

EXECUTIVE CHAMBERS HONOLULU

DAVID Y. IGE GOVERNOR

January 30, 2020

TO: The Honorable Senator Stanley Chang, Chair Senate Committee on Housing

FROM: Scott Morishige, MSW, Governor's Coordinator on Homelessness

SUBJECT: SB 2037 – RELATING TO HOUSING

Hearing: Thursday, January 30, 2020, 1:25 p.m. Conference Room 225, State Capitol

POSITION: The Governor's Coordinator on Homelessness appreciates the intent of this measure, and offers comments.

<u>PURPOSE</u>: The purpose of this bill is to restrict any county from disapproving or imposing certain conditions on a housing development project for housing or an emergency shelter unless the county meets certain requirements.

The intent of this measure appears consistent with legislative priorities recently adopted by the Hawaii Interagency Council on Homelessness (HICH), a 27-member advisory council chaired by the Coordinator. Specifically, at its December 2019 regular meeting, the HICH voted to support sustained annual commitments for truly affordable funding. The HICH ten-year plan to end homelessness also includes a specific goal to increase access to stable and affordable housing, including improving access to government-funded affordable housing by eliminating barriers to new housing development.

The Coordinator notes that this measure is similar to the State of California's Housing Accountability Act, first passed in 1982 and recently amended in 2017. The intent of the California law is to promote the development of housing and shelter by accelerating permit approval. The California law includes strict penalties of \$10,000 per housing unit, which shall be paid into affordable housing funds. Over the past four years, the State and counties have utilized the Governor's emergency proclamations to address homelessness by accelerating construction of housing projects to address homelessness. Through the use of the proclamations, a total of 354 new permanent housing units were produced and set aside for individuals and families transitioning from homelessness, including projects such as Kahauiki Village and Kauhale Kamaile. However, the emergency proclamations are not intended to be extended indefinitely, and further discussion is needed to similarly streamline processes for development without an emergency being officially declared. This measure provides one possible strategy to continue the accelerated development of housing and shelter units statewide.

If this measure proceeds, the Coordinator respectfully requests that the Legislature consider requiring that fines paid for violations be paid into either the Rental Housing Revolving Fund to support the development of additional affordable rental housing.

Thank you for the opportunity to testify on this bill.

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Director of Council Services Traci N. T. Fujita, Esq.

COUNTY COUNCIL

COUNTY OF MAUI 200 S. HIGH STREET WAILUKU, MAUI, HAWAII 96793 www.MauiCounty.us

January 29, 2020

TO: The Honorable Stanley Chang, Chair Senate Committee on Housing

FROM: Alice L. Lag Council Chair

SUBJECT: HEARING OF JANUARY 30, 2020; TESTIMONY IN OPPOSITION TO SB 2037, RELATING TO HOUSING

Thank you for the opportunity to testify in **opposition** of this important measure. The purpose of this measure is to restrict any county from disapproving or imposing certain conditions on a housing-development project for housing or an emergency shelter unless the county meets certain requirements.

The Maui County Council has not had the opportunity to take a formal position on this measure. Therefore, I am providing this testimony in my capacity as an individual member of the Maui County Council.

I oppose this measure for the following reasons:

- 1. While I support the goal of this bill to provide additional affordable housing and emergency shelters, this measure would create substantial administrative burdens on Maui County.
- 2. This measure would significantly limit county authority and discretion when considering proposed housing-development projects. The County Council reviews housing projects on a case-by-case basis, weighing public input, environmental concerns, and the overall benefit and cost to the County.

For the foregoing reasons, I **oppose** this measure.

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JOSH GREEN Lt. Governor



PHYLLIS SHIMABUKURO-GEISER Chairperson, Board of Agriculture

> MORRIS M. ATTA Deputy to the Chairperson

State of Hawaii DEPARTMENT OF AGRICULTURE 1428 South King Street Honolulu, Hawaii 96814-2512 Phone: (808) 973-9600 FAX: (808) 973-9613



TESTIMONY OF PHYLLIS SHIMABUKURO-GEISER CHAIRPERSON, BOARD OF AGRICULTURE

BEFORE THE SENATE COMMITTEE ON HOUSING

JANUARY 30, 2020 1:25 P.M. CONFERENCE ROOM 225

SENATE BILL NO. 2037 RELATING TO HOUSING

Chairperson Chang and Members of the Committee:

Thank you for the opportunity to testify on Senate Bill 2037. This measure restricts the counties from disapproving or imposing certain conditions on a housing development project for housing or an emergency shelter unless the counties meet certain requirements.

The Department of Agriculture does not question the need for housing. We do have concerns about possible unintended adverse consequences affecting the Agricultural District that may arise from the application of the provisions contained in this measure, particularly the exemption for qualified housing projects from county ordinances and State statutes that are meant, in part, to protect and conserve prime agricultural lands. In addition to our concerns, we offer comments and an amendment.

Page 11, lines 11-13

A "housing development project" which qualifies for the aforementioned exemptions include "mixed-use developments consisting of residential and non-residential uses with at least two-thirds of the square footage designated for residential use". We find this concerning because this definition nearly describes the approved Koa Ridge Makai Increment 1 (576 acres) and Ho'opili (1,525 acres) mixed-use community projects on Oahu which both appear to have about 60 percent of the total land area designated for residential use. This is just short of the two-thirds requirement for "housing development project". As such, similar projects of this size and nature, with minor



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adjustment to conform to this measure, could possibly use the exemption to circumvent county and State laws and avoid safeguards designed to prevent over-development sought to be controlled by State and county master planning efforts.

Page 2, lines 19-21

According to item (4), a county's disapproval of a housing development project may stand if the "housing development project or emergency shelter is proposed on land within the agricultural district or conservation district, pursuant to section 205-2." We support what appears to be a prohibition on "housing development projects" on land within the State Agricultural District.

Page 3, lines 3-8 and 13-17

Item (5)(B) appears to contradict what is provided in item (4) described above. "The housing development project is proposed on a site that is identified as suitable or available for housing, even if it is inconsistent with the general applicable zoning ordinances, county general plan, and <u>state land use classifications</u>." (emphasis added) In item (4), Section 205-2 describes the Agricultural District land use classification. To allow exemption for "housing development project" because it is proposed for a site identified as "suitable or available for housing" may have adverse impact on all Agricultural District lands. We recommend item (5)(B) be deleted in its entirety.

Thank you for the opportunity to testify on this measure.