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# A BILL FOR AN ACT

RELATING TO HOUSING.

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

1       SECTION 1. The legislature finds that the State has a  
2 critical need for the development and construction of affordable  
3 housing units for residents of the State. Act 127, Session Laws  
4 of Hawaii 2016, as amended by Act 96, Session Laws of Hawaii  
5 2017, established a goal of developing at least 22,500  
6 affordable rental housing units ready for occupancy between 2017  
7 and 2026. The legislature further finds that the transit-  
8 oriented development associated with the construction of a rail  
9 transit system in Honolulu has the potential to fulfill this  
10 housing goal. Because the State is the largest landowner of  
11 properties along the rail transit line, the State has an  
12 opportunity to utilize its resources to significantly increase  
13 the inventory of affordable housing units.

14       The legislature additionally finds that Act 130, Session  
15 Laws of Hawaii 2016, established the office of planning, now  
16 known as the office of planning and sustainable development, as  
17 the lead agency to coordinate and advance smart growth and



1 transit-oriented development planning within the State,  
2 including targeting transit-oriented development areas for  
3 significant increases in affordable housing and rental units and  
4 approving all state agencies' development plans for parcels  
5 along the rail transit corridor. The legislature also finds  
6 that requiring an affordable housing component as part of  
7 development and redevelopment of state properties along the rail  
8 transit line will not only increase the affordable housing  
9 stock, but also support rail ridership goals by locating denser,  
10 mixed use developments along the rail transit line.

11 The purpose of this Act is to require affordable housing to  
12 be included in state agencies' development or redevelopment  
13 plans for state transit-oriented development along the rail  
14 transit corridor that are subject to approval by the office of  
15 planning and sustainable development as part of its function as  
16 the lead agency to coordinate and advance smart growth and  
17 transit-oriented development planning within the State.

18 SECTION 2. Section 225M-2, Hawaii Revised Statutes, is  
19 amended by amending subsection (b) to read as follows:

20 "(b) The office of planning and sustainable development  
21 shall gather, analyze, and provide information to the governor,



1 the legislature, and state and county agencies to assist in the  
2 overall analysis and formulation of state policies and  
3 strategies to provide central direction and cohesion in the  
4 allocation of resources and effectuation of state activities and  
5 programs and effectively address current or emerging issues and  
6 opportunities. More specifically, the office shall engage in  
7 the following activities:

8 (1) State comprehensive planning and program coordination.

9 Formulating and articulating comprehensive statewide  
10 goals, objectives, policies, and priorities, and  
11 coordinating their implementation through the  
12 statewide planning system established in part II of  
13 chapter 226;

14 (2) Strategic planning. Identifying and analyzing  
15 significant issues, problems, and opportunities  
16 confronting the State, and formulating strategies and  
17 alternative courses of action in response to  
18 identified problems and opportunities by:

19 (A) Providing in-depth policy research, analysis, and  
20 recommendations on existing or potential areas of  
21 critical state concern;



1 (B) Examining and evaluating the effectiveness of  
2 state programs in implementing state policies and  
3 priorities;

4 (C) Monitoring current social, economic, and physical  
5 conditions and trends through surveys,  
6 environmental scanning, and other techniques; and

7 (D) Developing, in collaboration with affected public  
8 or private agencies and organizations,  
9 implementation plans and schedules and, where  
10 appropriate, assisting in the mobilization of  
11 resources to meet identified needs;

12 (3) Planning coordination and cooperation. Facilitating  
13 coordinated and cooperative planning and policy  
14 development and implementation activities among state  
15 agencies and between the state, county, and federal  
16 governments, by:

17 (A) Reviewing, assessing, and coordinating, as  
18 necessary, major plans, programs, projects, and  
19 regulatory activities existing or proposed by  
20 state and county agencies;



1 (B) Formulating mechanisms to simplify, streamline,  
2 or coordinate interagency development and  
3 regulatory processes; and

4 (C) Recognizing the presence of federal defense and  
5 security forces and agencies in the State as  
6 important state concerns;

7 (4) Statewide planning and geographic information system.  
8 Collecting, integrating, analyzing, maintaining, and  
9 disseminating various forms of data and information,  
10 including geospatial data and information, to further  
11 effective state planning, policy analysis and  
12 development, and delivery of government services by:

13 (A) Collecting, assembling, organizing, evaluating,  
14 and classifying existing geospatial and non-  
15 geospatial data and performing necessary basic  
16 research, conversions, and integration to provide  
17 a common database for governmental planning and  
18 geospatial analyses by state agencies;

19 (B) Planning, coordinating, and maintaining a  
20 comprehensive, shared statewide planning and  
21 geographic information system and associated



1 geospatial database. The office shall be the  
2 lead agency responsible for coordinating the  
3 maintenance of the multi-agency, statewide  
4 planning and geographic information system and  
5 coordinating, collecting, integrating, and  
6 disseminating geospatial data sets that are used  
7 to support a variety of state agency applications  
8 and other spatial data analyses to enhance  
9 decision-making. The office shall promote and  
10 encourage free and open data sharing among and  
11 between all government agencies. To ensure the  
12 maintenance of a comprehensive, accurate, up-to-  
13 date geospatial data resource that can be drawn  
14 upon for decision-making related to essential  
15 public policy issues such as land use planning,  
16 resource management, homeland security, and the  
17 overall health, safety, and well-being of  
18 Hawaii's citizens, and to avoid redundant data  
19 development efforts, state agencies shall provide  
20 to the shared system either their respective  
21 geospatial databases or, at a minimum, especially



1 in cases of secure or confidential data sets that  
2 cannot be shared or must be restricted, metadata  
3 describing existing geospatial data. In cases  
4 where agencies provide restricted data, the  
5 office of planning and sustainable development  
6 shall ensure the security of that data; and

7 (C) Maintaining a centralized depository of state and  
8 national planning references;

9 (5) Land use planning. Developing and presenting the  
10 position of the State in all boundary change petitions  
11 and proceedings before the land use commission, [and]  
12 assisting state agencies in the development and  
13 submittal of petitions for land use district boundary  
14 amendments, and conducting reviews of the  
15 classification and districting of all lands in the  
16 State, as specified in chapter 205;

17 (6) Coastal and ocean policy management, and sea level  
18 rise adaptation coordination. Carrying out the lead  
19 agency responsibilities for the Hawaii coastal zone  
20 management program, as specified in chapter 205A.

21 Also:



1 (A) Developing and maintaining an ocean and coastal  
2 resources information, planning, and management  
3 system;

4 (B) Further developing and coordinating  
5 implementation of the ocean resources management  
6 plan;

7 (C) Formulating ocean policies with respect to the  
8 exclusive economic zone, coral reefs, and  
9 national marine sanctuaries; and

10 (D) Coordinating sea level rise adaptation with state  
11 agencies having operational responsibilities over  
12 state facilities to identify existing and planned  
13 facilities, including critical infrastructure,  
14 that are vulnerable to sea level rise, flooding  
15 impacts, and natural hazards;

16 (7) Regional planning and studies. Conducting plans and  
17 studies to determine:

18 (A) The capability of various regions within the  
19 State to support projected increases in both  
20 resident populations and visitors;





1 (B) The potential physical, social, economic, and  
2 environmental impact on these regions resulting  
3 from increases in both resident populations and  
4 visitors;

5 (C) The maximum annual visitor carrying capacity for  
6 the State by region, county, and island; and

7 (D) The appropriate guidance and management of  
8 selected regions and areas of statewide critical  
9 concern.

10 The studies in subparagraphs (A) to (C) shall be  
11 conducted at appropriate intervals, but not less than  
12 once every five years;

13 (8) Regional, national, and international planning.  
14 Participating in and ensuring that state plans,  
15 policies, and objectives are consistent, to the extent  
16 practicable, with regional, national, and  
17 international planning efforts;

18 (9) Climate adaptation and sustainability planning and  
19 coordination. Conducting plans and studies and  
20 preparing reports as follows:



(A) Develop, monitor, and evaluate strategic climate adaptation plans and actionable policy recommendations for the State and counties addressing expected statewide climate change impacts identified under chapter 225P and sections 226-108 and 226-109; and

(B) Provide planning and policy guidance and assistance to state and county agencies regarding climate change and sustainability;

(10) Smart growth and transit-oriented development. Acting as the lead agency to coordinate and advance smart growth and transit-oriented development planning within the State as follows:

(A) Identify transit-oriented development opportunities shared between state and county agencies, including relevant initiatives such as the department of health's healthy Hawaii initiative and the Hawaii clean energy initiative;

(B) Refine the definition of "transit-oriented development" in the context of Hawaii, while



- 1 recognizing the potential for smart growth  
2 development patterns in all locations;
- 3 (C) Clarify state goals for transit-oriented  
4 development and smart growth that support the  
5 principles of the Hawaii State Planning Act by  
6 preserving non-urbanized land, improving worker  
7 access to jobs, and reducing fuel consumption;
- 8 (D) Target transit-oriented development areas for  
9 significant increase in affordable housing and  
10 rental units;
- 11 (E) Conduct outreach to state agencies to help  
12 educate state employees about the ways they can  
13 support and benefit from transit-oriented  
14 development and the State's smart growth goals;
- 15 (F) Publicize coordinated state efforts that support  
16 smart growth, walkable neighborhoods, and  
17 transit-oriented development;
- 18 (G) Review state land use decision-making processes  
19 to identify ways to make transit-oriented  
20 development a higher priority and facilitate  
21 better and more proactive leadership in creating



1 walkable communities and employment districts,  
2 even if transit will only be provided at a later  
3 date; and

4 (H) Approve all state agencies' development plans for  
5 parcels along the rail transit corridor[-];  
6 provided that state agencies shall consult with  
7 the office of planning and sustainable  
8 development and the Hawaii housing finance and  
9 development corporation early in the formulation  
10 of agencies' development plans to determine  
11 whether housing is appropriate on the parcels,  
12 and if determined to be appropriate, how the  
13 provision of affordable housing units could be  
14 maximized on the parcel or parcels; provided  
15 further that state agencies shall incorporate in  
16 the formulation of development plans provisions  
17 to ensure at least fifty per cent of units are  
18 reserved for residents who:

- 19 (i) Are residents of the State;  
20 (ii) Are the occupants of the unit; and  
21 (iii) Own no other property,



1           unless the office of planning and sustainable  
2           development determines that housing is not  
3           feasible or desirable on a particular property;  
4           provided further that this subparagraph shall not  
5           apply to the rail transit corridor located in  
6           Halawa.

7           For the purposes of this subparagraph,  
8           "development plans" means conceptual land use  
9           plans that identify the location and planned uses  
10          within a defined area; and

11          (11) Environmental review. Performing duties set forth  
12          under chapter 343, serving the governor in an advisory  
13          capacity on all matters relating to environmental  
14          review, and having such powers delegated by the  
15          governor as are necessary to coordinate and, when  
16          requested by the governor, direct all state  
17          governmental agencies in matters concerning  
18          environmental quality control, including:

19          (A) Advising and assisting private industries,  
20          governmental department and agencies, and other  
21          persons on the requirements of chapter 343; and



1           (B) Conducting public education programs on  
2           environmental quality control;  
3           provided that the office shall adopt rules in  
4           accordance with chapter 91 to implement this  
5           paragraph."

6           SECTION 3. Statutory material to be repealed is bracketed  
7 and stricken. New statutory material is underscored.

8           SECTION 4. This Act shall take effect on July 1, 2022.

9



**Report Title:**

Office of Planning and Sustainable Development; Transit-Oriented Development; Development or Redevelopment Plans; Affordable Housing

**Description:**

Requires state agencies to consult with the Office of Planning and Sustainable Development and Hawaii Housing Finance and Development corporation on the formulation of development plans and requires that agencies formulate plans ensuring that fifty per cent of housing units in state agencies' development and redevelopment plans along the rail transit corridor be reserved for residents meeting certain requirements. Allows the Office of Planning and Sustainable Development to make exceptions to the affordable housing requirement. (SD1)

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