

ACT 217

S.B. NO. 3000

A Bill for an Act Relating to Housing.

Be It Enacted by the Legislature of the State of Hawaii:

SECTION 1. The senate and house of representatives of the twenty-third legislature of the State of Hawaii, regular session of 2005, enacted Act 196, Relating to Housing, and section 35 of that act established the joint legislative housing and homeless task force to further identify near-term solutions to Hawaii's affordable housing and homeless problem. The task force issued its report with findings and recommendations in January 2006. The task force recommended in general that the State:

- (1) Leverage more sources of financing for affordable housing;
- (2) Make available more public land for the development of affordable housing;

- (3) Streamline government approvals and permitting of affordable housing projects;
- (4) Build more offsite infrastructure to serve affordable housing;
- (5) Appropriate additional funds for transitional housing, shelters, and services for the homeless population; and
- (6) Preserve and maintain the existing public housing stock.

The specific recommendations of the task force for government approvals and permitting for affordable housing include but are not limited to:

- (1) Requiring that state agencies in the permit review process give affordable housing projects priority processing;
- (2) Amending chapter 46, Hawaii Revised Statutes, relating to the general jurisdiction and powers of the counties, to provide greater flexibility in approving affordable housing projects by waiving certain requirements for infrastructure; and
- (3) Amending section 201G-118, Hawaii Revised Statutes, to improve and further streamline the fast-track permitting process for affordable housing projects.

The purpose of this Act is to implement the recommendations of the task force with regard to government approvals and permitting for affordable housing.

SECTION 2. Section 46-14.5, Hawaii Revised Statutes, is amended to read as follows:

“[§46-14.5] Land use density and infrastructure; low-income rental units. Notwithstanding any other law to the contrary, the counties are authorized to provide flexibility in land use density provisions and public facility requirements to encourage the development of any rental housing project where at least a portion of the rental units are set aside for persons and families with incomes at or below one hundred forty per cent of the area median family income, of which twenty per cent are set aside for persons and families with incomes at or below eighty per cent of the area median family income.”

SECTION 3. Section 91-13.5, Hawaii Revised Statutes, is amended to read as follows:

“§91-13.5 Maximum time period for business or development-related permits, licenses, or approvals; automatic approval; extensions. (a) Unless otherwise provided by law, an agency shall adopt rules that specify a maximum time period to grant or deny a business or development-related permit, license, or approval; provided that the application is not subject to state administered permit programs delegated, authorized, or approved under federal law.

(b) All such issuing agencies shall clearly articulate informational requirements for applications and review applications for completeness in a timely manner.

(c) All such issuing agencies shall take action to grant or deny any application for a business or development-related permit, license, or approval within the established maximum period of time, or the application shall be deemed approved; provided that a delay in granting or denying an application caused by the lack of quorum at a regular meeting of the issuing agency shall not result in approval under this subsection; provided further that any subsequent lack of quorum at a regular meeting of the issuing agency that delays the same matter shall not give cause for further extension, unless an extension is agreed to by all parties.

(d) Notwithstanding any other law to the contrary, any agency that reviews and comments upon an application for a business or development-related permit, license, or approval for a housing project under section 201G-118 shall respond

within forty-five days of receipt of the application, or the application shall be deemed acceptable as submitted to the agency.

[(d)] (e) The maximum period of time established pursuant to this section shall be extended in the event of a national disaster, state emergency, or union strike, which would prevent the applicant, the agency, or the department from fulfilling application or review requirements.

[(e)] (f) This section shall not apply to any proceedings of the public utilities commission.

[(f)] (g) For purposes of this section, "application for a business or development-related permit, license, or approval" means any state or county application, petition, permit, license, certificate, or any other form of a request for approval required by law to be obtained prior to the formation, operation, or expansion of a commercial or industrial enterprise, or for any permit, license, certificate, or any form of approval required under sections 46-4, 46-4.2, 46-4.5, 46-5, and chapters 183C, 205, 205A, 340A, 340B, 340E, 340F, 342B, 342C, 342D, 342E, 342F, 342G, 342H, 342I, 342J, 342L, and 342P."

SECTION 4. Section 201G-118, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) The administration may develop, on behalf of the State or with an eligible developer, or may assist under a government assistance program in the development of, housing projects which shall be exempt from all statutes, ordinances, charter provisions, and rules of any governmental agency relating to planning, zoning, construction standards for subdivisions, development and improvement of land, and the construction of units thereon; provided that:

- (1) The project primarily or exclusively includes housing units affordable to households with incomes at or below one hundred forty per cent of the median family income;
- (2) The administration finds the project is consistent with the purpose and intent of this chapter, and meets minimum requirements of health and safety;
- (3) The development of the proposed project does not contravene any safety standards, tariffs, or rates and fees approved by the public utilities commission for public utilities or the various boards of water supply authorized under chapter 54;
- (4) The legislative body of the county in which the project is to be situated shall have approved the project with or without modifications.
 - (A) The legislative body shall approve, approve with modifications, or disapprove the project by resolution within forty-five days after the administration has submitted the preliminary plans and specifications for the project to the legislative body. If on the forty-sixth day a project is not disapproved, it shall be deemed approved by the legislative body;
 - (B) No action shall be prosecuted or maintained against any county, its officials, or employees on account of actions taken by them in reviewing, approving, modifying, or disapproving the plans and specifications; and
 - (C) The final plans and specifications for the project shall be deemed approved by the legislative body if the final plans and specifications do not substantially deviate from the preliminary plans and specifications. The final plans and specifications for the project shall constitute the zoning, building, construction, and subdivision standards for that project. For purposes of sections 501-85

and 502-17, the executive director of the administration, or the responsible county official may certify maps and plans of lands connected with the project as having complied with applicable laws and ordinances relating to consolidation and subdivision of lands, and the maps and plans shall be accepted for registration or recordation by the land court and registrar; and

- (5) The land use commission shall approve, approve with modifications, or disapprove a boundary change within forty-five days after the administration has submitted a petition to the commission as provided in section 205-4. If on the forty-sixth day the petition is not disapproved, it shall be deemed approved by the commission.”

SECTION 5. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 6. This Act shall take effect on July 1, 2006.

(Approved June 21, 2006.)