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February 12, 2024

TESTIMONY OF ADDISON BULOSAN
COUNCILMEMBER, KAUAI COUNTY COUNCIL
ON
SB 2948, RELATING TO HOUSING
Senate Committee on Water and Land
Senate Committee on Government Operations
Thursday, February 15, 2024
3:00 p.m.
Conference Room 225
Via Videoconference

Dear Chair Inouye, Chair McKelvey, and Members of the Committees:

Thank you for this opportunity to provide testimony in SUPPORT of SB 2948, Relating to Housing. My testimony is submitted in my individual capacity as a member of the Kaua'i County Council.

I wholeheartedly support the intent of SB 2948, which would greatly affect the Kaua'i community.

Thank you again for this opportunity to provide testimony in support of SB 2948. Should you have any questions, please feel free to contact me or Council Services Staff at (808) 241-4188 or via email to cokcouncil@kauai.gov.

Sincerely,

ADDISON BULOSAN
Councilmember, Kaua'i County Council

AAO:ss



Housing Hawai'i's Future
PO Box 3043
Honolulu, HI 96802-3043

February 12, 2024

TO: Chair McKelvey, Chair Inouye and members of the Hawai'i State Senate Government Operations and Water and Land Committees
RE: SB 2948 RELATING TO HOUSING.

Dear Chair and Committee Members,

My name is Sterling Higa, and I serve as executive director of Housing Hawai'i's Future, a nonprofit creating opportunities for Hawai'i's next generation by ending the workforce housing shortage.

We support SB 2948, the "Mixed-Use and Adaptive Reuse Housing" Bill.

Building code and zoning changes are necessary to allow conversions from commercial to residential use. So too are investments in infrastructure and tax incentives to support adaptive reuse and redevelopment.

This bill is a sensible first step. It helps to reverse decades of single-use zoning that have caused sprawl.

"Single-use zoning is designed to separate residential, commercial and industrial uses. It makes sense to separate homes and factories; it's counterproductive to separate residential and commercial uses. The most vibrant cities in the world (think: London, Paris, Tokyo) favor mixed-use development. And charming small towns do too. This is as true in Hawai'i as it is everywhere else. For example, it's no coincidence that the most popular towns to visit on Maui were all developed before the county's current zoning code was adopted in 1960: think of Hāna, Makawao, Pā'ia, Wailuku and pre-fire Lahaina. Compare those quaint towns with Kihei, the land of strip malls."¹

Given our state's constitutional imperative to conserve agricultural resources, it's vital that we make efficient use of already developed land.

Mixed-use development is a pattern of development that is better economically and environmentally.

We cannot afford to keep bad zoning codes on the book.

Thank you for your support of SB 2948!

Thank you,

A handwritten signature in black ink that reads "Sterling Higa".

Sterling Higa
Executive Director
Housing Hawai'i's Future
sterling@hawaiisfuture.org
+1 (808) 782-7868

¹Read more in *Hawaii Business Magazine*, "Five Ways to Build More Housing in Hawai'i"
<https://www.hawaiibusiness.com/hawaii-housing-crisis-barriers-and-solutions/>

February 13, 2024

Senator Lorraine Inouye, Chair
Senator Brandon Elefante, Vice Chair
Committee on Water and Land

Senator Angus McKelvey, Chair
Senator Mike Gabbard, Vice Chair
Committee on Government Operations

RE: **SB 2948 – RELATING TO HOUSING**
Hearing date – February 15, 2024 at 3:00 P.M.

Aloha Chairs Inouye, McKelvey, and members of the Committees,

Thank you for allowing NAIOP Hawaii to submit testimony providing **in STRONG SUPPORT of SB 2948 – RELATING TO THE HOUSING**. NAIOP Hawaii is the Hawaii chapter of the nation's leading organization for office, industrial, retail, residential and mixed-use real estate. NAIOP Hawaii has over 200 members in the State including local developers, owners, investors, asset managers, lenders, and other professionals.

SB 2948 allows residential uses in areas zoned for commercial to be considered permitted as long as the residential use is limited by ordinance to floors above the ground floor of a building or structure and development standards are met, but exempts areas zoned under chapter 206E, HRS, relating to the Hawai'i Community Development Authority. Specifically, this measure requires each county to adopt ordinances that allow for adaptive reuse of existing commercial buildings in the county's building codes and:

(1) Allow for the construction of micro units with a minimum size of two hundred twenty square feet;

(2) Allow for adaptive reuse to meet the interior environment requirements of the International Building Code; and

(3) Provide for an exemption to any requirements regarding additional off-street parking or park dedication; provided that the building's floor area, height, and setbacks do not change as a result of adaptive reuse.

NAIOP Hawaii is strongly supportive of requiring the county the Housing Code to align the building requirements of the city with the International Building Code ("IBC") especially in relation to light and ventilation. The measure will help address the requirements imposed on building construction which differ from the IBC. Specifically, the measure amends Chapter 16A, Revised Ordinances of Honolulu 2021 ("ROH") to provide an exemption for property, buildings and structures that are subject to the requirements of ROH section 16-1.1.

As background, Honolulu is the only county in the state that has a Housing Code that is imbedded into the building code. The Housing Code specifically requires operable windows to allow for natural lighting and direct ventilation for living rooms and bedrooms. Honolulu's building code dictates that IBC governs except as maybe contrarily specified in the Housing Code. This bill seeks to allow for more consistency between the Housing Code and the IBC.

NAIOP Hawaii supports this measure which will encourage adaptive reuse projects which require flexible design options. Most office buildings do not have sufficient windows to provide direct window access. The measure allows for the conversion of office buildings resulting in gaining additional housing units for Honolulu residents. The splitting of existing "larger" units into more units and or bedrooms will increase available inventory in the market.

The IBC approved the change in 2012 and Hawai'i adopted the changes in 2018. The new code allows for indirect or artificial light and mechanical ventilation options to consider rooms to become "bedrooms" and living rooms. By requiring adequate lighting and ventilation, the changes continue to protect the life and safety of potential residents.

Furthermore, prior to the Housing Code that was created for Honolulu (circa 1990's) there were residential buildings built without operable windows including Central Center, Executive Center and many of the older hotels. Additionally, 1132 Bishop had recently gone through 201H to convert to residential. There are several decaying buildings that could be converted with by-right permitting, without the expense and time delays of processing 201H applications. Many small infill lots within the urban core could be developed with higher densities such as the 67-unit Fort St mall senior affordable project being built on a 6,900 sf lot. Many of the downtown conversion projects could become more financially viable for residential conversions.

Lastly, the IBC code is an international code. Advances in technology for artificial lighting and ventilation methodologies with proven application in living spaces have been validated by the IBC. Further, the IRC is still in effect to address smaller projects such as single family, duplex and or projects smaller than 3 stories.

Senator Lorraine Inouye, Chair
Senator Angus McKelvey, Chair
February 13, 2024
Page 3

Ultimately, Hawaii is currently in a housing crisis which is continuing to worsen due to the ongoing economic changes. NAIOP Hawaii supports this measure which seeks to encourage the conversion of commercial units into residential units. NAIOP Hawaii is dedicated to the creation of affordable housing for our communities. Thank you for the opportunity to testify on this measure and we look forward to working with all interest stakeholders to address this issue.

Mahalo for your consideration,

A handwritten signature in black ink, appearing to read 'Reyn Tanaka', with a long horizontal stroke extending to the right.

Reyn Tanaka, President
NAIOP Hawaii

SB-2948

Submitted on: 2/13/2024 12:20:04 PM

Testimony for GVO on 2/15/2024 3:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Forrest Leonard	Individual	Support	Written Testimony Only

Comments:

Aloha,

I'm writing to you in support of SB2948. Mixed use zoning creates enjoyable walkable cities that are good for the local economy. By allowing residents to live in direct proximity to where they shop and work, the city becomes more affordable and economically prosperous at the same time. By passing SB2948, Hawaii can ease its affordability crisis, reduce emissions, and revive local economies.



DISABILITY AND COMMUNICATION ACCESS BOARD

1010 Richards Street, Rm. 118 • Honolulu, Hawai'i 96813
Ph. (808) 586-8121 (V) • Fax (808) 586-8129 • (808) 586-8162 TTY

February 15, 2024

TESTIMONY TO THE SENATE COMMITTEES ON GOVERNMENT OPERATIONS, AND WATER AND LAND

Senate Bill 2948 – Relating to Housing

The Disability and Communication Access Board (DCAB) offers comments on Senate Bill 2948 – Relating to Housing.

This bill addresses the housing crisis by allowing residential uses in areas zoned for commercial to be considered permitted as long as the residential use is limited by ordinance to floors above the ground floor of a building or structure and development standards are met, but exempts areas zoned under chapter 206E, HRS, relating to the Hawaii Community Development Authority. Requires each county to adopt ordinances that allow for adaptive reuse of existing commercial buildings in the county's building codes.

The housing crisis is magnified for people with disabilities as many units are not designed to be accessible.

In addition to addressing the housing shortage, legislation should address the quantity of supportive housing units that are accessible to people with mobility and communication disabilities. The Americans with Disabilities Act Standards for Accessible Design (ADA Standards) specifies the minimum percentage of accessible housing units in public facilities. The ADA Standards only requires five percent of units to be accessible for mobility disabilities and two percent of units to be accessible for communication disabilities. The Fair Housing Act (FHA) design and construction requirements specifies the minimum number of adaptable housing units in public and private buildings containing four or more units. The FHA requires all dwelling units to be adaptable for mobility disabilities in buildings with an elevator, but only requires ground floor units to be adaptable for mobility disabilities in buildings without an elevator. The FHA does not require units to be adaptable for communication disabilities.

According to the U.S. Census Bureau's 2021 Disability Characteristics for the State of Hawaii, 19.1 percent of Hawaii's residents that are sixty five years and older have mobility difficulty, 12.6 percent have hearing difficulty, and 4.7 percent have vision difficulty. The following adjustments that exceed minimum accessibility and adaptability requirements would provide Hawaii residents with disabilities the opportunity to live independently:

- In public facilities with residential dwelling units, at least twenty percent, but no fewer than one unit, of the total number of residential dwelling units shall provide mobility features that comply with applicable technical requirements in the ADA Standards.
- In public facilities with residential dwelling units, at least thirteen percent, but no fewer than one unit, of the total number of residential dwelling units shall provide communication features that comply with applicable technical requirements in the ADA Standards.

- In multi-story buildings with four or more residential dwelling units, an elevator shall connect each story and all dwelling units shall comply with the FHA design and construction requirements.

Investing in accessible housing would ensure that more residential units would be available for individuals with disabilities and their families.

Thank you for considering our position.

Respectfully submitted,



KIRBY L. SHAW
Executive Director



Testimony of the Oahu Metropolitan Planning Organization

Committee on Government Operations

Committee on Water and Land

February 15, 2024 at 3:00PM

Conference Room 225

SB 2948

Relating to Housing

Dear Chairs McKelvey and Inouye, Vice Chairs Gabbard and Elefante, and Committee Members,

The Oahu Metropolitan Planning Organization (OahuMPO) **supports SB 2948**, which would allow residential uses in areas zoned for commercial to be considered permitted as long as the residential use is limited by ordinance to floors above the ground floor of a building or structure and development standards are met, but exempts areas zoned under chapter 206E, HRS, relating to the Hawai'i Community Development Authority. It would also require each county to adopt ordinances that allow for adaptive reuse of existing commercial buildings in the county's building codes.

This bill is consistent with several goals of the Oahu Regional Transportation Plan including support active and public transportation, promote an equitable transportation system, and improve air quality and protect environmental and cultural assets.¹

Allowing homes in areas zoned for commercial use and adaptive reuse of commercial buildings for residential purposes will encourage more walkable, connected communities where residents drive far less each day than their counterparts in more sprawling locations.² Providing housing in areas zoned for commercial uses would help make the transition to a lower carbon economy in a way that doesn't place a heavier burden on those with less means.³ In addition, when we provide more mixed-use development, this provides people the chance to get around without their car which can reduce emissions in the near term, reduce transportation costs, provide more opportunities for physical activity, and improve access to necessities for both people who don't have a car and those with cars.⁴

¹ https://oahumpo.org/?wpfb_dl=2215

² <https://smartgrowthamerica.org/wp-content/uploads/2020/10/Driving-Down-Emissions-FINAL.pdf>

³ IBID.

⁴ IBID.

For the State to meet its climate and energy goals, emissions from the ground transportation sector must be reduced. In 2019, emissions from transportation activities in Hawaii were 10.68 MMT CO₂ Eq, accounting for 54.9 percent of Energy sector emissions.⁵ Domestic aviation accounted for the largest portion of transportation emissions (46.4 percent) followed by ground transportation (37.7 percent).⁶

According to the State Climate Commission Report, “Drivers of VMT and priority reduction strategies in Hawaii”, households in suburban areas drive around 37 percent more than those in urban centers and households on the suburban fringe drive 68 percent more.⁷ Limiting outward growth and concentrating more growth in urban infill areas will be critical for Hawaii to meet its climate and energy goals. This is because mixed use development results in shorter trips, fewer trips, and more trips taken by lower-carbon modes.⁸ With more compact development, people drive 20 to 40 percent less, at minimal or reduced cost, while reaping other fiscal and health benefits.⁹ Whether people care about reducing their own emissions or not, by providing more opportunities for them to live where emissions are naturally lower per person, we can work within the market to help address climate change.

The bill is also consistent with the State Climate Commission’s *Investing in Transportation Choices Toolkit*¹⁰ and *Drivers of VMT and Priority Reduction Strategies for Hawaii*¹¹, which identified infill and mixed-use development, and parking management, as key strategies to reduce greenhouse gas emissions, vehicle miles traveled, and improve transportation choices for Hawaii residents.

The OahuMPO is the federally designated Metropolitan Planning Organization (MPO) on the island of Oahu responsible for carrying out a multimodal transportation planning process, including the development of a long-range (25-year horizon) metropolitan transportation plan, referred to as the Oahu Regional Transportation Plan (ORTP) that encourages and promotes a safe and efficient transportation system to serve the mobility needs of people and freight (including walkways, bicycles, and transit), fosters economic growth and development, and takes into consideration resiliency needs, while minimizing fuel consumption and air pollution ([23 CFR 450.300](#)).

Thank you for the opportunity to provide testimony on this measure.

⁵ https://health.hawaii.gov/cab/files/2023/05/2005-2018-2019-Inventory_Final-Report_rev2.pdf

⁶ IBID.

⁷ https://climate.hawaii.gov/wp-content/uploads/2023/07/USCA_Hawaii_VMT_strategies_Feb22.pdf

⁸ <https://smartgrowthamerica.org/wp-content/uploads/2020/10/Driving-Down-Emissions-FINAL.pdf>

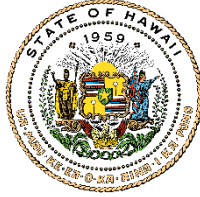
⁹ https://www.nrdc.org/sites/default/files/cit_07092401a.pdf

¹⁰ <https://climate.hawaii.gov/wp-content/uploads/2023/07/Investing-in-Transportation-Choices-V6.pdf>

¹¹ https://climate.hawaii.gov/wp-content/uploads/2023/07/USCA_Hawaii_VMT_strategies_Feb22.pdf

JOSH GREEN, M.D.
GOVERNOR | KE KIA'ĀINA

SYLVIA LUKE
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA



**STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAII'
DEPARTMENT OF LAND AND NATURAL RESOURCES
KA 'OIHANA KUMUWAIWAI 'ĀINA**

P.O. BOX 621
HONOLULU, HAWAII 96809

DAWN N.S. CHANG
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE
MANAGEMENT

RYAN K.P. KANAKA'OLE
FIRST DEPUTY

DEAN D. UYENO
ACTING DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
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ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

**Testimony of
DAWN N. S. CHANG
Chairperson**

**Before the Senate Committees on
GOVERNMENT OPERATIONS
and
WATER AND LAND,**

**Thursday, February 15, 2024
03:00 PM**

State Capitol Room 525 & Via Videoconference

**In consideration of
SENATE BILL 2948
RELATING TO HOUSING**

Senate Bill 2948 amends Chapter 46, Hawaii Revised Statutes (HRS), authorize homes in areas zoned commercial, and adaptive reuse of commercial buildings for residential purposes. **The Department of Natural Resources (Department) supports this measure and offers comments.**

The Department believes that reuse of commercial buildings for residential purposes can make an important contribution to easing Hawai'i's housing shortage. The commercial centers of most older communities had a mix of commercial and residential uses. Residential units were frequently found on the upper floors of commercial structures above the commercial spaces. Reintroducing such mixed uses is a return to the historic character of these communities, while increasing the stock of available housing units. Such reuse also supports protection of the historic character of these commercial centers, which are often defining elements of their physical and social character.

Adaptive reuse of existing structures is often significantly less expensive than building new, even when the building being rehabilitated is significantly deteriorated and in need of introduction of critical upgrades to meet contemporary expectations and standards.

Finally, an approved rehabilitation of a historic income producing structure can qualify for a 20% federal income tax credit, and income producing or not a 30% State of Hawai'i income tax credit on qualifying rehabilitation expenses.

Mahalo for the opportunity to testify in support of this measure.

SB-2948

Submitted on: 2/13/2024 8:26:19 PM

Testimony for GVO on 2/15/2024 3:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Ola Popovich	Individual	Support	Written Testimony Only

Comments:

Aloha,

I am a young mother residing on Oahu and I would love to see more housing built here without sprawling into green space. Please pass this bill to allow for housing to be built on top of commercial spaces. The land is already developed, and would reduce the need for people to drive as much.

Thank you,

Ola

SB-2948

Submitted on: 2/14/2024 7:55:42 AM

Testimony for GVO on 2/15/2024 3:00:00 PM

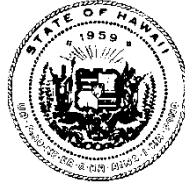
Submitted By	Organization	Testifier Position	Testify
Keoni Shizuma	Individual	Support	Written Testimony Only

Comments:

I support this bill, as long as the commercial business on the ground floor remains in business and active, and in alignment with the plans for the area.

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



DEAN MINAKAMI
EXECUTIVE DIRECTOR

STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
677 QUEEN STREET, SUITE 300
HONOLULU, HAWAII 96813
FAX: (808) 587-0600

Statement of **DEAN MINAKAMI**

Hawaii Housing Finance and Development Corporation
Before the

SENATE COMMITTEE ON WATER AND LAND AND SENATE COMMITTEE ON GOVERNMENT OPERATIONS

February 15, 2024 at 3:00 p.m.
State Capitol, Room 225

In consideration of
S.B. 2948
RELATING TO HOUSING.

HHFDC **supports** SB 2948, which allows limited residential uses in areas zoned for commercial to be considered permitted with certain provisions and requires the counties to adopt ordinances to promote adaptive reuse of existing commercial buildings, among other things. The bill includes a carveout for Hawaii Community Development Authority-zoned lands.

This bill has the potential to expand Hawaii's housing inventory while also facilitating the creation of more vibrant communities. It does so by allowing the development of housing in commercial districts (located above building ground floors) and encouraging the repurposing of older commercial buildings that are underutilized due to market conditions or functional obsolescence. Many older buildings with potential for residential conversion are in central business districts that can become desirable communities, as they tend to be proximate to public services, community facilities, entertainment venues, and the like in addition to employment centers.

Thank you for the opportunity to testify on this bill.



**HAWAII STATE SENATE
COMMITTEES ON GOVERNMENT OPERATIONS, AND WATER AND LAND
Conference Room 225 & Videoconference
3:00 PM**

February 15, 2024

Honorable Senators Chairs McKelvey, and Inouye, Vice-Chairs Gabbard, and Elefante, and members of the Committees:

Subject: SB 2948 - RELATING TO HOUSING

My name is Max Lindsey, Government Relations Committee Chair of the Building Industry Association of Hawaii (BIA-Hawaii). Chartered in 1955, the Building Industry Association of Hawaii is a professional trade organization affiliated with the National Association of Home Builders, representing the building industry and its associates. BIA-Hawaii takes a leadership role in unifying and promoting the interests of the industry to enhance the quality of life for the people of Hawaii. Our members build the communities we all call home.

SB 2948 proposes to allow residential uses in areas zoned for commercial to be considered permitted as long as the residential use is limited by ordinance to floors above the ground floor of a building or structure and development standards are met, but exempts areas zoned under chapter 206E, HRS, relating to the Hawaii Community Development Authority, and requires each county to adopt ordinances that allow for adaptive reuse of existing commercial buildings in the county's building codes.

BIA-Hawaii is in **strong support** of SB 2948 as it provides opportunities to increase the supply of housing at all price points in areas with existing infrastructure. As the Legislature is well aware, there is a critical need for more housing in Hawaii. Typically, large scale housing developments have occurred in "greenfield" developments which required significant upfront cost for major regional infrastructure projects (i.e. sewer, water, drainage, roads, etc.).

By creating opportunities to develop multi-family projects on all non-residential zoned lands in each county, developers will not have to incur large infrastructure costs if sufficient capacity is available at the project site. Counties should also consider relaxing some of the height, setback, parking and density requirements to further incentivize investment in developing more housing. These types of developments will also create mixed-use neighborhoods where residents can live-work-play in one area.

We are in **strong support** of SB 2948 and appreciate the opportunity to provide our comments on this matter.



"Advancing the Commercial Real Estate Industry through Education, Networking and Advocacy"

Committees: SENATE COMMITTEE ON WATER AND LAND
SENATE COMMITTEE ON GOVERNMENT OPERATIONS
Date: February 13, 2024
Time: 3:00 PM
Place: Conference Room 225 and Via Remote Access
RE: SB 2948, Relating to Housing

Aloha Chair Inouye, Chair McKelvey, Vice Chair Elefante, Vice Chair Gabbard, and members of the committees:

Thank you for the opportunity to submit **support** testimony on Senate Bill 2948, Relating to Housing. This bill allows residential uses in areas zoned for commercial to be considered permitted as long as the residential use is limited by ordinance to floors above the ground floor of a building or structure and development standards are met, but exempts areas zoned under chapter 206E, HRS, relating to the Hawaii Community Development Authority. It also requires each county to adopt ordinances that allow for adaptive reuse of existing commercial buildings in the county's building codes.

BOMA Hawai'i is a non-profit trade association dedicated to advancing the commercial real estate industry through education, networking and advocacy. Please consider BOMA a resource for policy makers. Thank you for the opportunity to testify on this measure.

Sincerely,

Jamie Barboza
BOMA Hawai'i Government Affairs Committee Chair

Feb. 15, 2024, 3 p.m.
Hawaii State Capitol
Conference Room 225 and Videoconference

To: Senate Committee on Water and Land

Sen. Lorraine Inouye, Chair
Sen. Brandon Elefante, Vice Chair

Senate Committee on Government Operations

Sen. Angus McKelvey, Chair
Sen. Mike Gabbard, Vice Chair

From: Grassroot Institute of Hawaii

Ted Kefalas, Director of Strategic Campaigns

RE: TESTIMONY IN SUPPORT OF SB2948 — RELATING TO HOUSING

Aloha Chairs Inouye and McKelvey, Vice-Chairs Elefante and Gabbard and Committee Members,

The Grassroot Institute of Hawaii would like to offer its strong support for [SB2948](#), which would direct the counties to allow for residential uses in all areas zoned for commercial use — except areas under the authority of the Hawai'i Community Development Authority — starting no later than Jan. 1, 2026.

It also would allow for the construction of “micro units” with a minimum size of 220 square feet; allow for adaptive reuse to meet the interior environment requirements of the International Building Code; and provide for an exemption to any requirements regarding additional off-street parking or park dedication, provided that the building’s floor area, height, and setbacks do not change as a result of adaptive reuse.

Together, these changes would boost Hawaii’s housing stock and foster the creation of vibrant, walkable communities, as discussed in the Grassroot Institute’s recent policy report, “How to facilitate more homebuilding in Hawaii.”¹

¹ Jonathan Helton, [“How to facilitate more homebuilding in Hawaii.”](#) Grassroot Institute of Hawaii, December 2023.

Our report recommended that Hawaii’s counties allow “residential uses in all existing business-related zones,” and that “such residential uses should not be limited to either the ground floor or floors above the ground floor; all floors should be available for use as dwelling units.”²

This bill currently would allow the counties to limit residential use in converted commercial buildings to only floors above the ground floor. Nevertheless, this bill would still be a major step toward recognizing the economic and social value that mixed-use neighborhoods can have on our local communities.

In the brief, Grassroot discussed how it was common prior to the advent of the automobile to find buildings with both commercial and residential uses in the same neighborhoods.³

“It was normal for watchmakers, bakers, lawyers and all sorts of other business people to live in the same buildings in which they worked,” the report said. “Their stores or offices were usually on the bottom floors, and their living quarters were typically on the floor or floors above or in an apartment in back.”

Financially speaking, it makes sense to build more housing in urban areas because water and wastewater infrastructure is usually already present. It also is sometimes cheaper to convert a commercial building to housing than it is to start a structure from scratch.

From a social standpoint, research indicates that mixed-use buildings save people money on transportation and promote walking, which can lead to many health benefits. Just as important, they give people a variety of lifestyles to choose from when deciding where to live.

Our policy brief also noted the success that Los Angeles has had with its adaptive reuse ordinance, which it authorized in 1999.⁴ As stated in the brief, the LA ordinance:

>> Allowed buildings to change uses from commercial to residential “by right” — that is, automatically — without going before a council or commission where the project could be voted up or down.

>> Exempted adaptive reuse projects from California Environmental Quality Act review.

>> Relaxed parking and loading-space mandates.

>> Allowed one-story rooftop additions automatically.

>> And added a new building code section to specify requirements for adaptive reuse projects.

² [Ibid](#), p. 16.

³ Jonathan Helton, [“How to facilitate more homebuilding in Hawaii.”](#) Grassroot Institute of Hawaii, December 2023, p. 15.

⁴ [Ibid](#), pp. 8-10.

These policy changes enabled builders to bypass regulations that would have held up their efforts to create new housing or otherwise find new uses for existing buildings, and have led to the construction of 12,000 units in the city's downtown area since the ordinance was enacted.

I hope all this information will encourage you to approve SB2948.

Thank you for the opportunity to testify.

Ted Kefalas
Director of Strategic Campaigns
Grassroot Institute of Hawaii

Council Chair
Alice L. Lee

Vice-Chair
Yuki Lei K. Sugimura

Presiding Officer Pro Tempore
Tasha Kama

Councilmembers
Tom Cook
Gabe Johnson
Tamara Paltin
Keani N.W. Rawlins-Fernandez
Shane M. Sinenci
Nohelani U'u-Hodgins



Director of Council Services
David M. Raatz, Jr., Esq.

Deputy Director of Council Services
Richelle K. Kawasaki, Esq.

COUNTY COUNCIL
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.MauiCounty.us

February 14, 2024

TO: The Honorable Senator Angus L.K. McKelvey, Chair, and
Members of the Senate Committee on Government Operations

The Honorable Senator Lorraine R. Inouye, Chair, and
Members of the Senate Committee on Water and Land

FROM: Alice L. Lee
Council Chair 

SUBJECT: **HEARING OF FEBRUARY 15, 2024; TESTIMONY IN SUPPORT OF SB2948, RELATING TO HOUSING**

I **support this** measure to require counties to: 1) consider residential uses to be permitted in areas zoned for commercial use; and 2) enact ordinances to allow for adaptive reuse of existing commercial buildings.

I provide this testimony in my capacity as an individual member of the Maui County Council.

I support this measure for the following reasons:

1. Maui County is moving toward allowing residential uses in areas zoned for commercial use as a standard, and this measure provides encouragement to all counties to continue that trend.
2. Adaptive reuse of existing commercial buildings for residential use supports the development of much-needed infill housing in areas convenient to commerce and transportation.
3. Commercial retail and workplace vacancies are widespread, and adaptive reuse of those buildings represents efficient use of resources and allows for open space preservation while preventing blight, sprawl, and waste.

Thank you for your consideration.

LATE

SB-2948

Submitted on: 2/14/2024 5:23:11 PM

Testimony for GVO on 2/15/2024 3:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Tamra Hayden	Individual	Support	Written Testimony Only

Comments:

I think back to before statehood and Hawaiian culture. We took care of the community, not an individual. A year ago I moved out of town after 14 years, I moved to Makaha Valley and the mindset here is very much like Hilo, where I raised my kids and the culture that makes Hawai'i unique. I used to walk everyday in town and I was always aware of empty buildings and the homeless. The majority of homeless are veterans and Kanaka Maoli. Those buildings could help them and help first time homeowners, renters and students who are homeless or cannot afford the dorms. I lived on University Ave. and we helped so many people on the street. It goes against the culture to focus sometimes on the individual, your property, your family, your friends or yourself. We have a lot of problems. Another one is we are building new places by taking farmland to feed ourselves if shipping breaks down or we have another natural disaster. I hope you are aware that the immediate help for Lahaina came from our community not the government. We have not been able to count on you for much. I see the land on the West side that is being used to build that EMS training place. Taking prime ag land and using more water the West side doesn't have to give. We need to smarten up, think of future generations and stop making decisions that are popular for tourism, property owners (which, I am,) the wealthy and the powerful. Repurposing existing land, water lines is almost a must. We are destroying this state with "new" crap. When we have existing structures with water and roads to accommodate all our people. These empty buildings are needed, if the owners do not want to cooperate we need to find them severely. It is ridiculous and quite frankly uneducated to continue to build build build. That is not the answer Talk to any climate expert, or other states that have already started this process. Continuing to build only destroys more farmland, it heats up more areas, it destroys rainforest and agriculture that help clean our air and provide food and places for people to commune and enjoy nature Please think about our children, our grandchildren and the planet our future survival. Which side do you want to be when your great grandchildren ask you how you voted? I know where I am and what I do to help future generations. I have no shame. You?

LATE

SB-2948

Submitted on: 2/14/2024 8:13:58 PM

Testimony for GVO on 2/15/2024 3:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Stephenie Blakemore	Individual	Support	Written Testimony Only

Comments:

Housing in commercial areas creates walking communities and addresses transportation, cost of living and climate issues. These are communities that can support lower income residents with jobs and shopping in close proximity, as well as median income adults and families. Overall construction costs should be lower to convert these unused commercial spaces into needed homes and that too is a benefit. Do not sell these resulting units to investors. Just be sure to supervise and proceed with integrity..no deals for your cronies.

SB-2948

Submitted on: 2/14/2024 8:27:39 PM

Testimony for GVO on 2/15/2024 3:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Gerry Clarin	Individual	Support	Written Testimony Only

Comments:

Aloha Members of the Senate,

I am writing to express my enthusiastic support for the bill that permits residential uses in areas zoned for commercial purposes. This legislation represents a forward-thinking approach to urban planning that encourages mixed-use development, fosters vibrant communities, and maximizes the efficient use of existing infrastructure.

As a resident who values the vitality and sustainability of our urban areas, I believe that allowing residential uses in commercial zones can have numerous positive impacts. By permitting residential development above the ground floor of commercial buildings, this bill encourages the revitalization of underutilized spaces while preserving the character and economic viability of our commercial districts.

Mahalo

Gerry Clarin