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# A BILL FOR AN ACT

RELATING TO HOUSING.

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

1           SECTION 1. The legislature finds that Hawaii faces a  
2 critical housing shortage, particularly for Hawaii residents who  
3 are seeking a permanent home for their families, rather than  
4 trying to acquire real estate for investment or speculative  
5 purposes. The legislature further finds that the State provides  
6 a pathway for housing projects to be exempt from all statutes,  
7 charter provisions, ordinances, and rules of any government  
8 agency relating to planning, zoning, construction standards for  
9 subdivisions, development and improvement of land, and the  
10 construction of dwelling units under certain conditions. Among  
11 the requirements for these projects, a majority of the units  
12 must be priced at levels affordable to Hawaii residents who earn  
13 less than one hundred forty per cent of the area median income.  
14 With recent interest rate increases, it is no longer possible to  
15 finance housing construction under these terms.

16           Accordingly, the purpose of this Act is to establish a  
17 separate, alternative pathway for projects to qualify for the



1 exemptions from certain state laws and rules relating to  
2 planning, zoning, and construction, among others. Under this  
3 alternative pathway, all units must be set aside exclusively for  
4 Hawaii residents who have no majority ownership in other  
5 residential properties, are domiciled in the State, and are  
6 owner-occupants. While none of the units would have income or  
7 price restrictions, all of them would be occupied by qualified  
8 residents. Additionally, the Hawaii housing finance and  
9 development corporation would have the flexibility to amend  
10 income restrictions currently required for housing projects.

11 SECTION 2. Section 201H-38, Hawaii Revised Statutes, is  
12 amended by amending subsection (a) to read as follows:

13 "(a) The corporation may develop on behalf of the State or  
14 with an eligible developer, or may assist under a government  
15 assistance program in the development of, housing projects that  
16 shall be exempt from all statutes, [~~ordinances,~~] charter  
17 provisions, ordinances, and rules of any government agency  
18 relating to planning, zoning, construction standards for  
19 subdivisions, development and improvement of land, and the  
20 construction of dwelling units thereon; provided that[+] either:

21 (1) The housing projects meet the following conditions:





1                   disapproved, it shall be deemed approved by  
2                   the legislative body;

3           ~~[(B)]~~ (ii) No action shall be prosecuted or maintained  
4                   against any county, its officials, or  
5                   employees on account of actions taken by  
6                   them in reviewing, approving, modifying, or  
7                   disapproving the plans and specifications;  
8                   and

9           ~~[(C)]~~ (iii)       The final plans and specifications for  
10                   the project shall be deemed approved by the  
11                   legislative body if the final plans and  
12                   specifications do not substantially deviate  
13                   from the preliminary plans and  
14                   specifications. The final plans and  
15                   specifications for the project shall  
16                   constitute the zoning, building,  
17                   construction, and subdivision standards for  
18                   that project. For purposes of sections 501-  
19                   85 and 502-17, the executive director of the  
20                   corporation or the responsible county  
21                   official may certify maps and plans of lands

1 connected with the project as having  
 2 complied with applicable laws and ordinances  
 3 relating to consolidation and subdivision of  
 4 lands, and the maps and plans shall be  
 5 accepted for registration or recordation by  
 6 the land court and registrar; and

7 ~~[-4-]~~ (D) The land use commission [~~shall approve, approve~~  
 8 has approved, approved with modification, or  
 9 [~~disapprove~~] disapproved a boundary change within  
 10 forty-five days after the corporation has  
 11 submitted a petition to the commission as  
 12 provided in section 205-4. If, on the forty-  
 13 sixth day, the petition is not disapproved, it  
 14 shall be deemed approved by the commission~~[-]~~; or

15 (2) The housing projects:

16 (A) Meet the conditions of paragraph (1);

17 (B) May have affordability requirements or income  
 18 restrictions, as determined by the corporation;

19 and



1           (C) For the lifetime of the project, require one  
2           hundred per cent of the units in the project be  
3           exclusively for qualified residents."

4           SECTION 3. Section 201H-41, Hawaii Revised Statutes, is  
5 amended by amending subsection (c) to read as follows:

6           "(c) The corporation may accept and approve housing  
7 projects independently initiated by private developers that  
8 fully comply with subsections (a) and (b). The corporation may  
9 review the plans, specifications, districting, and zoning of the  
10 project for the purpose of exempting the project from all  
11 statutes, ordinances, charter provisions, and rules of any  
12 government agency relating to zoning and construction standards  
13 for subdivisions, development, and improvement of land and the  
14 construction, improvement, and sale of dwelling units thereon;  
15 provided that the procedures in section [~~201H-38(a)(1), (2), and~~  
16 ~~(3)~~] 201H-38(a)(1)(A), (B), and (C) have been satisfied."

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 on July 1, 3000.



**Report Title:**

HHFDC; Housing Development; Planning Exemptions

**Description:**

Establishes another means for a housing project to seek an exemption from laws and rules of the State that are developed under various programs of the Hawaii Housing Finance and Development Corporation. Effective 7/1/3000. (HD2)

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

