STAND. COM. REP. NO. 2834

Honolulu, Hawaii

FEB 1 4 2020

RE: S.B. No. 2620

S.D. 1

Honorable Ronald D. Kouchi President of the Senate Thirtieth State Legislature Regular Session of 2020 State of Hawaii

Sir:

Your Committees on Water and Land and Housing, to which was referred S.B. No. 2620 entitled:

"A BILL FOR AN ACT RELATING TO LAND USE,"

beg leave to report as follows:

The purpose and intent of this measure is to authorize county land use decision-making authorities to amend district boundaries involving land areas greater than fifteen but no more than thirty acres in the urban district without consideration of the Land Use Commission if at least sixty percent of the land is used to develop affordable housing.

Your Committees received testimony in support of this measure from the Office of Housing and Community Development; County of Maui, Office of the Mayor; Building Industry Association; Chamber of Commerce Hawaii; Land Use Research Foundation of Hawaii; and one individual. Your Committees received testimony in opposition to this measure from the Office of Hawaiian Affairs, Hawaii's Thousand Friends, Young Progressives Demanding Action, Kihei Community Association, and six individuals. Your Committees received comments on this measure from the Department of Agriculture, Land Use Commission, and Hawaii Association of REALTORS.

Your Committees find that the State's population has declined each year over the past three years, an unprecedented situation

that has not happened since Hawaii became a state in 1959. A significant portion of this population loss can be attributed to the State's high cost of living and lack of affordable dwellings. Your Committees further find that housing costs continue to rise, keeping homeownership outside the reach of many Hawaii residents. Accordingly, this measure will provide solutions to expeditiously develop housing for working families in the State.

Your Committees have amended this measure by:

- (1) Amending section 205-3.1(a), Hawaii Revised Statutes, and clarifying that subsection (a)(2) involves lands delineated as important agriculture land and subsection (a)(3) involves land areas greater than fifteen acres, except non important agricultural land or rural land areas greater than fifteen acres but no more than twenty-five acres if the land areas are proposed for reclassification to the urban district and at least sixty percent of the land areas will be dedicated for the development of affordable housing;
- (2) Clarifying in section 205-3.1(b), Hawaii Revised Statutes, that a petition may be filed for lands sought to be reclassified with the appropriate authority in which the land is situated for a change in the boundary of a district involving land areas greater than fifteen acres, but not more than twenty-five acres if the land areas are proposed for reclassification to the urban district are contiguous to the urban district and at least sixty percent of the square footage of the development will be dedicated for the development of affordable housing;
- (3) Specifying in section 205-3.1, Hawaii Revised Statutes, that parceling of lands for development shall be prohibited for the purposes of subsection (d) and if lands that have been parceled are proposed for reclassification, the petition for reclassification shall be processed as lands greater than fifteen or twenty-five acres,
- (4) Specifying in section 205-3.1, Hawaii Revised Statutes, that "parceling" means the subdivision of lands greater

than twenty-five acres into two or more parcels, more than one of which is then proposed for reclassification within a ten-year period of time from the date of the subdivision;

- (5) Specifying in section 205-3.1, Hawaii Revised Statutes, that "affordable housing" means housing that requires the purchaser to be, in perpetuity, a Hawaii resident, an owner occupant, and owner of no other real property;
- (6) Clarifying in section 205-4(g), Hawaii Revised Statutes, that the requisite petition to seek a boundary change is to be filed within a period of not more than three hundred sixty-five days after the proper filing of a completed petition;
- (7) Inserting an effective date of December 31, 2050, to encourage further discussion; and
- (8) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Water and Land and Housing that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2620, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2620, S.D. 1, and be referred to your Committee on Judiciary.

Respectfully submitted on behalf of the members of the Committees on Water and Land and Housing,

STANLEY CHANG, Chair

KATALI'I KAHELE. Chair

The Senate Thirtieth Legislature State of Hawai'i

Record of Votes Committee on Water and Land WTL

Bill / Resolution No.:*	Committee Referral:		Date:						
58 2620	WTL/HOU, JDG			2/12/20					
The Committee is reconsidering its previous decision on this measure.									
If so, then the previous decision was to:									
The Recommendation is:									
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313									
Members		Aye	Aye (W	R)	Nay	Excused			
KAHELE, Kaiali'i (C)		×				-			
KEITH-AGARAN, Gilbert S.C. (VC)		×			-				
NISHIHARA, Clarence K.		×							
RIVIERE, Gil		X							
FEVELLA, Kurt		×							
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TOTAL		5							
Recommendation: X Adopted Not Adopted									
Chair's or Designee's Signature:									
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy									

^{*}Only one measure per Record of Votes

The Senate Thirtieth Legislature State of Hawai'i

Record of Votes Committee on Housing HOU

Bill / Resolution No.:*	Committee Referral: Date:								
SB 2620 WTL/HOU, DC 2-11-20									
The Committee is reconsidering its previous decision on this measure.									
If so, then the previous decision was to:									
The Recommendation is:									
Pass, unamended Pass, with amendments Hold Recommit 2312 2311 2310 2313									
Members		Aye	Aye (WR)	Nay	Excused				
CHANG, Stanley (C)									
KANUHA, Dru Mamo (VC)									
MORIWAKI, Sharon Y.		V/							
THIELEN, Laura H.									
FEVELLA, Kurt									
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TOTAL		U		·	\				
TOTAL					\				
Recommendation: Adopted Not Adopted									
Chair's or Designee's Signature:									
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy									

*Only one measure per Record of Votes