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# A BILL FOR AN ACT

RELATING TO IMPORTANT HOUSING LANDS.

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

1           SECTION 1. Chapter 205, Hawaii Revised Statutes, is  
2 amended by adding a new part to be appropriately designated and  
3 to read as follows:

4                           **"PART           .    IMPORTANT HOUSING LANDS**

5           **§205-A Important housing lands; definition and objectives.**

6           (a) As used in this part, unless the context requires  
7 otherwise:

8           "Eligible buyer" means a resident of the State who:

9           (1) Is an owner-occupant of a dwelling unit on important  
10           housing lands; and

11           (2) Owns no other real property.

12           "Important housing lands" means public lands that are  
13 located within one mile of any rail mass transit station and  
14 needed to promote the development of housing priced below market  
15 rates for an eligible buyer.

16           (b) The objectives for the identification of important  
17 housing lands is to:



- 1           (1) Identify and plan for the maintenance of a strategic  
2           base of lands to meet housing demand for current and  
3           future generations;
- 4           (2) Create highly walkable, mixed-use neighborhoods that  
5           minimize car usage and maximize density;
- 6           (3) Promote land development and land use planning that  
7           delineates blocks of promising land areas for housing  
8           opportunities; and
- 9           (4) Establish incentives that promote the long-term use  
10           and protection of these promising land areas for  
11           housing opportunities.

12           **§205-B Important housing lands; policies.** State and  
13 county housing policies, tax policies, land use plans,  
14 ordinances, and rules shall promote the long-term viability of  
15 important housing lands and shall be consistent with and  
16 implement the following policies:

- 17           (1) Promote the retention of important housing lands in  
18           blocks of contiguous, intact, and functional land  
19           units;



- 1 (2) Discourage the fragmentation of important housing  
2 lands and the conversion of these lands to non-housing  
3 uses;
- 4 (3) Direct incompatible uses and activities from important  
5 housing lands to other areas and ensure that uses on  
6 important housing lands are actually for housing and  
7 mixed-use purposes;
- 8 (4) Provide infrastructure and services on important  
9 housing lands necessary to support housing uses and  
10 activities;
- 11 (5) Facilitate the long-term dedication of important  
12 housing lands for future housing needs through the use  
13 of incentives;
- 14 (6) Facilitate the access of low-income individuals to  
15 important housing lands for long-term viable housing  
16 use; and
- 17 (7) Promote the maintenance of essential housing  
18 infrastructure systems.

19 **§205-C Standards and criteria for the identification of**  
20 **important housing lands.** The standards and criteria in this  
21 section shall be used to identify important housing lands.



1 Lands identified as important housing lands need not meet every  
2 standard and criteria listed below; provided that the lands  
3 identified shall meet the criteria established in the definition  
4 of important housing lands as that term is defined in this part.  
5 Rather, lands meeting any of the criteria below shall be given  
6 initial consideration; provided that the designation of  
7 important housing lands shall be made by weighing the standards  
8 and criteria with each other and the objectives and policies for  
9 important housing lands in sections 205-A and 205-B. The  
10 standards and criteria shall be as follows:

- 11 (1) Land currently used for housing development;
- 12 (2) Land that supports housing development;
- 13 (3) Land identified by the land use commission as housing  
14 lands of importance to the State;
- 15 (4) Land whose designation as important housing lands is  
16 consistent with general, development, and community  
17 plans of the county; and
- 18 (5) Land with or near support infrastructure conducive to  
19 housing development.



1           **§205-D Incentives for important housing lands.** (a) To  
2 achieve the long-term use of important housing lands, the State  
3 and each county shall ensure that their:

4           (1) Housing development, land use, water use, regulatory,  
5 tax, and land protection policies; and

6           (2) Permitting and approval procedures,  
7 enable and promote the economic sustainability of housing  
8 development.

9           Housing development on important housing lands shall be  
10 eligible for incentives and protections provided by the State  
11 and counties pursuant to this section to promote the viability  
12 of housing development on important housing lands and to assure  
13 the availability of important housing lands for long-term  
14 housing use.

15           (b) State and county incentive programs shall provide  
16 preference to important housing lands. The State and each  
17 county shall cooperate in program development to prevent  
18 duplication of and to streamline and consolidate access to  
19 programs and services for housing development on important  
20 housing lands.



1 (c) Incentive and protection programs shall be designed to  
2 provide a mutually supporting framework of programs and measures  
3 that enhance housing development on important housing lands.

4 (d) State and county agencies shall review the protection  
5 and incentive measures enacted for important housing lands and  
6 housing development pursuant to this chapter at least every five  
7 years to:

8 (1) Determine their effectiveness in providing housing  
9 opportunities in Hawaii;

10 (2) Determine whether the effectiveness of tax credits or  
11 incentive programs will be enhanced by creating  
12 revolving funds or increasing rates based upon the tax  
13 revenues generated by enhanced investment and housing  
14 development on important housing lands; and

15 (3) Modify measures and programs as needed.

16 (e) This section shall apply only to those lands  
17 designated as important housing lands pursuant to section 205-G.

18 **§205-E Identification of important housing lands; county**

19 **process.** (a) Each county shall identify and map potential  
20 important housing lands within its jurisdiction based on the  
21 standards and criteria in section 205-C and intent of this part.



1           (b) Each county shall develop maps of potential lands to  
2 be considered for designation as important housing lands in  
3 consultation and cooperation with interested stakeholders, as  
4 determined by the county.

5           (c) Each county, through its planning department, shall  
6 develop an inclusive process for public involvement in the  
7 identification of potential important housing lands and the  
8 development of maps of lands to be recommended as important  
9 housing lands. The planning departments may also establish one  
10 or more citizen advisory committees on important housing lands  
11 to provide further public input, utilize an existing process  
12 (such as a general plan, development plan, or community plan),  
13 or employ appropriate existing and adopted general plan,  
14 development plan, or community plan maps.

15           (d) The counties shall take notice of those lands that  
16 have already been designated as important housing lands by the  
17 commission.

18           Upon identification of potential lands to be recommended to  
19 the county council as potential important housing lands, the  
20 counties shall take reasonable action to notify each owner of



1 those lands by mail or posted notice on the affected lands to  
2 inform them of the potential designation of their lands.

3 In formulating its final recommendations to the respective  
4 county councils, the planning departments shall report on the  
5 manner in which the mapping of important housing lands relates  
6 to, supports, and is consistent with the:

7 (1) Standards and criteria set forth in section 205-C;

8 (2) County's adopted land use plans, as applied to both  
9 the identification and exclusion of important housing  
10 lands from the designation; and

11 (3) Comments received from government agencies and others  
12 identified in subsection (b).

13 (e) The important housing lands maps shall be submitted to  
14 the county council for decision-making. The county council  
15 shall adopt the maps, with or without changes, by resolution.  
16 The adopted maps shall be transmitted to the land use commission  
17 for further action pursuant to section 205-F.

18 **§205-F Receipt of maps of eligible important housing**  
19 **lands; land use commission.** (a) Each county council shall  
20 transmit its recommendations and maps delineating those lands  
21 eligible to be designated as important housing lands to the land





1 use commission no sooner than three years after the effective  
2 date of this part.

3 (b) The office of planning shall review the county report  
4 and recommendations and provide comments to the land use  
5 commission within forty-five days of receipt of the report and  
6 maps by the land use commission. The land use commission may  
7 also consult with the office of planning as needed.

8 (c) State agency review shall be based on an evaluation of  
9 the degree that the:

10 (1) County recommendations result in an identified  
11 resource base that meets the definition of important  
12 housing land and the objectives and policies for  
13 important housing lands in sections 205-A and 205-B;  
14 and

15 (2) County has met the minimum standards and criteria for  
16 the identification and mapping process in sections  
17 205-C and 205-E.

18 **§205-G Designation of important housing lands; adoption of**  
19 **important housing lands maps.** (a) After receipt of the maps of  
20 eligible important housing lands from the counties and the  
21 recommendations of the office of planning, the commission shall



1 then proceed to identify and designate important housing lands.  
2 The decision shall consider the county maps of eligible  
3 important housing lands, declaratory orders issued by the  
4 commission designating important housing lands, and any other  
5 relevant information.

6 In designating important housing lands in the State,  
7 pursuant to the recommendations of individual counties, the  
8 commission shall consider the extent to which:

9 (1) The proposed lands meet the standards and criteria  
10 under section 205-C; and

11 (2) The proposed designation is necessary to meet the  
12 objectives and policies for important housing lands in  
13 sections 205-A and 205-B.

14 Any decision regarding the designation of lands as  
15 important housing lands and the adoption of maps of those lands  
16 pursuant to this section shall be based upon written findings of  
17 fact and conclusions of law, presented in at least one public  
18 hearing conducted in the county where the land is located in  
19 accordance with chapter 91, that the subject lands meet the  
20 standards and criteria set forth in section 205-C and shall be



1 approved by two-thirds of the membership to which the commission  
2 is entitled.

3 (b) Copies of the maps of important housing lands adopted  
4 under this section shall be transmitted to each county planning  
5 department and county council, the office of planning, and other  
6 state agencies involved in land use matters. The maps of  
7 important housing lands shall guide all decision-making on the  
8 proposed reclassification or rezoning of important housing lands  
9 and other state and county land use planning and decision-  
10 making.

11 (c) The land use commission shall have the sole authority  
12 to interpret the adopted map boundaries delineating the  
13 important housing lands; provided that the land use commission  
14 may designate lands as important housing lands and adopt maps  
15 for a designation pursuant to the county process for identifying  
16 and recommending lands for important housing lands under section  
17 205-E no sooner than six years after the effective date of this  
18 part.

19 **§205-H Standards and criteria for reclassifying or**  
20 **rezoning important housing lands.** (a) Any land use district  
21 boundary amendment or change in zoning that involves important



1 housing lands identified pursuant to this chapter shall be  
2 subject to this section.

3 (b) Upon acceptance by the county for processing, any  
4 application for a special permit that involves important housing  
5 lands shall be referred to the office of planning for review and  
6 comment.

7 (c) Any decision by the land use commission or county  
8 pursuant to this section shall specifically consider the  
9 following standards and criteria:

10 (1) The relative importance of the land for housing  
11 development, based on the stock of similarly suited  
12 lands in the area and the State as a whole;

13 (2) The district boundary amendment or zone change will  
14 not cause the fragmentation of important housing lands  
15 or intrusion of non-housing uses;

16 (3) The public benefit to be derived from the proposed  
17 action is justified by a need for additional lands for  
18 non-housing purposes; and

19 (4) The impact of the proposed district boundary amendment  
20 or zone change on the necessity and capacity of state



1 and county agencies to provide and support additional  
2 housing infrastructure or services in the area.

3 (d) Any decision pursuant to this section shall be based  
4 upon a determination that:

5 (1) On balance, the public benefit from the proposed  
6 district boundary amendment or zone change outweighs  
7 the benefits of retaining the land for housing  
8 purposes; and

9 (2) The proposed action will have no significant impact  
10 upon the viability of housing development on adjacent  
11 housing lands.

12 (e) The standards and criteria of this section shall be in  
13 addition to:

14 (1) The decision-making criteria of section 205-17  
15 governing decisions of the land use commission under  
16 this chapter; and

17 (2) The decision-making criteria adopted by each county to  
18 govern decisions of county decision-making authorities  
19 under this chapter.

20 (f) Any decision of the land use commission and any  
21 decision of any county on a land use district boundary amendment



1 or change in zoning that involves important housing lands shall  
2 be approved by the body responsible for the decision by a two-  
3 thirds vote of the membership to which the body is entitled.

4 **§205-I Important housing lands; county ordinances.** (a)

5 Each county shall adopt ordinances that reduce infrastructure  
6 standards for important housing lands no later than three years  
7 after the effective date of this part.

8 (b) For counties without ordinances adopted pursuant to  
9 subsection (a), important housing lands designated pursuant to  
10 this part may be subdivided without county processing or  
11 standards; provided that the leasehold lots shall return to the  
12 original lot of record upon expiration or termination of the  
13 lease.

14 **§205-J Periodic review and amendment of important housing**

15 **land maps.** The maps delineating important housing lands shall  
16 be reviewed in conjunction with the county general plan and  
17 community and development plan revision process, or at least  
18 once every ten years following the adoption of the maps of the  
19 land use commission; provided that the maps shall not be  
20 reviewed more than once every five years. Any review and



1 amendment of the maps of important housing lands shall be  
2 conducted in accordance with this part."

3 SECTION 2. Section 205-3.1, Hawaii Revised Statutes, is  
4 amended by amending subsection (a) to read as follows:

5 "(a) District boundary amendments involving lands in the  
6 conservation district, land areas greater than fifteen acres,  
7 lands delineated as important housing lands, or lands delineated  
8 as important agricultural lands shall be processed by the land  
9 use commission pursuant to section 205-4."

10 SECTION 3. Section 205-4, Hawaii Revised Statutes, is  
11 amended as follows:

12 1. By amending subsection (a) to read:

13 "(a) Any department or agency of the State, any department  
14 or agency of the county in which the land is situated, or any  
15 person with a property interest in the land sought to be  
16 reclassified, may petition the land use commission for a change  
17 in the boundary of a district. This section applies to all  
18 petitions for changes in district boundaries of lands within  
19 conservation districts, lands designated or sought to be  
20 designated as important agricultural lands, lands designated or  
21 identified by a county for consideration for designation as



1 important housing lands pursuant to section 205-E(b), and lands  
2 greater than fifteen acres in the agricultural, rural, and urban  
3 districts, except as provided in section 201H-38. The land use  
4 commission shall adopt rules pursuant to chapter 91 to implement  
5 section 201H-38."

6 2. By amending subsection (h) to read:

7 "(h) No amendment of a land use district boundary shall be  
8 approved unless the commission finds upon the clear  
9 preponderance of the evidence that the proposed boundary is  
10 reasonable, not violative of section 205-2 and [~~part~~] parts III  
11 and \_\_\_\_\_ of this chapter, and consistent with the policies and  
12 criteria established pursuant to sections 205-16 and 205-17.  
13 Six affirmative votes of the commission shall be necessary for  
14 any boundary amendment under this section."

15 SECTION 4. Section 205-6, Hawaii Revised Statutes, is  
16 amended by amending subsections (c), (d), and (e) to read as  
17 follows:

18 "(c) The county planning commission may, under such  
19 protective restrictions as may be deemed necessary, permit the  
20 desired use, but only when the use would promote the  
21 effectiveness and objectives of this chapter; provided that a





1 use proposed for designated important agricultural lands or  
2 designated important housing lands shall not conflict with any  
3 part of this chapter. A decision in favor of the applicant  
4 shall require a majority vote of the total membership of the  
5 county planning commission.

6 (d) Special permits for land the area of which is greater  
7 than fifteen acres or for lands designated as important  
8 agricultural lands or important housing lands shall be subject  
9 to approval by the land use commission. The land use commission  
10 may impose additional restrictions as may be necessary or  
11 appropriate in granting the approval, including the adherence to  
12 representations made by the applicant.

13 (e) A copy of the decision, together with the complete  
14 record of the proceeding before the county planning commission  
15 on all special permit requests involving a land area greater  
16 than fifteen acres or for lands designated as important  
17 agricultural lands~~[7]~~ or important housing lands, shall be  
18 transmitted to the land use commission within sixty days after  
19 the decision is rendered.

20 Within forty-five days after receipt of the complete record  
21 from the county planning commission, the land use commission



1 shall act to approve, approve with modification, or deny the  
 2 petition. A denial either by the county planning commission or  
 3 by the land use commission, or a modification by the land use  
 4 commission, as the case may be, of the desired use shall be  
 5 appealable to the circuit court of the circuit in which the land  
 6 is situated and shall be made pursuant to the Hawaii rules of  
 7 civil procedure."

8 SECTION 5. Section 205-17, Hawaii Revised Statutes, is  
 9 amended to read as follows:

10 "**§205-17 Land use commission decision-making criteria.** In  
 11 its review of any petition for reclassification of district  
 12 boundaries pursuant to this chapter, the commission shall  
 13 specifically consider the following:

- 14 (1) The extent to which the proposed reclassification  
 15 conforms to the applicable goals, objectives, and  
 16 policies of the Hawaii state plan and relates to the  
 17 applicable priority guidelines of the Hawaii state  
 18 plan and the adopted functional plans;
- 19 (2) The extent to which the proposed reclassification  
 20 conforms to the applicable district standards;



- 1           (3) The impact of the proposed reclassification on the  
2           following areas of state concern:
- 3           (A) Preservation or maintenance of important natural  
4           systems or habitats;
- 5           (B) Maintenance of valued cultural, historical, or  
6           natural resources;
- 7           (C) Maintenance of other natural resources relevant  
8           to Hawaii's economy, including agricultural  
9           resources;
- 10          (D) Commitment of state funds and resources;
- 11          (E) Provision for employment opportunities and  
12          economic development; and
- 13          (F) Provision for housing opportunities for all  
14          income groups, particularly the low, low-  
15          moderate, and gap groups;
- 16          (4) The standards and criteria for the reclassification or  
17          rezoning of important agricultural lands in section  
18          205-50[+] and important housing lands in section  
19          205-H;
- 20          (5) The county general plan and all community,  
21          development, or community development plans adopted



1           pursuant to the county general plan, as they relate to  
2           the land that is the subject of the reclassification  
3           petition; and

4           (6) The representations and commitments made by the  
5           petitioner in securing a boundary change."

6           SECTION 6. Each county shall submit its report and maps  
7 with recommendations for lands eligible for designation as  
8 important housing lands to the land use commission no later than  
9 sixty months from the date of county receipt of state funds  
10 appropriated for the identification process. Upon receipt of  
11 the county maps, the land use commission shall review and adopt  
12 maps designating important housing lands to the State in  
13 accordance with section 205-G, Hawaii Revised Statutes.

14           SECTION 7. There is appropriated out of the general  
15 revenues of the State of Hawaii the sum of \$                    or so  
16 much thereof as may be necessary for fiscal year 2020-2021 for  
17 grants-in-aid to the counties for the identification and mapping  
18 of important housing lands to the State in accordance with  
19 section 1 of this Act, to be allocated as follows:

20           (1) To the city and county of Honolulu            \$

21           (2) To the county of Hawaii                            \$



1 (3) To the county of Maui \$

2 (4) To the county of Kauai \$

3 The sum appropriated by this Act and allocated to the  
4 counties is done so in satisfaction of the requirements of  
5 article VIII, section 5 of the state constitution.

6 The sum appropriated shall be expended by the department of  
7 business, economic development, and tourism for the disbursement  
8 of funds by the land use commission to each county for the  
9 identification of important housing lands pursuant to this Act.

10 SECTION 8. In codifying the new sections added by  
11 section 1 of this Act, the revisor of statutes shall substitute  
12 appropriate section numbers for the letters used in designating  
13 the new sections in this Act.

14 SECTION 9. Statutory material to be repealed is bracketed  
15 and stricken. New statutory material is underscored.

16 SECTION 10. This Act shall take effect on July 1, 2050.



**Report Title:**

Housing; Important Lands; Appropriation

**Description:**

Establishes procedures for the identification and designation of important housing lands. Defines important housing lands as public lands owned by the State that are located within 1.0 mile of any rail mass transit station and needed to promote the development of homes priced below market rates for Hawaii residents who are owner-occupants and own no other real property. Requires the State and counties to identify and designate important housing lands. Appropriates funds. Effective 7/1/2050. (SD2)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

