

JAN 23 2020

A BILL FOR AN ACT

RELATING TO AFFORDABLE HOUSING.

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

1 SECTION 1. The legislature recognizes that Hawaii is
2 experiencing a severe affordable housing crisis, with a lack of
3 affordable rental and affordable for-sale units. According to
4 the report "Measuring Housing Demand in Hawai'i, 2015-2025",
5 published by the department of business, economic development,
6 and tourism, the State is projected to require 64,693 additional
7 housing units to meet housing demand by 2025. Nearly seventy
8 per cent, or 43,828, of those units will be needed for low-
9 income households earning eighty per cent or less of the area
10 median income.

11 In response to this critical problem, the legislature
12 enacted Act 127, Session Laws of Hawaii 2016, which established
13 a goal of creating 22,500 new affordable rental units by 2026.

14 The legislature finds that removing certain regulatory
15 requirements from the development of affordable housing will
16 allow future affordable housing projects to be built more
17 quickly and at a lower cost.



1 Accordingly, the purpose of this Act is to exempt certain
2 lower-density and lower-rise affordable housing projects from
3 the State's land use district boundary amendment requirements.

4 SECTION 2. Section 205-3.1, Hawaii Revised Statutes, is
5 amended to read as follows:

6 "**§205-3.1 Amendments to district boundaries.** (a)

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

11 (b) Any department or agency of the State, and department
12 or agency of the county in which the land is situated, or any
13 person with a property interest in the land sought to be
14 reclassified may petition the appropriate county land use
15 decision-making authority of the county in which the land is
16 situated for a change in the boundary of a district involving
17 lands less than fifteen acres presently in the rural and urban
18 districts and lands less than fifteen acres in the agricultural
19 district that are not designated as important agricultural
20 lands.



1 (c) District boundary amendments involving land areas of
2 fifteen acres or less, except as provided in subsection (b),
3 shall be determined by the appropriate county land use decision-
4 making authority for the district and shall not require
5 consideration by the land use commission pursuant to section
6 205-4; provided that such boundary amendments and approved uses
7 are consistent with this chapter. The appropriate county land
8 use decision-making authority may consolidate proceedings to
9 amend state land use district boundaries pursuant to this
10 subsection, with county proceedings to amend the general plan,
11 development plan, zoning of the affected land, or such other
12 proceedings. Appropriate ordinances and rules to allow
13 consolidation of such proceedings may be developed by the county
14 land use decision-making authority.

15 (d) The county land use decision-making authority shall
16 serve a copy of the application for a district boundary
17 amendment to the land use commission and the department of
18 business, economic development, and tourism and shall notify the
19 commission and the department of the time and place of the
20 hearing and the proposed amendments scheduled to be heard at the
21 hearing. A change in the state land use district boundaries



1 pursuant to this subsection shall become effective on the day
 2 designated by the county land use decision-making authority in
 3 its decision. Within sixty days of the effective date of any
 4 decision to amend state land use district boundaries by the
 5 county land use decision-making authority, the decision and the
 6 description and map of the affected property shall be
 7 transmitted to the land use commission and the department of
 8 business, economic development, and tourism by the county
 9 planning director.

10 (e) Notwithstanding any other law to the contrary, the
 11 development of a qualifying affordable housing project shall be
 12 exempt from the boundary amendment requirements of this chapter;
 13 provided that an appropriate agency of the county in which the
 14 project is proposed to be built certifies that the project meets
 15 the requirements of this section.

16 (f) As used in this section, "qualifying affordable
 17 housing project" means a project to construct new affordable
 18 housing that meets all of the following requirements:

19 (1) At least:

20 (A) _____ per cent of the units proposed to be built;

21 or



- 1 (B) _____ of the total units proposed to be built,
- 2 are affordable to households having incomes at or
- 3 below one hundred forty per cent of the area median
- 4 income as determined by the United States Department
- 5 of Housing and Urban Development;
- 6 (2) No portion of any structure proposed to be built as
- 7 part of the project will exceed _____ feet in height;
- 8 (3) The floor area ratio of the proposed development does
- 9 not exceed _____ ; and
- 10 (4) The county in which the project is proposed to be
- 11 built certifies that the county's existing
- 12 infrastructure can support the proposed development
- 13 and no additional infrastructure needs to be
- 14 constructed."

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

17 "(a) Any department or agency of the State, any department
 18 or agency of the county in which the land is situated, or any
 19 person with a property interest in the land sought to be
 20 reclassified, may petition the land use commission for a change
 21 in the boundary of a district. This section applies to all



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1 petitions for changes in district boundaries of lands within
 2 conservation districts, lands designated or sought to be
 3 designated as important agricultural lands, and lands greater
 4 than fifteen acres in the agricultural, rural, and urban
 5 districts, except as provided in [~~section~~] sections 201H-38[-]
 6 and 205-3.1(e). The land use commission shall adopt rules
 7 pursuant to chapter 91 to implement section 201H-38."

8 SECTION 4. This Act does not affect rights and duties that
 9 matured, penalties that were incurred, and proceedings that were
 10 begun before its effective date.

11 SECTION 5. Statutory material to be repealed is bracketed
 12 and stricken. New statutory material is underscored.

13 SECTION 6. This Act shall take effect upon its approval.

14

INTRODUCED BY: *M. N. H.*

By Request



S.B. NO. 2963

Report Title:

Affordable Housing; Land Use; Boundary Amendments; Exemption

Description:

Exempts certain low-density affordable housing projects from the State's land use district boundary amendment requirements.

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