

STAND. COM. REP. NO. **624**-24

Honolulu, Hawaii
FEB 21, 2024

RE: H.B. No. 2090
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. 2090 entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

beg leave to report as follows:

The purpose of this measure to, beginning on January 1, 2026:

- (1) Permit residential uses in areas zoned for commercial to be considered permitted, under certain circumstances; and
- (2) Require each county to adopt ordinances that allow for adaptive reuse of existing commercial buildings.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources; Hawaii Housing Finance and Development Corporation; one member of the Kaua'i County Council; one member of the Maui County Council; NAIOP; Hawai'i YIMBY; Grassroot Institute of Hawaii; Hawaii Appleseed Center for Law & Economic Justice; Hawai'i Zoning Atlas; and seven individuals. Your Committees received comments on this measure from the Disability and Communication Access Board and The Pew Charitable Trusts.

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Your Committees find that the lack of diverse housing options contributes to the high cost of living in the State, pushing many residents out of Hawaii. Your Committees further find that adaptive reuse of commercial buildings has the potential to expand the State's housing inventory while also facilitating the creation of more vibrant communities. Adaptive reuse will allow for the development of housing in commercial districts and encourage the repurposing of older commercial buildings that are underutilized due to market conditions or functional obsolescence. Your Committees believe that this measure can make an important contribution to easing Hawaii's housing shortage by allowing for the reuse of commercial buildings.

Your Committees have amended this measure by:

- (1) Clarifying that residential uses in any area zoned for commercial use shall be considered permitted beginning January 1, 2026;
- (2) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (3) 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. 2090, as amended herein, and recommend that it pass Second Reading in the form attached hereto as H.B. No. 2090, 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 Tarnas

DAVID A. TARNAS, Chair



