

City buys apartment building for \$6.9M

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Mayor Kirk Caldwell says the city has purchased a 24-unit apartment building to house homeless people.

The building, at 1727 South Beretania St., was purchased for \$6.9 million.

Property manager Housing Solutions Inc. will begin accepting applications from prospective tenants in December.

"Today's purchase provides 24 permanent supportive rental housing units for people experiencing homelessness," Caldwell said in a Wednesday statement. "Whether it's a turnkey project ready for occupancy like this, modular housing like our Waianae properties at Halona Road or Farrington Highway, acquiring and renovating buildings like we're doing at our Piikoi and Kuwili projects or creating the state's first Housing Navigation Center at Sand Island, our housing team is aggressively exploring every opportunity to move the needle, innovate and deliver housing solutions.

"Addressing homelessness ultimately comes down to providing permanent supportive housing, and this purchase was another step in the right direction."

The three-story, 17,500 square-foot building was built in 1960 on a 13,950-square-foot lot and renovated in 2016. There are 20 one-bedroom, one-bathroom units and four two-bedroom, one-bathroom units. Twenty-two units are available for immediate occupancy while two of the units are being retrofitted to comply with the Americans with Disabilities Act.

To be considered, tenants must be experiencing homelessness (sheltered or unsheltered) and make less than 50 percent of the area median income of \$35,160 for a single person and \$50,250 for a family of four.

Rents are capped at \$942 for one-bedroom units and \$1,131 for two-bedroom units. Tenants receiving housing subsidies such as Housing First, HUD-VASH or Section 8 pay a rent of 30 percent of their income with the remainder covered by the subsidy.

"This project is a perfect example of government and nonprofit cooperation, designed to lift people from poverty," said HSI President and Principal Broker Terry Brooks.



COURTESY CITY & COUNTY OF HONOLULU

Mayor Caldwell leads a press conference at 1727 S. Beretania St., which was purchased by the city for \$6.9 million to house homeless people.

Katie Murar

Reporter

Pacific Business News

