

Honolulu, Hawaii

FEB 21, 2024

RE: H.B. No. 1630
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committees on Housing, Water & Land, and Judiciary & Hawaiian Affairs, to which was referred H.B. No. 1630 entitled:

"A BILL FOR AN ACT RELATING TO URBAN DEVELOPMENT,"

beg leave to report as follows:

The purpose of this measure is to:

- (1) Prohibit county zoning ordinances and private covenants for residential lots within a state urban land use district from not allowing four or more residential units per residential lot within an urban district;
- (2) Require the counties to allow for attached and detached additional units or accessory dwelling units, but authorize the counties to impose certain restrictions;
- (3) Require that any application for subdivision, consolidation, or resubdivision of parcels within the state urban land use district receive final approval from the director of the county agency responsible for land use;
- (4) Require the counties to consider the square footage of a development when determining the development's



proportionate share of public facility capital improvement costs; and

- (5) Permit the appropriate board of water supply to calculate impact fees based on total number of fixtures in the development when the public facility impacted is a water or sewage facility.

Prior to the hearing on this measure, your Committees posted and made available for public review a proposed H.D. 1, which preserves the contents of this measure and amends it by:

- (1) Requiring county zoning ordinances to allow for at least two missing middle housing units on a residential lot within the state urban land use district;
- (2) Clarifying the restrictions and guidelines a county may continue imposing on missing middle housing units;
- (3) Clarifying that long-term rentals are as defined by each county;
- (4) Clarifying that any application for subdivision, consolidation, or resubdivision of parcels within the state urban land use district that are residentially zoned and at least two thousand square feet in area shall be reviewed and acted upon by the director of the county agency responsible for land use, with certain exclusions; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committees received testimony in support of the proposed H.D. 1 from the Land Use Commission; Hawaii Housing Finance and Development Corporation; Office of Planning and Sustainable Development; County of Maui Planning Department; one member of the Kaua'i County Council; Department of Planning and Permitting of the City and County of Honolulu; County of Hawai'i Planning Department; County of Kaua'i Planning Department; AARP Hawai'i; Housing Hawai'i's Future; Hawaii Habitat for Humanity Association; Hawaii Zoning Atlas; Council for Native Hawaiian Advancement; Building Industry Association Hawaii; NAIOP; Chamber of Commerce Hawaii; Aio; Hawai'i Gas; HPM Building Supply; Tori Richard, Ltd.; Title



Guaranty of Hawai'i; Mana Up; Hawai'i YIMBY; Grassroot Institute of Hawaii; Holomua Collaborative; Hawaii Appleseed Center for Law & Economic Justice; Kaua'i Chamber of Commerce; Hawai'i Housing Affordability Coalition; Construction Industry of Maui; and numerous individuals. Your Committees received testimony in opposition to the proposed H.D. 1 from one individual. Your Committees received comments on the proposed H.D. 1 from the Department of Land and Natural Resources and Hawai'i Association of REALTORS.

Your Committees find that the State's housing crisis has reached a point where traditional methods are no longer sufficient to meet the increasing demands for affordable housing. Your Committees further find that additional dwelling units are tools that certain counties utilize to increase the housing market by allowing property owners to build smaller dwelling units on their property. Your Committees believe that establishing a framework for the development of additional dwelling units in urban districts across the State is necessary to address the housing crisis. This measure provides a mechanism to allow for the development of additional homes while preserving the counties' authority to impose restrictions and guidelines.

Your Committees have amended this measure by adopting the proposed H.D. 1 and further amending the measure by:

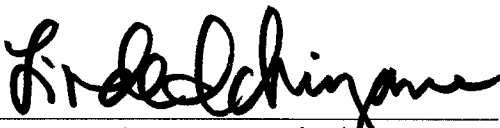
- (1) Changing references of missing middle housing to additional dwelling units and deleting the definition of "missing middle housing";
- (2) Deleting language that would have prohibited an ordinance or rule from requiring more than one off-street vehicle parking on-site per additional dwelling unit space;
- (3) Clarifying that for purposes of a subdivision application, certain parcels within a designated historic district are excluded from the requirement that the application be reviewed and acted upon by the appropriate county land use director;
- (4) Changing the effective date to January 1, 3000, to encourage further discussion; and




- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Housing, Water & Land, and Judiciary & Hawaiian Affairs that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 1630, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 1630, H.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on behalf of the members of the Committees on Housing, Water & Land, and Judiciary & Hawaiian Affairs,


LINDA ICHIYAMA, Chair


LUKE A. EVSLIN, Chair


DAVID A. TARNAS, Chair



