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# 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. On February 7, 2020, the Maui  
14 county council granted an exemption to chapter 201H, Hawaii  
15 Revised Statutes, relating to the Hawaii housing finance and  
16 development corporation, for the project, which satisfied Act  
17 98's land use entitlements requirement. On April 2, 2020, the



1 county of Maui granted final subdivision approval of the project  
2 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 Leialii master planned community of which the  
8 Keawe street apartments affordable housing project is a part.  
9 On September 30, 2020, representatives from the state historic  
10 preservation division, department of land and natural resources,  
11 and governor's office held a teleconference to discuss whether a  
12 resolution could be reached to enable the project to proceed.  
13 The result was that the Hawaii housing finance and development  
14 corporation must still prepare a new AIS with adequate testing  
15 of the Keawe street apartments affordable housing project site  
16 and a strategy for addressing prior commitments for the balance  
17 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 and

6           (2) Exempting the Keawe street apartments housing project  
7 from chapter 6E, Hawaii Revised Statutes, relating to  
8 historic preservation.

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

11           "SECTION 6. There is appropriated out of the rental  
12 housing revolving fund the sum of \$37,000,000 or so much thereof  
13 as may be necessary for fiscal year 2019-2020 to expedite and  
14 complete the construction of the Leialii affordable housing  
15 project in Lahaina, Maui [~~, by 2022, provided that if the project~~  
16 ~~does not obtain necessary land use entitlements by April 30,~~  
17 ~~2020, the appropriated funds shall be returned to the rental~~  
18 ~~housing revolving fund]~~.

19           The sum appropriated shall be expended by the Hawaii  
20 housing finance and development corporation for the purposes of  
21 this Act."



1           SECTION 3. The Keawe street apartments housing project in  
2 Lahaina, Maui, shall be exempt from state requirements under  
3 chapter 6E, Hawaii Revised Statutes, to the extent necessary to  
4 expedite the development of the project; provided that if the  
5 construction of the project is not completed by June 30, 2026,  
6 the governor may authorize in writing before that date the  
7 continuation of construction of the project until completion.  
8 If so authorized, the project shall continue to be exempt as  
9 provided under this Act.

10           SECTION 4. Statutory material to be repealed is bracketed  
11 and stricken.

12           SECTION 5. This Act shall take effect upon its approval.



**Report Title:**

Affordable Housing; Leialii Affordable Housing Project; Keawe Street Apartments

**Description:**

Removes the construction completion deadline for the Leialii affordable housing project and Keawe street apartments. Exempts the Keawe street apartments from the application of the historic preservation provisions of chapter 6E, Hawaii Revised Statutes. (SD2)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

