

STAND. COM. REP. NO. 1745-24

Honolulu, Hawaii

APR 04 , 2024

RE: S.B. No. 2948
S.D. 2
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 S.B. No. 2948, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

beg leave to report as follows:

The purpose of this measure is to:

- (1) Beginning January 1, 2025, permit residential uses in areas zoned for commercial use, with certain exceptions; and
- (2) Require, no later than January 1, 2026, the counties to adopt or amend ordinances to allow for adaptive reuse of commercial buildings for residential purposes.

Your Committees received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation; Office of Housing of the City and County of Honolulu; Affordable Housing Connections LLC; Hawai'i Association of REALTORS; Democratic Party of Hawai'i; NAIOP Hawaii; Oahu Metropolitan Planning Organization; Hawai'i Zoning Atlas; Housing Hawai'i's Future; Grassroot Institute of Hawaii; Building Owners and Managers Association Hawaii; Hawaii Young Republicans; Building

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Industry Association of Hawaii; Maui Chamber of Commerce; and numerous individuals. Your Committees received testimony in opposition to this measure from Hawaii's Thousand Friends and one individual. Your Committees received comments on this measure from the Disability and Communication Access Board and one individual.

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 be an important contribution toward easing Hawaii's housing shortage by allowing for the reuse of commercial buildings.

Your Committees have amended this measure by:

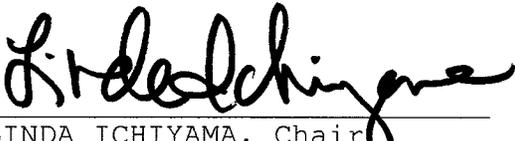
- (1) Clarifying that multifamily uses are considered residential uses for purposes of this measure;
- (2) Clarifying that the application of each adaptive reuse building code ordinance is notwithstanding any law, ordinance, or code or standard to the contrary;
- (3) Prohibiting the counties from requiring a micro unit to be larger than minimum standards established in the International Building Code, rather than setting a minimum standard of two hundred twenty square feet for micro units;
- (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

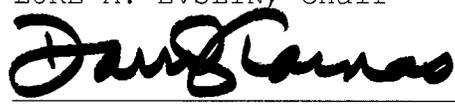


accord with the intent and purpose of S.B. No. 2948, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2948, S.D. 2, H.D. 1, and be placed on the calendar for Third Reading.

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



