

JAN 22 2021

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# A BILL FOR AN ACT

RELATING TO AFFORDABLE HOUSING.

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

1           SECTION 1. The legislature finds that there is a severe  
2 shortage of affordable rental housing in the county of Maui,  
3 particularly in the western part of the island. To address this  
4 issue, the legislature passed Act 150, Session Laws of Hawaii  
5 2018 (Act 150), to appropriate funds in support of the Keawe  
6 street apartments housing project in Lahaina, Maui. Act 98,  
7 Session Laws of Hawaii 2019 (Act 98), amended Act 150 by  
8 increasing the appropriation to the rental housing revolving  
9 fund from \$30,000,000 to \$37,000,000 to expedite and complete  
10 the Leialii affordable housing project by 2022, provided that if  
11 the project does not obtain necessary land use entitlements by  
12 April 30, 2020, the earmarked funds would be returned to the  
13 rental housing revolving fund. On February 7, 2020, the Maui  
14 county council granted an exemption to chapter 201H, Hawaii  
15 Revised Statutes, relating to the Hawaii housing finance and  
16 development corporation, for the project, which satisfied Act  
17 98's land use entitlements requirement. On April 2, 2020, the



1 county of Maui granted final subdivision approval of the project  
2 site.

3 The legislature further finds that on September 21, 2020,  
4 the state historic preservation division notified the Hawaii  
5 housing finance and development corporation that it would  
6 require a new archaeological inventory survey (AIS) for the  
7 entire villages of Leialii master planned community of which the  
8 Keawe street apartments affordable housing project is a part.  
9 On September 30, 2020, representatives from the state historic  
10 preservation division, the department of land and natural  
11 resources, and the governor's office held a teleconference to  
12 discuss whether a resolution could be reached to enable the  
13 project to proceed. The result was that the Hawaii housing  
14 finance and development corporation must still prepare a new AIS  
15 with adequate testing of the Keawe street apartments affordable  
16 housing project site and a strategy for addressing prior  
17 commitments for the balance of the villages of Leialii.

18 The legislature finds that because a new AIS must be  
19 conducted, the 2022 completion deadline imposed by Act 98 cannot  
20 be met.



# S.B. NO. 607

1           The purpose of this Act is to maintain the viability of the  
2 Keawe street affordable housing project by:

3           (1) Amending Act 98 to remove the 2022 deadline for the  
4 completion of the Leialii affordable housing project;  
5 and

6           (2) Exempting the Leialii affordable housing project from  
7 Chapter 6E, Hawaii Revised Statutes, relating to  
8 historic preservation; provided that the project will  
9 adopt a lease-up preference for residents of Lahaina,  
10 Maui.

11           SECTION 2. Act 98, Session Laws of Hawaii 2019, is amended  
12 by amending section 6 to read as follows:

13           "SECTION 6. There is appropriated out of the rental  
14 housing revolving fund the sum of \$37,000,000 or so much thereof  
15 as may be necessary for fiscal year 2019-2020 to expedite and  
16 complete the construction of the Leialii affordable housing  
17 project in Lahaina, Maui [~~, by 2022, provided that if the project  
18 does not obtain necessary land use entitlements by April 30,  
19 2020, the appropriated funds shall be returned to the rental  
20 housing revolving fund.~~].



1           The sum appropriated shall be expended by the Hawaii  
2 housing finance and development corporation for the purposes of  
3 this Act."

4           SECTION 3. The Leialii affordable housing project in  
5 Lahaina, Maui, shall be exempt from state requirements under  
6 chapter 6E, Hawaii Revised Statutes, to the extent necessary to  
7 expedite the development of the project; provided that:

8           (1) Once completed and placed in service, the project shall  
9           adopt a lease-up policy giving preference to current  
10           residents of Lahaina, Maui; and

11           (2) If the construction of the project is not completed by  
12           June 30, 2026, the governor may authorize in writing  
13           before that date the continuation of construction of  
14           the project until completion. If so authorized, the  
15           project shall continue to be exempt as provided under  
16           this Act.

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 upon its approval.

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INTRODUCED BY: Rossly H Baker



# S.B. NO. 607

**Report Title:**

Affordable Housing; Leialii Affordable Housing Project; Keawe Street Apartments

**Description:**

Removes the construction completion deadline for the Leialii affordable housing project and Keawe Street Apartments. Exempts the project from the application of Chapter 6E, Hawaii Revised Statutes; provided that the project gives preference to Lahaina residents in its tenant placement policy.

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

