the housing units for sale to full-time Board appointees. In the event all housing units offered to the full-time Board appointees are not reserved for purchase after 180 calendar days, the President may offer any remaining housing units for sale to full-time civil service employees of the University. Thereafter, in the event that the President determines, in his/her judgment, that the

demand and interest are insufficient, the President may offer the remaining housing units for sale to part-time, non-compensated, and retired employees of the University and to employees of the Center for Cultural and Technical Interchange Between East and West, Inc. (aka East-West Center) and of The Research Corporation of the University of Hawai'i. Thereafter, in the event the demand and interest continues to be insufficient, the President may offer any remaining housing unit for sale to members of the general public.

[Eff **JAN 18 1997**] (Auth: HRS §§ 304-2, 304-4, 304-8.96, 306-2, 306-9) (Imp: HRS §§ 304-2, 304-4, 304-8.96, 306-2, 306-9)

S20-24-8 Rents and sale prices of housing units offered to non-University employees and organizations and the general public. The President shall establish the rents or sale prices for the faculty housing units offered to non-University employees and organizations and the general public on the basis of market studies for rentals and real estate appraisals for sales, which shall be conducted no earlier than 90 calendar days prior to the initial offering of the units for rent or sale to non-University employees and organizations and the general public. Rent shall be established at the fair market rent amount established by a market study, and sale prices shall be established at the fair market value determined by a real estate appraisal. The real estate appraisal shall be conducted by an independent, qualified appraiser licensed by the State of Hawai'i. The market study shall be conducted by an independent, qualified appraiser licensed by the State of Hawaii or by an independent knowledgeable person determined by the President to possess sufficient knowledge and expertise to conduct the market study.

[Eff **JAN 18 1997**] (Auth: HRS §§ 304-2, 304-4, 304-8.96, 306-2, 306-9) (Imp: HRS §§ 304-2, 304-4, 304-8.96, 306-2, 306-9)

S20-24-9 Method for rental or sale of the faculty housing units to non-University employees and organizations and the general public. The President

is authorized to establish the method(s) by which the faculty housing units shall be offered for rent or sale to non-University employees and organizations and the general public based upon the President's determination of what is fair and appropriate under the circumstances. For example, if a substantial public demand for the housing units exists at the time of sale, the President may determine that a lottery will provide the general public with the most equitable opportunity to purchase a University-owned housing unit. On the other hand, a lottery may cause delays that may not be in the best interest of the University; therefore, the President may decide to utilize another method.

[Eff **JAN 18 1997**] (Auth: HRS §§ 304-2, 304-4,
304-8.96, 306-2, 306-9) (Imp: HRS §§ 304-2, 304-4,
304-8.96, 306-2, 306-9)

§20-24-10 Deposit of rental and sale proceeds.

All proceeds derived from the rental and sale of the Program's faculty housing units shall be deposited in the University of Hawai'i housing assistance revolving fund or alternately, when expressly authorized by the Board, in another appropriate state fund such as the University revenue-undertakings fund.

[Eff **JAN 18 1997**] (Auth: HRS §§ 304-2, 304-4,
304-8.96, 306-2, 306-9) (Imp: HRS §§ 304-2, 304-4,
304-8.96, 306-2, 306-9)

§20-24-11 Severability. If any provision of this chapter, or the application thereof to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of the chapter which can be given effect without the invalid provision or application, and to this end the provisions of this chapter are severable.

[Eff **JAN 18 1997**] (Auth: HRS §§ 304-2, 304-4,
304-8.96, 306-2, 306-9) (Imp: HRS §§ 304-2, 304-4,
304-8.96, 306-2, 306-9)