
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 did not obtain necessary land use entitlements by
12 April 30, 2020, the earmarked funds would be returned to the
13 rental housing revolving fund.

14 On February 7, 2020, the Maui county council granted an
15 exemption to chapter 201H, Hawaii Revised Statutes, relating to
16 the Hawaii housing finance and development corporation, for the
17 project, which satisfied Act 98's land use entitlements



1 requirement. On April 2, 2020, the county of Maui granted final
2 subdivision approval of the project 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 the state
6 historic preservation division would require a new
7 archaeological inventory survey (AIS) for the entire villages of
8 the Leialii master planned community of which the Keawe street
9 apartments affordable housing project is a part. On
10 September 30, 2020, representatives from the state historic
11 preservation division, department of land and natural resources,
12 and governor's office held a teleconference to discuss whether a
13 resolution could be reached to enable the project to proceed.
14 The result was that the Hawaii housing finance and development
15 corporation must still prepare a new AIS with adequate testing
16 of the Keawe street apartments affordable housing project site
17 and a strategy for addressing prior commitments for the balance
18 of the villages of Leialii.

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



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, Session Laws of Hawaii 2019, to
4 remove the 2022 deadline for the completion of the
5 Leialii affordable housing project; and

6 (2) Clarifying that the developer of the Keawe Street
7 housing project shall be responsible for the cost of
8 the archaeological inventory survey for the footprint
9 of the Keawe Street housing project, but shall not be
10 responsible for the cost of the archaeological
11 inventory survey for any other portions of the
12 Villages of Leialii master planned community.

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

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



1 ~~entitlements by April 30, 2020, the appropriated funds shall be~~
2 ~~returned to the rental housing revolving fund].~~

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

6 SECTION 3. The developer of the Keawe street apartments
7 housing project shall be responsible for all associated costs of
8 the archaeological inventory survey for the footprint of the
9 Keawe street apartments housing project but shall not be
10 responsible for the cost of the archaeological inventory survey
11 for the entire Villages of Leialii master planned community.

12 SECTION 4. Statutory material to be repealed is bracketed
13 and stricken. New statutory material is underscored.

14 SECTION 5. This Act shall take effect on July 1, 2050.



Report Title:

HHFDC; Leialii Affordable Housing Project; Keawe Street
Apartments Affordable Housing Project; Historic Preservation

Description:

Removes the construction completion deadline for the Leialii affordable housing project. Specifies that the developer of the Keawe Street apartments affordable housing project shall only be responsible for paying the cost of the archaeological inventory survey for their footprint of the project and not for the entire master planned community. Effective 7/1/2050. (SD2)

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