

STAND. COM. REP. NO.

1435

Honolulu, Hawaii

MAR 21 , 2025

RE: S.B. No. 1170
S.D. 2
H.D. 2

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Madame:

Your Committee on Housing, to which was referred S.B. No. 1170, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO THE EXPEDITIOUS REDEVELOPMENT AND DEVELOPMENT OF AFFORDABLE RENTAL HOUSING,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Authorize the director of a county planning department to issue a special management area use permit to an applicant that is redeveloping permanent affordable multi-family rental housing that has been substantially destroyed as the result of certain types of disasters that have been proclaimed by the Governor to constitute a state of emergency, under certain conditions;
- (2) Require land use entitlements under Maui County Ordinance No. 2120 (1992), including waivers of state and county law, administrative rules, or ordinances relating to planning, zoning, and construction standards to remain applicable to future housing developments; and
- (3) Permit county planning departments to amend or modify final plans and specifications for redevelopment of

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experimental and demonstration housing projects that have been substantially destroyed, with certain restrictions.

Your Committee received testimony in support of this measure from the Hawaii Housing Finance and Development Corporation; Hale Mahaolu; Pacific Commercial Realty Corp.; KCOM Corp.; Green Party Hawai'i; Maui Chamber of Commerce; Lāhainā Strong; and numerous individuals. Your Committee received testimony in opposition to this measure from one individual. Your Committee received comments on this measure from one individual.

Your Committee finds that the Maui wildfires caused substantial destruction to a significant amount of affordable multi-family rental housing, leaving many residents displaced and in need of stable housing solutions. Rebuilding efforts are often delayed by regulatory and permitting processes, which can hinder the timely restoration of essential housing for affected communities. This measure streamlines the redevelopment process by allowing county planning departments to issue special management area use permits for rebuilding affordable multi-family rental housing and ensuring that project approvals remain valid, facilitating efficient and resilient reconstruction efforts.

Your Committee has amended this measure by:

- (1) Codifying the provisions of this measure under the Special Management Areas part of the Coastal Zone Management law instead of in session law;
- (2) Removing flooding and tsunami from the types of disasters that would make a destroyed property eligible for redevelopment under this measure;
- (3) Requiring any other state or county agency authorized to issue a permit or approval, in addition to the department of planning of the respective county, to prioritize approving permits to redevelop permanent affordable multi-family rental housing after issuing a special management area use permit;
- (4) Clarifying that affordable multi-family rental housing projects within the special management area that are being redeveloped and are located on properties or



districts on the Hawaii or National Historic Register, rather than special management area use permits, are exempt from environmental impact statement requirements;

- (5) Deleting language that would have made land use entitlements under Maui County Ordinance No. 2120 (1992) applicable to future housing developments;
- (6) Clarifying and expanding the conditions and procedures for experimental and demonstration housing projects destroyed by certain natural disasters;
- (7) Exempting certain parcels from the provisions of this measure; and
- (8) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1170, S.D. 2, H.D. 1, as amended herein, and recommends that it be referred to your Committee on Judiciary & Hawaiian Affairs in the form attached hereto as S.B. No. 1170, S.D. 2, H.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Housing,



LUKE A. EVSLIN, Chair



