

JAN 18 2024

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 has been
2 struggling with the issue of affordable housing for decades.
3 Challenges range from land and infrastructure costs to funding,
4 over-regulation, and the permitting process. According to the
5 department of business, economic development, and tourism report
6 "Measuring Housing Demand in Hawaii, 2015-2025", the forecast
7 demand for additional housing units in the counties totals
8 64,693 during the 2015 through 2025 period. The legislature
9 recognizes the immense housing supply problem in the State and
10 that creative solutions are needed to build more housing at all
11 price points.

12 The legislature recognizes that the land use commission is
13 responsible for the classification of certain land parcels into
14 urban, rural, agricultural, and conservation districts. The
15 land use commission also acts on land use district boundary
16 amendment petitions involving the reclassification of lands in
17 the conservation district, land areas greater than fifteen



1 acres, and lands delineated as important agricultural lands.
2 Under existing law, reclassification of land areas fifteen acres
3 or less that are not in the conservation district or delineated
4 as important agricultural lands are handled by the counties.

5 The legislature finds that expanding the counties'
6 jurisdiction to allow reclassification of larger land areas for
7 affordable housing development projects will make projects
8 economically feasible for infrastructure to be built, such as a
9 water treatment plant or connectivity to an existing sewer
10 system, which are added costs that smaller projects cannot
11 absorb. Making affordable housing projects more feasible will
12 also facilitate the State's goal of increasing the supply of
13 much needed affordable housing while being budget neutral to the
14 State.

15 The purpose of this Act is to:

- 16 (1) Clarify that the counties have jurisdiction over
17 reclassification of land areas of fifteen acres or
18 less in certain districts; and
19 (2) Expand the jurisdiction of the counties to allow
20 reclassification of land areas up to one hundred acres
21 in certain rural, urban, and agricultural districts



1 for development projects where at least seventy-five
2 per cent of the housing units on the land to be
3 reclassified are set aside for persons and families
4 with incomes at or below one hundred per cent of the
5 area median income.

6 SECTION 2. Section 205-3.1, Hawaii Revised Statutes, is
7 amended by amending subsections (a) through (c) to read as
8 follows:

9 "(a) ~~[District]~~ Except for lands as described in
10 subsection (b)(3), district boundary amendments involving lands
11 in the conservation district, land areas greater than fifteen
12 acres, or lands delineated as important agricultural lands shall
13 be processed by the land use commission pursuant to section
14 205-4.

15 (b) Any department or agency of the State, and department
16 or agency of the county in which the land is situated, or any
17 person with a property interest in the land sought to be
18 reclassified may petition the appropriate county land use
19 decision-making authority of the county in which the land is
20 situated for a change in the boundary of a district involving
21 lands ~~[less than fifteen]~~ that are:



1 (1) Fifteen acres or less presently in the rural and urban
2 districts [~~and lands less than fifteen~~];

3 (2) Fifteen acres or less than fifteen acres in the
4 agricultural district that are not designated as
5 important agricultural lands [~~-~~]; and

6 (3) One hundred acres or less in the rural and urban
7 district and one hundred acres or less in the
8 agricultural districts that are not designated as
9 important agricultural lands; provided that at least
10 seventy-five per cent of the housing units on the land
11 sought to be reclassified under this paragraph are set
12 aside for persons and families with incomes at or
13 below one hundred per cent of the area median income.

14 (c) District boundary amendments involving land areas [~~of~~
15 ~~fifteen acres or less, except as provided~~] described in
16 subsection (b) [~~7~~] shall be determined by the appropriate county
17 land use decision-making authority for the district and shall
18 not require consideration by the land use commission pursuant to
19 section 205-4; provided that such boundary amendments and
20 approved uses are consistent with this chapter. The appropriate
21 county land use decision-making authority may consolidate



1 proceedings to amend state land use district boundaries pursuant
2 to this subsection, with county proceedings to amend the general
3 plan, development plan, zoning of the affected land, or such
4 other 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 SECTION 3. Section 205-4, Hawaii Revised Statutes, is
8 amended by amending subsection (a) to read as follows:

9 "(a) Any department or agency of the State, any department
10 or agency of the county in which the land is situated, or any
11 person with a property interest in the land sought to be
12 reclassified, may petition the land use commission for a change
13 in the boundary of a district. This section applies to all
14 petitions for changes in district boundaries of lands within
15 conservation districts, lands designated or sought to be
16 designated as important agricultural lands, and lands greater
17 than fifteen acres in the agricultural, rural, and urban
18 districts, except as provided in ~~[section]~~ sections 201H-38[-]
19 and 205-3.1(b)(3). The land use commission shall adopt rules
20 pursuant to chapter 91 to implement section 201H-38."



S.B. NO. 2175

1 SECTION 4. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

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

4

INTRODUCED BY: *Thomas R. Swartz*



S.B. NO. 2175

Report Title:

Land Use Commission; Counties; Reclassification; District
Boundary; Amendment; Housing

Description:

Authorizes the counties to reclassify up to one hundred acres of land areas in certain rural, urban, and agricultural districts; provided that at least seventy-five per cent of the housing units on the land sought to be reclassified are set aside for persons and families with incomes at or below one hundred per cent of the area median income.

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

