<u>H</u>.B. NO. <u>1083</u>

A BILL FOR AN ACT

RELATING TO HOUSING.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. In August 2007, Hawaii accepted an invitation 2 by the United States Department of Housing and Urban Development to join the National Call to Action for Affordable Housing 3 Through Regulatory Reform. The Call to Action presented an 4 5 opportunity for Hawaii to receive technical assistance from the federal government and collaborate with other states, counties, 6 municipalities, and organizations to knock down the barriers 7 imposed by governments in hopes of building more affordable 8 9 housing. Governor Lingle convened a statewide task force 10 comprised of representatives from the counties, business, labor, 11 developers, architects, nonprofit providers of services, and the 12 State to carry out the mission of the Call to Action and recommend solutions to address barriers to affordable housing. 13 Accordingly, the purpose of this Act is to implement the 14 15 legislative recommendations of the task force.

16 The State recognizes that the need for more affordable
17 housing in Hawaii remains a significant problem affecting all
18 segments of society. Although there is a process in place that

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provides an opportunity to develop affordable housing projects 1 2 using an expedited review at the state and county levels, there is no similar process in place for mixed use projects with an 3 4 affordable housing component, or infrastructure projects that are associated with housing projects or mixed use housing 5 projects. If an expedited review were provided for these types 6 of projects, the state may be able to stimulate more affordable 7 housing development at a faster pace. Accordingly, the purpose 8 of this Act is to allow mixed use housing projects and 9 infrastructure projects that are associated with an affordable 10 housing or mixed use housing project to be eligible for the 11 expedited review process currently offered to qualifying housing 12 13 projects.

SECTION 2. Section 201H-1, Hawaii Revised Statutes, is amended by adding two new definitions to be appropriately inserted and to read as follows:

17 "Infrastructure" means any facility, public work, or 18 utility installed or improved by the government for the 19 functioning of a community, or private or government owned 20 facility."

21 "Mixed-Use Housing" means the combination of different uses
 22 in a housing project including commercial, public facilities,

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industrial, and residential uses, which may include single 1 family, multi-family, for sale, lease, rental, low, moderate, 2 workforce, affordable, and market housing, or combinations of 3 4 all of the above, but at least twenty per cent of the housing units, developed under this chapter, must be affordable to 5 households with incomes at or below one hundred forty per cent 6 of the median family income or as may be determined by the 7 8 United States Department of Housing and Urban Development." SECTION 3. Section 201H-38, Hawaii Revised Statutes, is 9 amended to read as follows: 10 "§201H-38 Housing development; exemption from statutes, 11 12 ordinances, charter provisions, and rules. (a) The corporation may develop on behalf of the State or with an eligible 13 developer, or may assist under a government assistance program 14 in the development of $[\tau]$ housing projects, mixed use housing 15 16 projects, or infrastructure projects associated with a housing or mixed use housing project, that shall be exempt from all 17 statutes, ordinances, charter provisions, and rules of any 18 government agency relating to planning, zoning, construction 19 20 standards for subdivisions, development and improvement of land, and the construction of dwelling units thereon; provided that: 21

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| 1 | (1) | The corporation finds the housing project, mixed use | | |
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| 2 | | housing project, or infrastructure project associated | | |
| 3 | | with a housing or mixed use housing project is | | |
| 4 | | consistent with the purpose and intent of this | | |
| 5 | | chapter, and meets minimum requirements of health and | | |
| 6 | | safety; | | |
| 7 | (2) | The development of the proposed housing project, mixed | | |
| 8 | | use housing project, or infrastructure project | | |
| 9 | | associated with a housing or mixed use housing project | | |
| 10 | | does not contravene any safety standards, tariffs, or | | |
| 11 | | rates and fees approved by the public utilities | | |
| 12 | | commission for public utilities or of the various | | |
| 13 | | boards of water supply authorized under chapter 54; | | |
| 14 | (3) | The legislative body of the county in which the | | |
| 15 | | housing project, mixed use housing project, or | | |
| 16 | | infrastructure project associated with a housing or | | |
| 17 | | mixed use housing project is to be situated shall have | | |
| 18 | | approved the project with or without modifications: | | |
| 19 | | (A) The legislative body shall approve, approve with | | |
| 20 | | modification, or disapprove the project by | | |
| 21 | | resolution within forty-five days after the | | |
| 22 | | corporation has submitted the preliminary plans | | |

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| 1 | | and specifications for the project to the |
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| 2 | | legislative body. If on the forty-sixth day a |
| 3 | | project is not disapproved, it shall be deemed |
| 4 | | approved by the legislative body; |
| 5 | (B) | No action shall be prosecuted or maintained |
| 6 | | against any county, its officials, or employees |
| 7 | | on account of actions taken by them in reviewing, |
| 8 | | approving, modifying, or disapproving the plans |
| 9 | | and specifications; and |
| 10 | (C) | The final plans and specifications for the |
| 11 | | project shall be deemed approved by the |
| 12 | | legislative body if the final plans and |
| 13 | | specifications do not substantially deviate from |
| 14 | | the preliminary plans and specifications. The |
| 15 | | final plans and specifications for the project |
| 16 | | shall constitute the zoning, building, |
| 17 | | construction, and subdivision standards for that |
| 18 | | project. For purposes of sections 501-85 and |
| 19 | | 502-17, the executive director of the corporation |
| 20 | | or the responsible county official may certify |
| 21 | | maps and plans of lands connected with the |
| 22 | | project as having complied with applicable laws |

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and ordinances relating to consolidation and 1 subdivision of lands, and the maps and plans 2 shall be accepted for registration or recordation 3 by the land court and registrar; and 4 The land use commission shall approve, approve with (4)5 modification, or disapprove a boundary change within 6 7 forty-five days after the corporation has submitted a petition to the commission as provided in section 8 205-4. If, on the forty-sixth day, the petition is 9 not disapproved, it shall be deemed approved by the 10 commission. 11 12 (b) For the purposes of this section, "government 13 assistance program" means a housing program qualified by the corporation and administered or operated by the corporation or 14 15 the United States or any of their political subdivisions, agencies, or instrumentalities, corporate or otherwise." 16 SECTION 4. Statutory material to be repealed is bracketed 17 and stricken. New statutory material is underscored. 18 19 SECTION 5. This Act shall take effect upon approval. 20 INTRODUCED BY: Chiff Any 21

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JAN 2 6 2009

BY REQUEST

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Report Title:

Housing; Infrastructure Development

Description:

Stimulates the expeditious development of affordable housing using faster project reviews for mixed use housing projects and related infrastructure projects.

HB1083

JUSTIFICATION SHEET

DEPARTMENT: Office of the Governor

TITLE: A BILL FOR AN ACT RELATING TO HOUSING.

PURPOSE: To stimulate affordable housing development by allowing mixed use housing projects, including infrastructure projects for a housing or mixed use housing project, to be eligible for expeditious review at the state and county levels.

MEANS: Amend sections 201H-1 and 201H-38, Hawaii Revised Statutes.

JUSTIFICATION: In 2007, Governor Lingle convened the Affordable Housing Regulatory Barriers Task Force in response to the U.S. Department of Housing and Urban Development's National Call to Action. The Task Force's main objective is to identify barriers to affordable housing development in Hawaii and to recommend appropriate solutions.

> One of the regulatory barriers identified by The Task Force is the protracted review process for affordable housing developments that contain a mixed income component or that involve infrastructure construction at the state and county levels. The Task Force collectively agreed that one remedy is to expand the projects that qualify for the expeditious review process currently offered to qualifying housing projects in section 201H-38, Hawaii Revised Statutes.

Accordingly, this bill expands the eligibility for expeditious review to include mixed use projects and infrastructure projects associated with a housing project or mixed used project.

This bill will enable faster project reviews and therefore directly stimulate a quicker



delivery of affordable housing to the residents across the state that need it.

Impact on the public: This bill will expedite the development of affordable housing to the public.

Impact on the department and other agencies: This bill will increase the amount of affordable housing reviews that qualify for expedited review at government agencies.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM DESIGNATION: None.

OTHER AFFECTED AGENCIES:

Hawaii Housing Finance and Development Corporation, Hawaii Land Use Commission, City and County of Honolulu, Maui County, Kauai County, Hawaii County

EFFECTIVE DATE: Upon approval.