

JAN 27 2021

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# A BILL FOR AN ACT

RELATING TO LAND USE.

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

1           SECTION 1. The legislature finds that Hawai'i has been  
2 struggling with a lack of affordable housing for decades.  
3 Challenges range from land and infrastructure costs, funding and  
4 over-regulation, and permitting. According to the department of  
5 business, economic development, and tourism's 2015 report on  
6 housing demand in Hawai'i, the state needs 64,493 additional  
7 housing units to meet the demand projected for 2025. The State  
8 has a housing supply problem and needs creative solutions to  
9 build more housing at all price points.

10           The legislature further finds that the land use commission  
11 is responsible for the classification of land parcels in the  
12 urban, rural, agricultural, and conservation districts.  
13 Additionally, the land use commission is responsible for  
14 amendment petitions involving the reclassification of lands  
15 greater than fifteen acres in areas in the agricultural, rural,  
16 and urban districts. The legislature also finds that if the  
17 responsibility of boundary amendments were given to the



1 counties, building infrastructure for larger scale projects  
2 would be more economically feasible, such as a water treatment  
3 plant or a connection to an existing sewer system. Opening land  
4 for affordable housing projects will facilitate the State's goal  
5 of increasing the supply of much needed affordable housing  
6 units, while being budget neutral to the State.

7 The purpose of this Act is to allow the counties to  
8 reclassify lands that are fifteen to one hundred acres in area,  
9 provided that fifty per cent or more of the proposed housing  
10 units are occupied by the owner and priced or below one hundred  
11 forty per cent of the area median income.

12 SECTION 2. Section 205-3.1, Hawaii Revised Statutes, is  
13 amended to read as follows:

14 "§205-3.1 Amendments to district boundaries. (a)

15 District boundary amendments involving [~~lands in the~~  
16 ~~conservation district, land areas greater than fifteen acres, or~~  
17 ~~lands delineated as important agricultural]~~ the following lands  
18 shall be processed by the land use commission pursuant to  
19 section 205-4[-]:

20 (1) Lands in the conservation district;



1           (2) Lands greater than fifteen acres, except for lands  
2           pursuant to subsection (c); or

3           (3) Lands delineated as important agricultural lands.

4           (b) Any department or agency of the State, any department  
5 or agency of the county in which the land is situated, or any  
6 person with a property interest in the land sought to be  
7 reclassified may petition the appropriate county land use  
8 decision-making authority [~~of the county~~] in which the land is  
9 situated for a change in the boundary of a district involving  
10 [~~lands~~]:

11           (1) Lands less than fifteen acres presently in the rural  
12           and urban districts [~~and lands~~]; and

13           (2) Lands less than fifteen acres in the agricultural  
14           district that are not designated as important  
15           agricultural lands.

16           (c) Any department or agency of the State, any department  
17           or agency of the county in which the land is situated, or any  
18           person with a property interest in the land sought to be  
19           reclassified may petition the appropriate county land use  
20           decision-making authority in which the land is situated for a  
21           change in the boundary of a district involving:



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1        (1) Lands greater than fifteen acres but no more than one  
2        hundred acres presently in the rural and urban  
3        districts; and

4        (2) Lands greater than fifteen acres but no more than one  
5        hundred acres in the agricultural district that are  
6        not designated as important agricultural lands;  
7        provided that any proposed reclassification of lands pursuant to  
8        this subsection shall be contingent upon any proposed project  
9        consisting of housing units of which at least fifty per cent of  
10       housing units are priced at or below one hundred forty per cent  
11       of the area median income; provided further that housing units  
12       located on lands pursuant to this section shall be occupied by  
13       the purchaser at all times.

14       [~~e~~] (d) District boundary amendments involving land  
15 areas of fifteen acres or less, except as provided in subsection  
16 (b), shall be determined by the appropriate county land use  
17 decision-making authority for the district and shall not require  
18 consideration by the land use commission pursuant to section  
19 205-4; provided that such boundary amendments and approved uses  
20 are consistent with this chapter. The appropriate county land  
21 use decision-making authority may consolidate proceedings to



1 amend state land use district boundaries pursuant to this  
2 subsection, with county proceedings to amend the general plan,  
3 development plan, zoning of the affected land, or such other  
4 proceedings. Appropriate ordinances and rules to allow  
5 consolidation of such proceedings may be developed by the county  
6 land use decision-making authority.

7 ~~[(d)]~~ (e) The county land use decision-making authority  
8 shall serve a copy of the application for a district boundary  
9 amendment to the land use commission and the department of  
10 business, economic development, and tourism and shall notify the  
11 commission and the department of the time and place of the  
12 hearing and the proposed amendments scheduled to be heard at the  
13 hearing. A change in the state land use district boundaries  
14 pursuant to this subsection shall become effective on the day  
15 designated by the county land use decision-making authority in  
16 its decision. Within sixty days of the effective date of any  
17 decision to amend state land use district boundaries by the  
18 county land use decision-making authority, the decision and the  
19 description and map of the affected property shall be  
20 transmitted to the land use commission and the department of



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1 business, economic development, and tourism by the county  
2 planning director."

3 SECTION 3. Section 205-4, Hawaii Revised Statutes, is  
4 amended by amending subsection (a) to read as follows:

5 "(a) Any department or agency of the State, any department  
6 or agency of the county in which the land is situated, or any  
7 person with a property interest in the land sought to be  
8 reclassified, may petition the land use commission for a change  
9 in the boundary of a district. This section applies to all  
10 petitions for changes in district boundaries of lands within  
11 conservation districts, lands designated or sought to be  
12 designated as important agricultural lands, and lands greater  
13 than fifteen acres in the agricultural, rural, and urban  
14 districts, except as provided in [~~section 201H-38.~~] sections  
15 201H-38 and 205-3.1(a). The land use commission shall adopt  
16 rules pursuant to chapter 91 to implement section 201H-38."

17 SECTION 4. Statutory material to be repealed is bracketed  
18 and stricken. New statutory material is underscored.

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

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INTRODUCED BY: DKL BR



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**Report Title:**

District Boundaries; Amendments; Counties; Affordable Housing

**Description:**

Authorizes county land use decision-making authorities to amend district boundaries involving lands greater than fifteen but no more than one hundred acres if a proposed project consists of housing units where 50 per cent of the housing units are priced at or below 140 per cent of the area median income and are occupied by the owner at all times.

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

