
A BILL FOR AN ACT

RELATING TO AFFORDABLE HOUSING.

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

1 SECTION 1. The legislature finds that there is a severe
2 shortage of affordable rental housing in the county of Maui,
3 particularly in the western part of the island. To address this
4 issue, the legislature passed Act 150, Session Laws of Hawaii
5 2018 (Act 150), to appropriate funds in support of the Keawe
6 street apartments housing project in Lahaina, Maui. Act 98,
7 Session Laws of Hawaii 2019 (Act 98), amended Act 150 by
8 increasing the appropriation to the rental housing revolving
9 fund from \$30,000,000 to \$37,000,000 to expedite and complete
10 the Leialii affordable housing project by 2022; provided that if
11 the project does not obtain necessary land use entitlements by
12 April 30, 2020, the earmarked funds would be returned to the
13 rental housing revolving fund.

14 On February 7, 2020, the Maui county council granted an
15 exemption to chapter 201H, Hawaii Revised Statutes, relating to
16 the Hawaii housing finance and development corporation, for the
17 project, which satisfied Act 98's land use entitlements



1 requirement. On April 2, 2020, the county of Maui granted final
2 subdivision approval of the project site.

3 The legislature further finds that on September 21, 2020,
4 the state historic preservation division notified the Hawaii
5 housing finance and development corporation that it would
6 require a new archaeological inventory survey (AIS) for the
7 entire villages of the Leialii master planned community of which
8 the Keawe street apartments affordable housing project is a
9 part. On September 30, 2020, representatives from the state
10 historic preservation division, department of land and natural
11 resources, and governor's office held a teleconference to
12 discuss whether a resolution could be reached to enable the
13 project to proceed. The result was that the Hawaii housing
14 finance and development corporation must still prepare a new AIS
15 with adequate testing of the Keawe street apartments affordable
16 housing project site and a strategy for addressing prior
17 commitments for the balance of the villages of Leialii.

18 The legislature finds that because a new AIS must be
19 conducted, the 2022 completion deadline imposed by Act 98 cannot
20 be met.



1 The purpose of this Act is to maintain the viability of the
2 Keawe street affordable housing project by:

- 3 (1) Amending Act 98 to remove the 2022 deadline for the
4 completion of the Leialii affordable housing project;
- 5 (2) Clarifying that the developer of the Keawe Street
6 housing project shall be responsible for the cost of
7 the AIS for the footprint of the Keawe Street housing
8 project, but shall not be responsible for the cost of
9 the AIS for any other portions of the Villages of
10 Leialii master planned community; and
- 11 (3) Allowing the Hawaii housing finance and development
12 corporation to address chapter 6E, Hawaii Revised
13 Statutes, relating to historic preservation, when
14 funding is appropriated for each portion of the
15 Leialii affordable housing project.

16 SECTION 2. Act 98, Session Laws of Hawaii 2019, is amended
17 by amending section 6 to read as follows:

18 "SECTION 6. There is appropriated out of the rental
19 housing revolving fund the sum of \$37,000,000 or so much thereof
20 as may be necessary for fiscal year 2019-2020 to expedite and
21 complete the construction of the [~~Lealii~~] Leialii affordable



1 housing project in Lahaina, Maui [~~by 2022; provided that if the~~
2 ~~project does not obtain necessary land use entitlements by~~
3 ~~April 30, 2020, the appropriated funds shall be returned to the~~
4 ~~rental housing revolving fund]~~.

5 The sum appropriated shall be expended by the Hawaii
6 housing finance and development corporation for the purposes of
7 this Act."

8 SECTION 3. The developer of the Keawe street apartments
9 housing project shall be responsible for all associated costs of
10 the archaeological inventory survey for the footprint of the
11 Keawe street apartments housing project but shall not be
12 responsible for the cost of the AIS for the entire Villages of
13 Leialii master planned community.

14 SECTION 4. Statutory material to be repealed is bracketed
15 and stricken. New statutory material is underscored.

16 SECTION 5. This Act shall take effect on July 1, 2050.



Report Title:

Leialii Affordable Housing Project; HHFDC; Historic Preservation

Description:

Removes the construction completion deadline for the Leialii affordable housing project. Specifies that the developer of the Keawe Street apartments affordable housing project will be responsible only for paying the cost of the AIS for their footprint of the project and not for the entire master planned community. Effective 7/1/2050. (SD1)

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