

JAN 26 2009

A BILL FOR AN ACT

RELATING TO AFFORDABLE HOUSING.

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

1 SECTION 1. In August 2007, Hawaii accepted an invitation
2 by the United States Department of Housing and Urban Development
3 to join the National Call to Action for Affordable Housing
4 Through Regulatory Reform. The Call to Action presented an
5 opportunity for Hawaii to receive technical assistance from the
6 federal government and collaborate with other states, counties,
7 municipalities, and organizations to knock down the barriers
8 imposed by governments in hopes of building more affordable
9 housing. Governor Lingle convened a statewide task force
10 comprised of representatives from the counties, business, labor,
11 developers, architects, nonprofit providers of services, and the
12 State to carry out the mission of the Call to Action and
13 recommend solutions to address barriers to affordable housing.
14 Accordingly, the purpose of this Act is to implement the
15 legislative recommendations of the task force.

16 The State recognizes that the need for more affordable
17 housing in Hawaii remains a significant problem affecting all
18 segments of society. Although there is a process in place that

1 provides an opportunity to approve affordable housing project
2 proposals in an expedited manner at the state and county levels,
3 the ministerial permits that are issued subsequent to project
4 approval may take a significant amount of time to issue. This
5 delay adds costs to the affordable housing project, ultimately
6 affecting the buyer or renter, and lengthens the time it takes
7 for the unit to be constructed and occupied. Accordingly, the
8 purpose of this Act is to place standard time frames on agency
9 issuance of ministerial permits for approved affordable housing
10 projects.

11 SECTION 2. Section 201H-38, Hawaii Revised Statutes, is
12 amended to read as follows:

13 **"§201H-38 Housing development; exemption from statutes,**
14 **ordinances, charter provisions, and rules.** (a) The corporation
15 may develop on behalf of the State or with an eligible
16 developer, or may assist under a government assistance program
17 in the development of, housing projects that shall be exempt
18 from all statutes, ordinances, charter provisions, and rules of
19 any government agency relating to planning, zoning, construction
20 standards for subdivisions, development and improvement of land,
21 and the construction of dwelling units thereon; provided that:

- 1 (1) The corporation finds the housing project is
2 consistent with the purpose and intent of this
3 chapter, and meets minimum requirements of health and
4 safety;
- 5 (2) The development of the proposed housing project does
6 not contravene any safety standards, tariffs, or rates
7 and fees approved by the public utilities commission
8 for public utilities or of the various boards of water
9 supply authorized under chapter 54;
- 10 (3) The legislative body of the county in which the
11 housing project is to be situated shall have approved
12 the project with or without modifications:
- 13 (A) The legislative body shall approve, approve with
14 modification, or disapprove the project by
15 resolution within forty-five days after the
16 corporation has submitted the preliminary plans
17 and specifications for the project to the
18 legislative body. If on the forty-sixth day a
19 project is not disapproved, it shall be deemed
20 approved by the legislative body;
- 21 (B) No action shall be prosecuted or maintained
22 against any county, its officials, or employees

1 on account of actions taken by them in reviewing,
2 approving, modifying, or disapproving the plans
3 and specifications; and

4 (C) The final plans and specifications for the project
5 shall be deemed approved by the legislative body
6 if the final plans and specifications do not
7 substantially deviate from the preliminary plans
8 and specifications. The final plans and
9 specifications for the project shall constitute
10 the zoning, building, construction, and
11 subdivision standards for that project. For
12 purposes of sections 501-85 and 502-17, the
13 executive director of the corporation or the
14 responsible county official may certify maps and
15 plans of lands connected with the project as
16 having complied with applicable laws and
17 ordinances relating to consolidation and
18 subdivision of lands, and the maps and plans
19 shall be accepted for registration or recordation
20 by the land court and registrar; and

21 (4) The land use commission shall approve, approve with
22 modification, or disapprove a boundary change within

1 forty-five days after the corporation has submitted a
2 petition to the commission as provided in section
3 205-4. If, on the forty-sixth day, the petition is
4 not disapproved, it shall be deemed approved by the
5 commission.

6 (b) For the purposes of this section, "government
7 assistance program" means a housing program qualified by the
8 corporation and administered or operated by the corporation or
9 the United States or any of their political subdivisions,
10 agencies, or instrumentalities, corporate or otherwise.

11 (c) State and county agencies shall issue any ministerial
12 permits associated with any project approved pursuant to
13 subsection (a) or section 46-15.1, within forty-five days from
14 the date the application for such permit is approved by the
15 applicable legislative body or state or county agency; provided
16 that the review procedure for ministerial permits performed by
17 any state or county agency is limited to not more than two
18 comprehensive reviews.

19 (d) For the purposes of this section, "ministerial
20 permits" means any nondiscretionary permit for which the permit
21 administrator needs to determine only conformity with applicable
22 ordinances before approving the project."

S.B. NO. 902

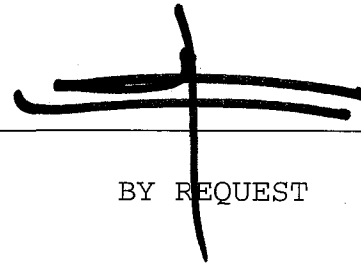
1 SECTION 3. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

3 SECTION 4. This Act shall take effect upon approval.

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INTRODUCED BY:

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6

BY REQUEST

Report Title:

Affordable Housing; Forty-five-day Review

Description:

Expedites the construction of affordable housing units by requiring ministerial permits associated with the project to be issued by the county within forty-five days of county council approval of the project.

JUSTIFICATION SHEET

DEPARTMENT: Office of the Governor

TITLE: A BILL FOR AN ACT RELATING TO AFFORDABLE HOUSING.

PURPOSE: Establishes standard timeframes that govern permit issuances for affordable housing projects to expedite the construction of affordable housing units.

MEANS: Amend Section 201H-38, Hawaii Revised Statutes.

JUSTIFICATION: In 2007, Governor Lingle convened the Affordable Housing Regulatory Barriers Task Force in response to the U.S. Department of Housing and Urban Development's National Call to Action. The Task Force's main objective is to identify barriers to affordable housing development in Hawaii and to recommend appropriate solutions.

One of the regulatory barriers identified by the Task Force is that non-discretionary, ministerial permits that are issued subsequent to approval of an affordable housing project takes a significant amount of time to issue. To remedy this, the Task Force recommends the establishment of standard timeframes that govern permit issuances for affordable housing projects.

Accordingly, this bill requires state and county agencies to issue any ministerial permits associated with an approved affordable housing project within 45 days from the time of approval, by the applicable legislative body or state or county agency. The bill also creates a cap on the number of reviews allowed.

Impact on the public: Enables a faster delivery of affordable housing to the public.

Impact on the department and other agencies:
Requires state and county agencies to adjust
their permit issuance processes.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM
DESIGNATION: None.

OTHER AFFECTED
AGENCIES: Hawaii Housing Finance and Development
Corporation, City and County of Honolulu,
Maui County, Kauai County, and Hawaii
County.

EFFECTIVE DATE: Upon approval.