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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 is facing  
2 a housing crisis. A 2019 study commissioned by the department  
3 of business, economic development, and tourism found that the  
4 State will require an additional 50,156 homes by the year 2025,  
5 with the city and county of Honolulu requiring 22,168 new units,  
6 Hawaii county requiring 13,303 new units, Maui county requiring  
7 10,404 new units, and Kauai county requiring 4,281 new units.

8           The legislature further finds that a more targeted approach  
9 is needed to engage the private sector to increase the inventory  
10 of housing in the State. During the Regular Session of 2022,  
11 the legislature passed a series of measures that allocated  
12 nearly \$1,000,000,000 in the aggregate to assist homeless, very  
13 low-income, moderate-income, and working families with rent  
14 relief and housing. Developers may apply for a portion of these  
15 funds to develop new rental and for-sale affordable housing  
16 throughout the State; however, the legislature recognizes that



1 two of the largest obstacles for developers to construct more  
2 housing in the State are:

3 (1) A lack of areas with the proper zoning for residential  
4 dwellings to be constructed; and

5 (2) A lack of infrastructure to support newly developed  
6 residential dwellings.

7 The legislature notes that infrastructure exists in urban areas  
8 that are zoned for industry, trade, and business use, therefore  
9 developing housing in these areas will be faster and may create  
10 more housing opportunities since less funding is required to  
11 construct infrastructure. The legislature further notes that  
12 the existing businesses in these urban areas may benefit from  
13 increased residential density, which could provide more foot  
14 traffic and customers for those businesses.

15 Accordingly, the purpose of this Act is to allow the  
16 construction of multi-family dwelling units on any lot within  
17 certain designated county zoning districts, subject to  
18 reasonable standards that each county may adopt.

19 SECTION 2. Section 46-4, Hawaii Revised Statutes, is  
20 amended to read as follows:



1           **"§46-4 County zoning.** (a) This section and any  
 2 ordinance, rule, or regulation adopted in accordance with this  
 3 section shall apply to lands not contained within the forest  
 4 reserve boundaries as established on January 31, 1957, or as  
 5 subsequently amended.

6           Zoning in all counties shall be accomplished within the  
 7 framework of a long-range, comprehensive general plan prepared  
 8 or being prepared to guide the overall future development of the  
 9 county. Zoning shall be one of the tools available to the  
 10 county to put the general plan into effect in an orderly manner.  
 11 Zoning in the counties of Hawaii, Maui, and Kauai means the  
 12 establishment of districts of such number, shape, and area, and  
 13 the adoption of regulations for each district to carry out the  
 14 purposes of this section. In establishing or regulating the  
 15 districts, full consideration shall be given to all available  
 16 data as to soil classification and physical use capabilities of  
 17 the land to allow and encourage the most beneficial use of the  
 18 land consonant with good zoning practices. The zoning power  
 19 granted herein shall be exercised by ordinance, which may relate  
 20 to:



- 1           (1) The areas within which agriculture, forestry,  
2                    industry, trade, and business may be conducted;
- 3           (2) The areas in which residential uses may be regulated  
4                    or prohibited;
- 5           (3) The areas bordering natural watercourses, channels,  
6                    and streams, in which trades or industries, filling or  
7                    dumping, erection of structures, and the location of  
8                    buildings may be prohibited or restricted;
- 9           (4) The areas in which particular uses may be subjected to  
10                   special restrictions;
- 11          (5) The location of buildings and structures designed for  
12                   specific uses and designation of uses for which  
13                   buildings and structures may not be used or altered;
- 14          (6) The location, height, bulk, number of stories, and  
15                   size of buildings and other structures;
- 16          (7) The location of roads, schools, and recreation areas;
- 17          (8) Building setback lines and future street lines;
- 18          (9) The density and distribution of population;
- 19          (10) The percentage of a lot that may be occupied, size of  
20                   yards, courts, and other open spaces;
- 21          (11) Minimum and maximum lot sizes; and



1           (12) Other regulations the boards or city council find  
2           necessary and proper to permit and encourage the  
3           orderly development of land resources within their  
4           jurisdictions.

5           The council of any county shall prescribe rules,  
6 regulations, and administrative procedures and provide personnel  
7 it finds necessary to enforce this section and any ordinance  
8 enacted in accordance with this section. The ordinances may be  
9 enforced by appropriate fines and penalties, civil or criminal,  
10 or by court order at the suit of the county or the owner or  
11 owners of real estate directly affected by the ordinances.

12           Any civil fine or penalty provided by ordinance under this  
13 section may be imposed by the district court, or by the zoning  
14 agency after an opportunity for a hearing pursuant to chapter  
15 91. The proceeding shall not be a prerequisite for any  
16 injunctive relief ordered by the circuit court.

17           Nothing in this section shall invalidate any zoning  
18 ordinance or regulation adopted by any county or other agency of  
19 government pursuant to the statutes in effect [~~prior to~~] before  
20 July 1, 1957.



1           The powers granted herein shall be liberally construed in  
2 favor of the county exercising them, and in [~~such~~] a manner as  
3 to promote the orderly development of each county or city and  
4 county in accordance with a long-range, comprehensive general  
5 plan to ensure the greatest benefit for the State as a whole.  
6 This section shall not be construed to limit or repeal any  
7 powers of any county to achieve these ends through zoning and  
8 building regulations, except insofar as forest and water reserve  
9 zones are concerned and as provided in subsections (c) and (d).

10           Neither this section nor any ordinance enacted pursuant to  
11 this section shall prohibit the continued lawful use of any  
12 building or premises for any trade, industrial, residential,  
13 agricultural, or other purpose for which the building or  
14 premises is used at the time this section or the ordinance takes  
15 effect; provided that a zoning ordinance may provide for  
16 elimination of nonconforming uses as the uses are discontinued,  
17 or for the amortization or phasing out of nonconforming uses or  
18 signs over a reasonable period of time in commercial,  
19 industrial, resort, and apartment zoned areas only. In no event  
20 shall [~~such~~] the amortization or phasing out of nonconforming  
21 uses apply to any existing building or premises used for



1 residential (single-family or duplex) or agricultural uses.  
2 Nothing in this section shall affect or impair the powers and  
3 duties of the director of transportation as set forth in chapter  
4 262.

5 (b) Any final order of a zoning agency established under  
6 this section may be appealed to the circuit court of the circuit  
7 in which the land in question is found. The appeal shall be in  
8 accordance with the Hawaii rules of civil procedure.

9 (c) Each county may adopt reasonable standards to allow  
10 the construction of two single-family dwelling units on any lot  
11 where a residential dwelling unit is permitted.

12 (d) Notwithstanding any law to the contrary, the  
13 construction of multi-family dwelling units shall be permitted  
14 on any lot designated with the following zoning district  
15 classifications, subject to reasonable standards adopted by each  
16 county:

- 17 (1) City and county of Honolulu:
  - 18 (A) B-1: business neighborhood district;
  - 19 (B) B-2: business community district;
  - 20 (C) I-1: limited industrial district;
  - 21 (D) I-2: intensive industrial district; and



1           (E) I-3: waterfront industrial district;

2           (2) County of Maui:

3           (A) SBR service: service business residential  
4           district;

5           (B) B-CT: business country town district;

6           (C) B-1: business neighborhood district;

7           (D) B-2: business community district;

8           (E) B-3: business central district;

9           (F) B-R: business resort commercial district;

10          (G) M-1: light industrial district;

11          (H) M-2: heavy industrial district; and

12          (I) M-3: restricted industrial district;

13          (3) County of Hawaii:

14          (A) CN: neighborhood commercial district;

15          (B) CG: general commercial district;

16          (C) CV: village commercial district;

17          (D) MCX: industrial-commercial mixed district;

18          (E) ML: limited industrial district; and

19          (F) MG: general industrial district; and

20          (4) County of Kauai:

21          (A) CM: neighborhood commercial district;





1           (B) CG: general commercial district;

2           (C) IL: limited industrial district; and

3           (D) IG: general industrial district.

4       ~~(d)~~ (e) Neither this section nor any other law, county  
5 ordinance, or rule shall prohibit group living in facilities  
6 with eight or fewer residents for purposes or functions that are  
7 licensed, certified, registered, or monitored by the State;  
8 provided that a resident manager or a resident supervisor and  
9 the resident manager's or resident supervisor's family shall not  
10 be included in this resident count. These group living  
11 facilities shall meet all applicable county requirements not  
12 inconsistent with the intent of this subsection, including but  
13 not limited to building height, setback, maximum lot coverage,  
14 parking, and floor area requirements.

15       ~~(e)~~ (f) Neither this section nor any other law, county  
16 ordinance, or rule shall prohibit the use of land for employee  
17 housing and community buildings in plantation community  
18 subdivisions as defined in section 205-4.5(a)(12); in addition,  
19 no zoning ordinance shall provide for the elimination,  
20 amortization, or phasing out of plantation community  
21 subdivisions as a nonconforming use.



1            [~~f~~] (g) Neither this section nor any other law, county  
2 ordinance, or rule shall prohibit the use of land for medical  
3 cannabis production centers or medical cannabis dispensaries  
4 established and licensed pursuant to chapter 329D; provided that  
5 the land is otherwise zoned for agriculture, manufacturing, or  
6 retail purposes."

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

9            SECTION 4. This Act shall take effect upon its approval.



**Report Title:**

Housing; County Zoning Districts; Multi-Family Dwelling Units

**Description:**

Allows the construction of multi-family dwelling units on any lot within certain designated county zoning districts, subject to reasonable standards adopted by each county. (SD1)

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

