

Honolulu, Hawaii

FEB 12 2025

RE: S.B. No. 511
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Sir:

Your Committee on Housing, to which was referred S.B. No. 511 entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Clarify that approval for certain housing projects seeking exemptions from planning and development laws and rules shall be granted by the appropriate county legislative body, rather than the Hawaii Housing Finance and Development Corporation (HHFDC); and
- (2) Require HHFDC to work in conjunction with the counties to ensure state-approved affordable housing developments conform to county general plans and growth policies.

Your Committee received testimony in support of this measure from one individual.

Your Committee received comments on this measure from the Hawaii Housing Finance and Development Corporation.

Your Committee finds that the expeditions completion of housing development projects is of paramount importance to address the State's chronic shortage of housing. Presently, the approval



process can take multiple years as developers are required to receive legislative body and ministerial approvals. While existing law provides certain exemptions for housing projects that meet HHFDC's minimum requirements for health and safety, HHFDC should also have the authority to exercise discretion when evaluating applications before final approval from a county legislative body. Therefore, this measure streamlines development while ensuring operational efficiency of state and county agencies tasked with housing development.

Your Committee notes that the intent of this measure is to prohibit county administrations from withholding applications submitted pursuant to Section 201H-38, Hawaii Revised Statutes, from county councils for approval. However, developers also have the option to process approvals for an exemption through HHFDC, rather than the county.

Your Committee has amended this measure by:

- (1) Inserting language that authorizes HHFDC to modify a housing project or impose conditions on the housing project only to the extent necessary to address minimum health and safety standards;
- (2) Deleting language that would have limited HHFDC's role to that of an evaluator as it pertains to the application approval process;
- (3) Deleting language that would have required HHFDC to work in conjunction with county planning departments before certain exemptions are granted to ensure that state-approved affordable housing developments conform to county general plans and growth policies;
- (4) Clarifying that HHFDC or a county administration shall have thirty days to accept an application, and one hundred twenty days to process an application before final approval by a county legislative body;
- (5) Inserting an effective date of July 1, 2050, to encourage further discussion; and



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

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 511, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 511, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Housing,


STANLEY CHANG, Chair



