## A BILL FOR AN ACT

RELATING TO HOUSING ELEMENTS.

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

- SECTION 1. The legislature finds that there is a severe

  shortage of affordable housing in Hawaii, and the shortage

  places an immense strain on lower-income households. As several

  qovernment studies have concluded that the State does not have
- 5 and is not producing enough new housing units to meet normal
- 6 population growth projections to 2025, it is critical for the
- 7 counties to also take initiative in increasing the production of
- 8 housing to meet the anticipated housing demands in their
- 9 respective counties. This Act requires the counties to be
- 10 proactive in planning for new housing at all price points to
- 11 meet anticipated demand.
- 12 SECTION 2. Chapter 46, Hawaii Revised Statutes, is amended
- 13 by adding a new section to part VII to be appropriately
- 14 designated and to read as follows:
- 15 "§46- Housing elements; housing supply plan. (a) Each
- 16 county shall prepare a housing supply plan, which shall plan for
- 17 a projected increase in the housing supply to meet housing



1	demands c	of all income levels in the State. The housing supply
2	plan shal	l identify and analyze existing and projected housing
3	needs for	all income levels to preserve, improve, and develop
4	housing.	The housing supply plan shall identify adequate sites
5	for housi	ng, including rental housing.
6	(b)	The housing supply plan shall include an assessment of
7	housing n	eeds and an inventory of resources and constraints
8	relevant	to the meeting of housing needs, which shall include:
9	(1)	An analysis of population and employment trends and
10		documentation of projections and a quantification of
11		the county's existing and projected housing needs for
12		all income levels;
13	(2)	An analysis and documentation of household
14		characteristics, including level of pay compared to
15		ability to pay, housing characteristics, including
16		overcrowding, and housing stock condition;
17	(3)	An inventory of land suitable and available for
18		residential development, including vacant sites and
19		sites having realistic and demonstrated potential for
20		redevelopment;

1	(4)	An analysis of potential and actual governmental
2		constraints upon the maintenance, improvement, or
3		development of housing, including land use controls,
4		building codes, fees, and any county ordinance that
5		directly impacts the cost and supply of housing
6		development, for all income levels and persons with
7		disabilities; provided that the analysis shall
8		demonstrate the county's effort to remove governmental
9		constraints;
10	(5)	An analysis of potential and actual nongovernmental
11		constraints upon the maintenance, improvement, or
12		development of housing for all income levels,
13		including the availability of financing, the price of
14		land, and the length of time between receiving
15		approval for a housing development and submittal of ar
16		application for building permits; provided that the
17		analysis shall demonstrate the county's effort to
18		remove nongovernmental constraints;
19	(6)	An analysis for special housing needs, including
20		housing for the elderly, persons with disabilities,
21		large families, and farmworkers;

1	(//	An analysis of opportunities for energy conservation
2		with respect to housing development, including energy
3		efficiency measures that encompass the building
4		envelope, its heating and cooling systems, and its
5		electrical systems; and
6	(8)	An analysis of existing assisted housing developments
7		that are eligible to change from low-income housing
8		uses during the next ten years due to termination of
9		subsidy contracts, mortgage prepayment, or expiration
10		of restrictions on use; provided that the analysis
11		also shall:
12		(A) Include a listing of each development by project
13		name and address, the type of governmental
14		assistance received, and the earliest possible
15		date existing assisted housing developments will
16		change from low-income housing;
17		(B) Include an estimated total cost of producing a
18		new rental housing that is comparable in size and
19		rent levels to replace assisted housing
20		developments changing from low-income housing
21		uses; and

1	(C) Identify public and private nonprofit
2	corporations that have legal and managerial
3	capacity to acquire and manage the assisted
4	housing developments.
5	(c) The housing supply plan shall include the maximum
6	number of housing units by income levels, including low-income,
7	that can be constructed, rehabilitated, and conserved over a
8	five-year time period for each county.
9	(d) The housing supply plan shall identify actions that
10	will be taken to make sites or land available to develop housing
11 '	for all income categories and include how each county plans to
12	acquire, or what means are necessary to acquire, adequate sites
13	to develop housing for all income levels.
14	(e) The housing supply plan shall define the appropriate
15	housing demand, including a ratio of homes to residents, which
16	shall account for latent housing demands within the county.
17	(f) Each county shall include the housing supply plan in
18	the respective county's general plan.
19	(g) For purposes of this section:
20	"Assisted housing development" means multi-family rental
21	housing that receives governmental assistance.

- 1 "Persons with disabilities" has the same meaning as in
- 2 section 103D-1001."
- 3 SECTION 3. There is appropriated out of the general
- 4 revenues of the State of Hawaii the sum of \$2,000,000 or so much
- 5 thereof as may be necessary for fiscal year 2020-2021 to conduct
- 6 the studies required by this Act; provided that the funds shall
- 7 be appropriated as follows:
- 8 (1) \$500,000 for the county of Hawaii;
- 9 (2) \$500,000 for the county of Maui;
- 10 (3) \$500,000 for the county of Kauai; and
- 11 (4) \$500,000 for the city and county of Honolulu.
- 12 The sum appropriated shall be expended by each respective
- 13 county for the purposes of this Act.
- 14 The sum appropriated shall be expended by the city and
- 15 county of Honolulu, for the purposes of this Act.
- 16 SECTION 4. New statutory material is underscored.
- 17 SECTION 5. This Act shall take effect upon its approval.

## Report Title:

Counties; Housing Supply Plan; Housing Demand; Appropriation

## Description:

Requires each county to prepare a housing supply plan to plan for projected increases in the State's housing supply to meet housing demands of the respective county, identify and analyze existing and projected housing needs for all income levels, define the term "housing demand" including a ratio of homes to residents to account for latent demand, and identify adequate sites for housing, including rental housing. Appropriates funds for the counties to conduct the required studies. (SD1)

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