
A BILL FOR AN ACT

RELATING TO HOUSING.

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

1 SECTION 1. The legislature finds that the State of Hawaii
2 has a housing crisis. In the department of business, economic
3 development and tourism's report, Measuring Housing Demand in
4 Hawaii 2015-2025 published on April 2015, the forecasted demand
5 for additional housing units by county is 25,847 units for
6 Honolulu, 19,610 for Hawaii, 13,949 for Maui, and 5,287 for
7 Kauai during 2015-2025.

8 The city and county of Honolulu's draft of its affordable
9 housing strategy states: "The marketplace is not building
10 enough affordable housing to keep up with demand. Many people
11 live in overcrowded homes, spend more than 45% of their incomes
12 on combined housing and transportation costs, or are homeless
13 and living on the streets. Oahu would need more than 24,000
14 additional housing units to address pent-up demand combined with
15 new household formation by 2016. Over 18,000 or 75% of the
16 total projected demand is for households earning less than 80%
17 of area median income (AMI), or \$76,650 for a family of four."



1 While government's own studies show the projected lack of
2 supply of housing over the next ten years, none of the counties
3 have formulated and proposed any possible solutions to increase
4 the production of housing in Hawaii to meet the projected demand
5 through reforming entitlement processes, as well as long-range
6 planning for infrastructure investment.

7 Hawaii's comprehensive land use system and policies,
8 coupled with an overlapping county entitlement process, are the
9 dominant reasons for why there is a severe housing shortage in
10 the State. The aggregate land area for all islands is about
11 four million acres with roughly half designated as agricultural
12 and the other half allocated to conservation. About two hundred
13 thousand acres or five per cent of island lands are designated
14 as urban and available for development.

15 In order to address this crisis, the legislature finds that
16 it is in the State's best interest to streamline the process of
17 delivering more housing by aligning state and county processes
18 to ensure that there is sufficient developable land and
19 infrastructure to support the additional housing units required
20 and establish housing production goals for each county with a
21 streamlined approval process when production goals are not met.



1 SECTION 2. Section 205-4, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "**§205-4 Amendments to district boundaries involving land**
4 **areas greater than fifteen acres.** (a) Any department or agency
5 of the State, any department or agency of the county in which
6 the land is situated, or any person with a property interest in
7 the land sought to be reclassified, may petition the land use
8 commission for a change in the boundary of a district. This
9 section applies to all petitions for changes in district
10 boundaries of lands within conservation districts, lands
11 designated or sought to be designated as important agricultural
12 lands, and lands greater than fifteen acres in the agricultural,
13 rural, and urban districts, except as provided in section 201H-
14 38. The land use commission shall adopt rules pursuant to
15 chapter 91 to implement section 201H-38.

16 (b) Upon proper filing of a petition pursuant to
17 subsection (a) the commission shall, within not less than sixty
18 and not more than one hundred and eighty days, conduct a hearing
19 on the appropriate island in accordance with the provisions of
20 sections 91-9, 91-10, 91-11, 91-12, and 91-13, as applicable.



(c) Any other provision of law to the contrary notwithstanding, notice of the hearing together with a copy of the petition shall be served on the county planning commission and the county planning department of the county in which the land is located and all persons with a property interest in the land as recorded in the county's real property tax records. In addition, notice of the hearing shall be mailed to all persons who have made a timely written request for advance notice of boundary amendment proceedings, and public notice shall be given at least once in the county in which the land sought to be redistricted is situated as well as once statewide at least thirty days in advance of the hearing. The notice shall comply with section 91-9, shall indicate the time and place that maps showing the proposed district boundary may be inspected, and further shall inform all interested persons of their rights under subsection ~~[(e)-]~~ (g).

(d) Notwithstanding any other law to the contrary, upon approval by the appropriate county land use decision-making authority by ordinance, and with concurrence from the land use commission, boundary amendments reflected in the general plan, development plan, community plan, or sustainable community plan,



1 shall be adopted in accordance with the approved plans; provided
2 that the quantitative annual housing production goals are agreed
3 upon by the Hawaii housing finance and development corporation
4 for each of the following income categories:

5 (1) Market: One hundred forty per cent or more of the
6 area median income;

7 (2) Workforce: Eighty per cent to less than one hundred
8 forty per cent of the area median income;

9 (3) Moderate Income: Sixty per cent to less than eighty
10 per cent of the area median income;

11 (4) Low Income: Thirty per cent to less than sixty per
12 cent of the area median income; and

13 (5) Very Low Income: Less than thirty per cent of the
14 area median income.

15 No further action from the commission will be necessary.

16 (e) All agencies responsible for providing public
17 infrastructure to areas of planned growth requiring boundary
18 amendments adopted pursuant to subsection (d) are encouraged to
19 prepare a budget within one year of the effective date of the
20 amendment that will prioritize funding for all infrastructure
21 required to support the planned growth reflected in the adopted



1 general plan, development plan, community plan, or sustainable
2 community plan.

3 ~~[(d)]~~ (f) Any other provisions of law to the contrary
4 notwithstanding, prior to hearing of a petition the commission
5 and its staff may view and inspect any land which is the subject
6 of the petition.

7 ~~[(e)]~~ (g) Any other provisions of law to the contrary
8 notwithstanding, agencies and persons may intervene in the
9 proceedings in accordance with this subsection.

10 (1) The petitioner, the office of planning, and the county
11 planning department shall in every case appear as
12 parties and make recommendations relative to the
13 proposed boundary change;

14 (2) All departments and agencies of the State and of the
15 county in which the land is situated shall be admitted
16 as parties upon timely application for intervention;

17 (3) All persons who have some property interest in the
18 land, who lawfully reside on the land, or who
19 otherwise can demonstrate that they will be so
20 directly and immediately affected by the proposed
21 change that their interest in the proceeding is



1 clearly distinguishable from that of the general
2 public shall be admitted as parties upon timely
3 application for intervention;

4 (4) All other persons may apply to the commission for
5 leave to intervene as parties. Leave to intervene
6 shall be freely granted; provided that the commission
7 or its hearing officer, if one is appointed, may deny
8 an application to intervene when in the commission's
9 or hearing officer's sound discretion it appears that:

10 (A) The position of the applicant for intervention
11 concerning the proposed change is substantially
12 the same as the position of a party already
13 admitted to the proceeding; and

14 (B) The admission of additional parties will render
15 the proceedings inefficient and unmanageable.

16 A person whose application to intervene is denied may
17 appeal the denial to the circuit court pursuant to
18 section 91-14; and

19 (5) The commission, pursuant to chapter 91, shall adopt
20 rules governing the intervention of agencies and



1 persons under this subsection. The rules shall
2 without limitation establish:

3 (A) The information to be set forth in any
4 application for intervention;

5 (B) The limits within which applications shall be
6 filed; and

7 (C) Reasonable filing fees to accompany applications.

8 ~~[(f)]~~ (h) Together with other witnesses that the commission
9 may desire to hear at the hearing, it shall allow a
10 representative of a citizen or a community group to testify who
11 indicates a desire to express the view of such citizen or
12 community group concerning the proposed boundary change.

13 ~~[(g)]~~ (i) Within a period of not more than three hundred
14 sixty-five days after the proper filing of a petition, unless
15 otherwise ordered by a court, or unless a time extension, which
16 shall not exceed ninety days, is established by a two-thirds
17 vote of the members of the commission, the commission, by filing
18 findings of fact and conclusions of law, shall act to approve
19 the petition, deny the petition, or to modify the petition by
20 imposing conditions necessary to uphold the intent and spirit of
21 this chapter or the policies and criteria established pursuant



1 to section 205-17 or to assure substantial compliance with
2 representations made by the petitioner in seeking a boundary
3 change. The commission may provide by condition that absent
4 substantial commencement of use of the land in accordance with
5 such representations, the commission shall issue and serve upon
6 the party bound by the condition an order to show cause why the
7 property should not revert to its former land use classification
8 or be changed to a more appropriate classification. Such
9 conditions, if any, shall run with the land and be recorded in
10 the bureau of conveyances.

11 ~~[(h)]~~ (j) No amendment of a land use district boundary shall
12 be approved unless the commission finds upon the clear
13 preponderance of the evidence that the proposed boundary is
14 reasonable, not violative of section 205-2 and part III of this
15 chapter, and consistent with the policies and criteria
16 established pursuant to sections 205-16 and 205-17. Six
17 affirmative votes of the commission shall be necessary for any
18 boundary amendment under this section.

19 ~~[(i)]~~ (k) Parties to proceedings to amend land use district
20 boundaries may obtain judicial review thereof in the manner set
21 forth in section 91-14, provided that the court may also reverse



1 or modify a finding of the commission if such finding appears to
2 be contrary to the clear preponderance of the evidence.

3 ~~[(j)]~~ (1) At the hearing, all parties may enter into
4 appropriate stipulations as to findings of fact, conclusions of
5 law, and conditions of reclassification concerning the proposed
6 boundary change. The commission may but shall not be required
7 to approve such stipulations based on the evidence adduced."

8 SECTION 3. Statutory material to be repealed is bracketed
9 and stricken. New statutory material is underscored.

10 SECTION 4. This Act shall take effect on January 1, 2050.



Report Title:

Land Use; Boundaries; Housing Development

Description:

Upon approval by a county land use decision-making authority, and with concurrence from the Land Use Commission, requires boundary amendments reflected in county land use plans to be adopted in accordance with such approved plans. (HB1866 HD1)

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