STAND. COM. REP. NO.

Honolulu, Hawaii APR N 4 , 2024

RE: S.B. No. 2948 S.D. 2 H.D. 1

Honorable Scott K. Saiki Speaker, House of Representatives Thirty-Second State Legislature Regular Session of 2024 State of Hawaii

Sir:

Your Committees on Housing, Water & Land, and Judiciary & Hawaiian Affairs, to which was referred S.B. No. 2948, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

beg leave to report as follows:

The purpose of this measure is to:

- Beginning January 1, 2025, permit residential uses in areas zoned for commercial use, with certain exceptions; and
- (2) Require, no later than January 1, 2026, the counties to adopt or amend ordinances to allow for adaptive reuse of commercial buildings for residential purposes.

Your Committees received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation; Office of Housing of the City and County of Honolulu; Affordable Housing Connections LLC; Hawai'i Association of REALTORS; Democratic Party of Hawai'i; NAIOP Hawaii; Oahu Metropolitan Planning Organization; Hawai'i Zoning Atlas; Housing Hawai'i's Future; Grassroot Institute of Hawaii; Building Owners and Managers Association Hawaii; Hawaii Young Republicans; Building

2024-2736 SB2948 HD1 HSCR HMSO

STAND. COM. REP. NO. 1745 -24 Page 2

Industry Association of Hawaii; Maui Chamber of Commerce; and numerous individuals. Your Committees received testimony in opposition to this measure from Hawaii's Thousand Friends and one individual. Your Committees received comments on this measure from the Disability and Communication Access Board and one individual.

Your Committees find that the lack of diverse housing options contributes to the high cost of living in the State, pushing many residents out of Hawaii. Your Committees further find that adaptive reuse of commercial buildings has the potential to expand the State's housing inventory while also facilitating the creation of more vibrant communities. Adaptive reuse will allow for the development of housing in commercial districts and encourage the repurposing of older commercial buildings that are underutilized due to market conditions or functional obsolescence. Your Committees believe that this measure can be an important contribution toward easing Hawaii's housing shortage by allowing for the reuse of commercial buildings.

Your Committees have amended this measure by:

- Clarifying that multifamily uses are considered residential uses for purposes of this measure;
- (2) Clarifying that the application of each adaptive reuse building code ordinance is notwithstanding any law, ordinance, or code or standard to the contrary;
- (3) Prohibiting the counties from requiring a micro unit to be larger than minimum standards established in the International Building Code, rather than setting a minimum standard of two hundred twenty square feet for micro units;
- (4) Changing the effective date to January 1, 3000, to encourage further discussion; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the records of votes of the members of your Committees on Housing, Water & Land, and Judiciary & Hawaiian Affairs that are attached to this report, your Committees are in

2024-2736 SB2948 HD1 HSCR HMSO

STAND. COM. REP. NO. 1745-24 Page 3

accord with the intent and purpose of S.B. No. 2948, S.D. 2, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2948, S.D. 2, H.D. 1, and be placed on the calendar for Third Reading.

> Respectfully submitted on behalf of the members of the Committees on Housing, Water & Land, and Judiciary & Hawaiian Affairs,

Chair LIN ICHIYAMA

LUKE A. EVSLIN, Chair

DAVID A. TARNAS, Chair



## State of Hawaii House of Representatives The Thirty-second Legislature

HSCR 1745-24

Record of Votes of the Committee on Housing

Bill/Resolution No.: SB 2948, SD2 HSG WAL THA Date: 4 1 2024							
The committee is reconsidering its previous decision on the measure.							
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold   Pass short form bill with HD to recommit for future public hearing (recommit)							
HSG Members	Ayes	Ayes (WR)	Nays	Excused			
1. EVSLIN, Luke A. (C)							
2. AIU, Micah P.K. (VC)							
3. KILA, Darius K.							
4. KITAGAWA, Lisa							
5. MIYAKE, Tyson K.							
6. ONISHI, Richard H.K.							
7. TODD, Chris							
	V						
8. MATSUMOTO, Lauren							
TOTAL (8)	6	A	Ø	2			
Che recommendation is: Image: Adopted lif joint referral,							
Vice Chair's or designee's signature: 2nd Qa							
Distribution:   Original (White) – Committee   Duplicate (Yellow) – Chief Clerk's Office   Duplicate (Pink) – HMSO							

State of Hawaii House of Representatives

House of Representatives The Thirty-second Legislature HSCR 1745-24

## Record of Votes of the Committee on Water & Land

Bill/Resolution No.: VB 2948 VD2			e Referral: WAL/(HA		Date: 04 01	24	
The committee is reconsidering its previous decision on the measure.							
The recommendation is to:    Pass, unamended (as is)   Pass, with amendments (HD)   Hold   Pass short form bill with HD to recommit for future public hearing (recommit)							
WAL Members		Ayes	Ayes (WR)	Nays	Excused		
1. ICHIYAMA, Linda (C	C)						
2. POEPOE, Mahina (V	C)						
3. CHUN, Cory M.							
4. GANADEN, Sonny	24		<u> </u>			·	
	ingen ander		123,23,1				
5. HASHEM, Mark J.				a <b>lt</b> e 393 .			
6. MIZUNO, May Besari	io						
o. Millerto, May Desar							
7. MORIKAWA, Dee							
8. TAKAYAMA, Gregg		<u>xunxaiinn</u>					
9. SOUZA, Kanani			<u> </u>				
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				-			
TOTAL (	9)		9				
The recommendation is: Adopted If joint referral, did not support recommendation.							
Vice Chair's or designee's signature:							
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO							

## State of Hawaii House of Representatives The Thirty-second Legislature HSGR 1745-24

## Record of Votes of the Committee on Judiciary & Hawaiian Affairs

Bill/Resolution No.: SB2948, SD2 Committee Referral: HSG/WHL/JHA 4-1-24							
The committee is reconsidering its previous decision on the measure.							
The recommendation is to:    Pass, unamended (as is)   Pass, with amendments (HD)   Hold   Pass short form bill with HD to recommit for future public hearing (recommit)							
JHA Members	Ayes	Ayes (WR)	Nays	Excused			
1. TARNAS, David A. (C)	/						
2. TAKAYAMA, Gregg (VC)	/						
3. EVSLIN, Luke A.							
4. GANADEN, Sonny	/						
5. HOLT, Daniel							
6. ICHIYAMA, Linda							
7. ILAGAN, Greggor	/						
8. KONG, Sam Satoru	/						
9. MIYAKE, Tyson K.							
10. SOUZA, Kanani							
TOTAL (10)	10	-		-			
The recommendation is: Adopted If joint referral, did not support recommendation.							
Vice Chair's or designee's signature:							
Distribution:   Original (White) – Committee   Duplicate (Yellow) – Chief Clerk's Office   Duplicate (Pink) – HMSO							