S.B. NO. 14

JAN 2 1 2021

### A BILL FOR AN ACT

RELATING TO LAND USE.

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

1 SECTION 1. The legislature finds that Hawaii has been 2 struggling with a lack of affordable housing for decades. 3 Challenges range from land and infrastructure costs, funding, 4 over-regulation, and permitting. According to the department of 5 business, economic development, and tourism's report on housing 6 demand in Hawaii, the State needs 46,500 additional housing 7 units to meet the demand projected for 2030. There exists a 8 housing supply problem and the State needs creative solutions to 9 build more housing at all price points.

10 The legislature further finds that the land use commission 11 is responsible for the classification of land parcels in the 12 urban, rural, agricultural, and conservation districts. 13 Additionally, the land use commission is responsible for amendment petitions involving the reclassification of lands 14 15 greater than fifteen acres in areas in the agricultural, rural, 16 and urban districts. The legislature also finds that if the 17 responsibility of boundary amendments were given to the



1

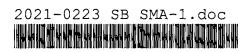
1 counties, it would make larger scale projects more economically 2 feasible for infrastructure to be built, such as a water 3 treatment plant or connectivity to an existing sewer system. Opening land for affordable housing projects will facilitate the 4 5 State's goal of increasing the supply of much needed affordable 6 housing units, while being budget neutral to the State. 7 The purpose of this Act is to allow the counties to 8 reclassify lands that are fifteen to one hundred acres, provided 9 that all the housing units located on such lands are occupied by 10 the owner, who shall be a Hawaii resident, at all times. SECTION 2. Section 205-3.1, Hawaii Revised Statutes, is 11 12 amended to read as follows: 13 "§205-3.1 Amendments to district boundaries. (a) 14 District boundary amendments involving [lands in the 15 conservation district, land areas greater than fifteen acres, or 16 lands delineated as important agricultural] the following lands 17 shall be processed by the land use commission pursuant to 18 section 205-4[-]: 19 (1) Lands in the conservation district; 20 (2) Lands greater than fifteen acres, except for lands

21

2021-0223 SB SMA-1.doc

pursuant to subsection (c); or

1	(3)	Lands delineated as important agricultural lands.
2	(b)	Any department or agency of the State, and department
3	or agency	of the county in which the land is situated, or any
4	person wit	ch a property interest in the land sought to be
5	reclassifi	ed may petition the appropriate county land use
6	decision-m	making authority of the county in which the land is
7	situated f	for a change in the boundary of a district involving
8	[ <del>lands</del> ]:	
9	(1)	Lands less than fifteen acres presently in the rural
10		and urban districts [and lands]; and
11	(2)	Lands less than fifteen acres in the agricultural
12		district that are not designated as important
13		agricultural lands.
14	<u>(c)</u>	Any department or agency of the State, and department
15	or agency	of the county in which the land is situated, or any
16	person wit	h a property interest in the land sought to be
17	reclassifi	ed may petition the county land use decision-making
18	authority	of the county in which the land is situated for a
19	change in	the boundary of a district involving:
20	(1)	Lands greater than fifteen acres but no more than one
21		hundred acres in the rural and urban districts; and



1	(2) Lands greater than fifteen acres but no more than one		
2	hundred acres in the agricultural district that are		
3	not designated as important agricultural lands;		
4	provided that all housing units located on lands pursuant to		
5	this subsection shall be occupied by the purchaser, who shall be		
6	a Hawaii resident, at all times.		
7	[ <del>(c)</del> ] <u>(d)</u> District boundary amendments involving land		
8	areas of fifteen acres or less, except as provided in subsection		
9	(b), shall be determined by the appropriate county land use		
10	decision-making authority for the district and shall not require		
11	consideration by the land use commission pursuant to section		
12	205-4; provided that such boundary amendments and approved uses		
13	are consistent with this chapter. The appropriate county land		
14	use decision-making authority may consolidate proceedings to		
15	amend state land use district boundaries pursuant to this		
16	subsection, with county proceedings to amend the general plan,		
17	development plan, zoning of the affected land, or such other		
18	proceedings. Appropriate ordinances and rules to allow		
19	consolidation of such proceedings may be developed by the county		
20	land use decision-making authority.		

Page 4

4

Page 5

# S.B. NO. 14

[<del>(d)</del>] (e) The county land use decision-making authority 1 shall serve a copy of the application for a district boundary 2 amendment to the land use commission and the department of 3 4 business, economic development, and tourism and shall notify the commission and the department of the time and place of the 5 hearing and the proposed amendments scheduled to be heard at the 6 7 hearing. A change in the state land use district boundaries pursuant to this subsection shall become effective on the day 8 designated by the county land use decision-making authority in 9 its decision. Within sixty days of the effective date of any 10 11 decision to amend state land use district boundaries by the 12 county land use decision-making authority, the decision and the description and map of the affected property shall be 13 14 transmitted to the land use commission and the department of business, economic development, and tourism by the county 15 16 planning director."

SECTION 3. Section 205-4, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows: "(a) Any department or agency of the State, any department or agency of the county in which the land is situated, or any person with a property interest in the land sought to be



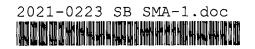
5

Page 6

## S.B. NO. 14

reclassified, may petition the land use commission for a change 1 2 in the boundary of a district. This section applies to all petitions for changes in district boundaries of lands within 3 4 conservation districts, lands designated or sought to be 5 designated as important agricultural lands, and lands greater 6 than fifteen acres in the agricultural, rural, and urban districts, except as provided in [section 201H-38.] sections 7 201H-38 and 205-3.1. The land use commission shall adopt rules 8 9 pursuant to chapter 91 to implement section 201H-38." 10 SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored. 11 12 SECTION 5. This Act shall take effect upon its approval. 13

INTRODUCED BY: \_\_\_\_\_\_



#### Report Title:

District Boundaries; Amendments; Counties; Affordable Housing

#### Description:

Authorizes county land use decision-making authorities to amend district boundaries involving lands greater than fifteen but no more than one hundred acres and requires all housing units to be occupied by the owner, who is a Hawaii resident, at all times.

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

