

August 25, 2023

MEMO TO: HLU-3(5) File

F R O M: Tasha Kama, Chair  
Housing and Land Use Committee



SUBJECT: **TRANSMITTAL OF INFORMATIONAL DOCUMENTS RELATING  
TO STATE EMERGENCY PROCLAMATION RELATING TO  
HOUSING** (HLU-3(5))

The attached informational documents pertain to Item 3(5) on the Committee's agenda.

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Attachments

# EMERGENCY PROCLAMATION ON HOUSING: FAQ

## Is there a housing emergency?

Yes. Hawai'i's housing crisis, which has been going on since the 1940s, has reached a state of emergency, with fewer and fewer families able to afford to buy or rent a home. Home prices are nearly 3 times the national average. Hawai'i has the highest median home price, the highest cost of living, is the most unaffordable market in the U.S., and has the highest level of housing regulations in the U.S. It takes three times longer to obtain a building permit in Hawai'i than the national average, adding to our scarcity of housing, and driving up costs. Regulations add between \$233,000 to \$325,000 to the cost of a new home in Hawai'i. You need to earn \$252,000 a year to afford a new median priced home in Hawai'i. We are losing workers, local people are moving away, more native Hawaiians now live on the continental U.S. than in Hawai'i, and native Hawaiians make up 40% of our neighbors experiencing houselessness.

## What does the Emergency Proclamation on Housing do?

The proclamation creates a process to promote the expedient development of housing.

## How will more housing help?

Demand for housing in Hawai'i greatly outweighs housing supply, which creates housing scarcity and increases the cost of housing. A 2019 report by HHFDC identified that the State needs approximately 10,000 new housing units per year to begin addressing the historical housing shortfall, but only 4,000 new units on average are currently being constructed each year. Through suspending onerous regulations and modernizing processes, the proclamation will shorten development timelines, thus increasing the supply of units and helping to make housing more affordable for our people.

## How is housing defined?

The proclamation defines housing as the development of new owner-occupied residential units offered for sale or as long-term rentals to Hawai'i residents, state or county housing projects, infrastructure that will primarily provide services to housing, and brownfields that are developed primarily to provide housing. The development of new residential units includes multi-unit development or redevelopment projects that create or replace existing residential units. The proclamation is not intended to cover individual single-family property owner development or redevelopment projects.

## How long will this proclamation be in place?

The Emergency Proclamation will be in place for 12 months.

## How do you apply?

There is an application process detailed in the rules of the proclamation including a list of required information, maps, and documentation. Applications are reviewed by the Build Beyond Barriers Working Group and Lead Housing Officer for certification to proceed under the proclamation.

## What is the Build Beyond Barriers Working Group?

The Build Beyond Barriers Working Group is comprised of city, county, and state agencies that review or approve housing plans, permits, and related applications, and stakeholders. They will coordinate reviews and monitor the progress of projects certified under the proclamation and other projects currently in the housing pipeline, in addition to assessing the workload of housing regulatory agencies.

## Why does the proclamation apply to all housing projects rather than exclusively affordable housing projects?

Nurses, firefighters, teachers, and many government workers make too much money to qualify for a government affordable housing unit; however they don't earn the \$252,000 in annual income that is needed to afford a median priced home. We need housing for all of our people, and we need to be fair. We are all in this together: kupuna need affordable homes, and the healthcare workers who care for them need homes they can afford too.

## Does the proclamation consider public input?

Yes. Applications to the BBB working group must include a plan for public input and are required to hold at least one public meeting where public input is accepted and documented, one public notice which offers the public a opportunity to review and comment for thirty days, and a plan to consult with stakeholder groups regarding impacts to the environment and cultural resources.

## Are there safeguards to review environmental and cultural impacts?

Yes. Please see the emergency rules that accompany the proclamation for details on streamlined processes that may be offered to projects certified by the BBB working group.

## Can the proclamation be amended or changed?

Yes. The proclamation can be changed at any time, and must be re-signed by the Governor every sixty days.



# HOUSING COSTS IN HAWAII

Hawaii's housing crisis has reached a **state of emergency**, with fewer and fewer families able to afford to buy or rent a home in the state.

**Our housing is the most expensive in the nation...**



Single family

State

**\$850K**

median price

O'ahu

**\$1.1M**

median price

Costs are 2.7X national average in the state, and 3.4X on O'ahu



Condo

**\$600K**

median price

**\$550K**

median price

Prices have tripled since the 1990s

**... and is unaffordable to most households**

\$252K annual income needed to afford a new median priced home

Fewer than one in three households can afford a single-family home, and fewer than one in two can afford a condominium.



Nurse

**\$113K**

average salary



Firefighter

**\$73K**

average salary



School teacher\*

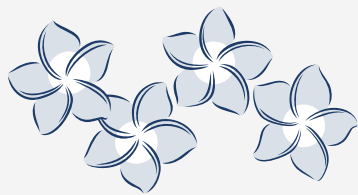
**\$63K**

average salary

\*Elementary school teacher

Sources: [UHERO factbook](#); [US Bureau of Labor Statistics](#), [NAHB](#)





# HOUSING CHALLENGES FOR NATIVE HAWAIIANS

More native Hawaiians now  
**live on the mainland** than in Hawai'i

**Native Hawaiians suffer disproportionately  
from a lack of affordable housing...**



**Highest rate of poverty** of major ethnic groups in Hawai'i



**Lowest median household income** of major ethnic groups in Hawai'i



**23 years**, on average, spent on the waiting list for DHHL residential plots



Higher proportion of **cost-burdened households** than nationwide average

**...Causing many to become homeless or to  
leave the state altogether**

**Twice as likely to be homeless<sup>\*</sup>** (40% of our homeless neighbors are native Hawaiian)

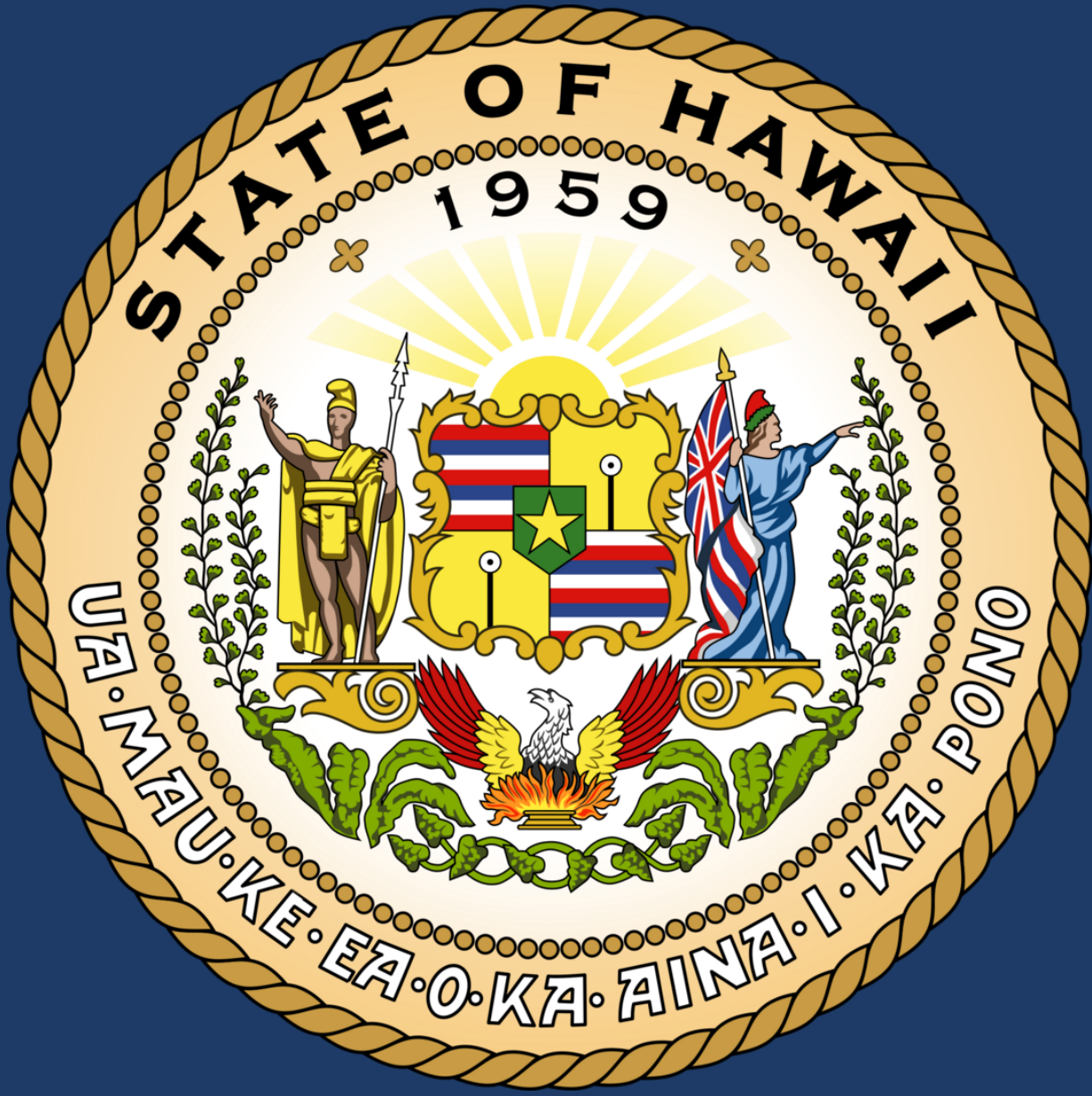


Increasingly **leaving the state**, with more now living on the mainland than in Hawai'i



<sup>\*</sup>Cost burdened households are defined as those which spend 30% or more of their income on rent; <sup>\*\*</sup> More than 2 persons per bedroom;

<sup>\*</sup>Compared to other ethnic groups in Hawai'i. Sources: [Aloha United Way](#); [US Census Bureau](#); [SMS Housing Study](#); [Oahu 2023 Pit Count](#)



# EMERGENCY PROCLAMATION RELATING TO HOUSING: GUIDEBOOK

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# INTRODUCTION

Welcome to the comprehensive guidebook for developing projects under the Emergency Proclamation on Housing by Governor Josh Green, M.D. As we face an ongoing housing crisis, it has become increasingly important to confront our most difficult challenges to address the shortage of affordable and accessible housing options in our communities. In response to the urgent need for housing solutions, our state's leadership has taken bold steps to address the housing crisis by implementing an emergency proclamation. This approach aims to streamline the development process and empower developers and stakeholders to contribute to the creation of more housing opportunities. The emergency proclamation and these guidelines reflect extensive input from state and county agencies that provided details on process maps, application checklists, common areas of approval delays, and recommended touch points for engagement.

This guidebook serves as your roadmap, offering invaluable insights and practical advice to navigate the intricacies of project development within the framework established by the emergency proclamation. Whether you are a developer, a community leader, a government official, or a concerned citizen, this guide equips you with the knowledge and tools necessary to actively participate in shaping the future of housing in our state, successfully navigate the regulatory landscape, and contribute to the urgent need for more housing.

We understand that the path to successful housing development can be daunting, with numerous legal, financial, environmental, and logistical considerations. However, through the Governor's emergency proclamation, a streamlined process has been put in place to accelerate housing production while maintaining the highest standards of quality, and without compromising the integrity of environmental and cultural reviews. By adhering to the guidelines and procedures outlined in this guidebook, you can efficiently navigate the landscape, leveraging the proclamation's benefits and maximizing your impact on housing availability.







# INTRODUCTION (continued)

Throughout the guidebook, we will explore the key elements and considerations involved in the development process, highlighting essential steps, best practices, and potential challenges that may arise along the way. Within these pages, you will find step-by-step instructions on eligibility criteria, certification, engaging with stakeholders, and navigating regulatory requirements. The guidebook also highlights successful permit applications, submissions, surveys, plans, and Ka Pa‘akai analyses, showcasing approaches that led to timely approvals and lessons learned from previous projects.

We recognize the urgency of addressing the housing crisis and acknowledge that every housing project plays a crucial role in reshaping the lives of individuals and communities. By empowering you with the knowledge contained within this guidebook, we strive to provide a more clear, fair path to housing development and cultivate a collective effort that will result in safe, accessible, and affordable housing options for all. We understand that every housing project is unique, influenced by local context, resources, and community dynamics. Therefore, this guidebook aims to strike a balance between providing a general framework and allowing flexibility for adaptation to local conditions. We encourage you to leverage the information presented here as a foundation and tailor it to suit the specific requirements and opportunities present in your development endeavor.

Thank you for joining us on this transformative, innovative journey toward building a brighter future for housing the people of Hawai‘i. Together, we can make a lasting impact and create thriving communities for generations to come. Now, let's embark on this journey together, empowering ourselves with the knowledge and understanding necessary to make a tangible difference in addressing the acute housing needs of our time. Together, we can lay the groundwork for vibrant, thriving communities, where everyone has access to safe, affordable, and dignified housing.







# GROUNDS FOR EMERGENCY PROCLAMATION



## What is the Emergency?

- ☒ Hawai'i is the most unaffordable housing market in the U.S.
- ☒ Hawai'i has the highest cost of living in the U.S.
- ☒ Hawai'i has the highest median home prices in the country, and local people are being priced out of the market.
- ☒ Without housing options that are affordable, people are choosing to leave Hawai'i for cheaper places to live.
- ☒ As workers are priced out of housing and move away, workforce shortages are created, and then exacerbated by the difficulty to recruit and retain new workers due to the same housing affordability problem.
- ☒ More native Hawaiians now live in the continental U.S. than in Hawai'i, and this presents a direct danger to our preservation of native traditional culture, customs, and history.
- ☒ Nearly 40% of homeless neighbors are native Hawaiian.
- ☒ Native Hawaiians have higher poverty rates, the highest unemployment rate, and the lowest median income rate in Hawai'i.
- ☒ The lack of affordable housing affects the security, health, well being, and prosperity of our people and communities.
- ☒ Hawai'i is the most regulated state in the U.S. and these regulations add between approximately \$233,000 to \$335,000 to every new home.



# SUMMARY OF PROVISIONS IN THE EMERGENCY PROCLAMATION

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03

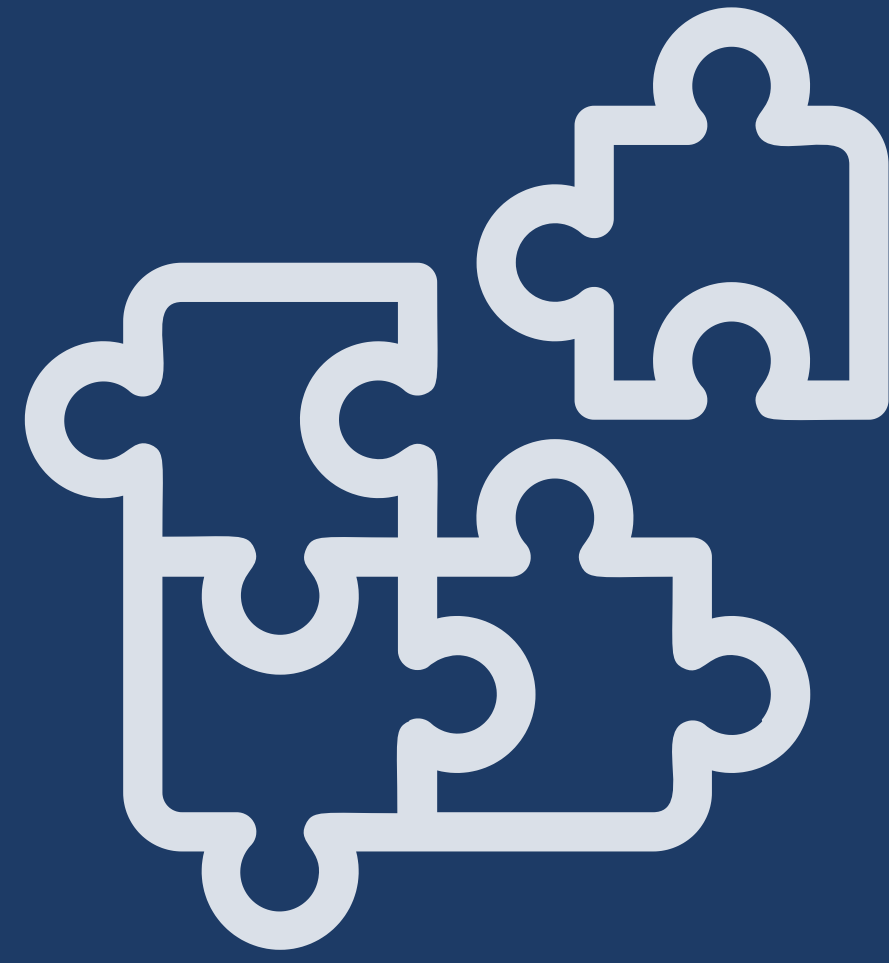


The purpose of the Emergency Proclamation Relating to Housing, signed by Governor Green on July 17, 2023, is to address the critical shortage of housing in Hawai'i by promoting the speedy and safe construction of public, low-income, affordable, workforce, and market-rate for-sale and rental units for Hawai'i residents. Under Hawai'i Revised Statutes Chapter 127A-14, Governor Green has declared a housing emergency and invokes, among others, the following measures:

- Appointment of a state Lead Housing Officer to convene stakeholders to accelerate permitting processes, eliminate duplication, explore innovative approaches to increase the development of housing, including affordable and workforce housing, share best practices, create working groups, prioritize housing projects, review accountability, encourage housing development and encourage transit oriented development, among other things.
- Creation of the Build Beyond Barriers Working Group to certify accepted projects under this proclamation.
- Direct all state agencies to prioritize housing reviews, plans, approvals, and permit processing.
- Call on state and county agencies to work together and forge paths to address the housing crisis, and engage in discussions around mutual aid agreements and other assistance.
- Create alternative processes for State Historic Preservation Review and Environmental Reviews.
- For solicitation process only, suspension of the State Procurement Code in coordination with the State Procurement Office.
- Streamline processes for housing undertaken by the Hawai'i Housing Finance and Development Corporation, Department of Hawaiian Homelands, Hawai'i Public Housing Authority, and Hawai'i Community Development Authority.
- Allow counties to approve District Boundary Amendments up to 100 acres.
- Allow third-party reviewers to be hired at state and county agencies.
- Allow multifamily residential development in business districts.
- Provide the flexibility to transfer resources as needed for the purposes of this proclamation.

For more information please refer to the official [Emergency Proclamation Related to Housing](#).





# THE BUILD BEYOND BARRIERS WORKING GROUP

The Emergency Proclamation establishes the Build Beyond Barriers (BBB) Working Group to approve, prioritize, and steward certified housing projects through the development process. The BBB Working Group will be convened and chaired by the Lead Housing Officer and will include both government and non-government stakeholders who will inventory, track, coordinate, review, and accept projects that meet the eligibility criteria as outlined in the Emergency Proclamation. The BBB Working Group will also monitor other housing projects in the pipeline and assess the workload of housing regulatory agencies.

## Expected Working Group Review Timeline





# MEMBERS OF THE BBB WORKING GROUP

## State Agency Representatives

- ✓ Office of Planning and Sustainable Development
- ✓ Department of Business Economic Development and Tourism
- ✓ Hawai'i Housing Finance Development Corporation
- ✓ Department of Land and Natural Resources
- ✓ State Historic Preservation Division
- ✓ Commission on Water Resource Management
- ✓ Land Use Commission
- ✓ Department of Health
- ✓ Department of Transportation
- ✓ Hawai'i Public Housing Authority
- ✓ Department of Budget and Finance
- ✓ Island Burial Council of the island where the project is located

## Non-State Agency Representatives

- ✓ The chairs of legislative subject matter committees relating to housing
- ✓ County mayors of the island where the project is located
- ✓ County permitting and regulatory agency representatives of the island where the project is located
- ✓ County department of water supply representatives of the island where the project is located
- ✓ Hawaiian Electric Co. or Kaua'i Island Utility Cooperative, as applicable for the island where the project is located
- ✓ Honua Consulting, LLC
- ✓ The Executive Director of Housing Hawai'i's Future
- ✓ Economic Research Organization at the University of Hawai'i
- ✓ The Executive Director of the The Sierra Club of Hawai'i
- ✓ The Executive Director of the Land Use Research Foundation



# HOW TO APPLY

05

Project proponents seeking to have the terms of the proclamation apply to their project shall submit the following documentation to the Working Group:



Name, address, email address and telephone number of the project proponent and each member of the project team. If the project proponent is a corporation or other legal entity, evidence of the project proponent's status and registration with the Department of Commerce and Consumer Affairs, and the names, address, email address and telephone number of each officer and director of the entity. The name, address, email address, and telephone number of the main point of contact should be identified.



Proof that the project proponent has site control such as a deed, agreement of sale, long term lease, or other disposition.



A description of the project proponent's experience or involvement in the development of housing or projects of similar scope, size, and complexity.

A description of the project proponent's past or current experience or involvement in any programs or its provision of services, including other than housing, that would give evidence of the project proponent's ability to manage a project of this type and scope.



A conceptual site plan showing the general development of the project site including the locations and descriptions of proposed and existing buildings, parking areas, unusual site features, proposed and existing major drainage facilities, and any proposed and existing ground disturbance.



A development plan including the number of units, maximum occupancy, construction method, infrastructure capacity and needs, and an anticipated schedule of construction. The infrastructure needs should include a description of methods of sewage and solid waste disposal and sources of water and other utilities.



The proposed financing for the project, including the manner in which the project will be financed during the development and construction of the project, and upon completion of the project and sources of repayment of such financing. This should include any proposed grants, donations, loans, bonds, tax credits, or other sources of financial resources.



The project proponent's plan for obtaining public input, which shall include, but not be limited to: at least one public meeting during which public input shall be accepted and documented; at least one public notice of wide circulation regarding the project which shall offer the public a period for review and submission of written comments of at least 30 days from the date of publication; and a plan to consult with appropriate stakeholder groups regarding any impacts to environmental or cultural resources, if such impacts are reasonably anticipated.



A full list of agency approvals that the project would be required to obtain absent certification, including any waivers, variances, and/or exemptions being sought from said agencies.



A summary description of the affected environment, including, but not limited to: suitable and adequate regional, location, and site maps such as flood insurance rate maps, floodway boundary maps, United States Geological Survey topographic maps, United States Department of Agriculture soil maps, state sea level rise exposure area maps, and any technical reports on the project area. These may include, but are not limited to: geological surveys, hydrological surveys, biological surveys, historic building or other cultural surveys, and traffic studies.



Identification and analysis of impacts, including but not limited to environmental and cultural impacts, including impacts to traditional or customary practices, and alternatives considered.

Proposed avoidance, minimization, or mitigation measures to be implemented for the purpose of limiting any potential environmental or cultural impacts, if appropriate.

Notwithstanding the proclamation, counties may establish their own process or rules for ensuring that a Certified Project meets building safety standards.



After consulting with state and county housing and permitting departments, the following tips have emerged as highly valuable in minimizing project delays.



**01 *Submit a complete application***

When submitting applications to state and county departments, verify that all submissions adhere to the prescribed guidelines, formatting, and rules; use current maps.

**02 *Sufficiently consider infrastructure needs***

Prior to submitting any applications, make sure to conduct a comprehensive analysis of on-site and off-site infrastructure needs for your project. Engage in early contact with relevant government entities to assess adequacy of existing capacity. Pay particular attention to water and wastewater capacity.

**03 *Submit high-quality analyses***

Work with qualified consultants who are experts in the field of housing development in Hawai'i and produce quality assessments that comply with requirements. Important analyses include, but are not limited to: archaeological inventory surveys, environmental impact statements, burial treatment plans, and Ka Pa'akai analyses.

**04 *Line up funding***

It's been a time of uncertainty, and even volatility, for housing and infrastructure development. Material shortages have resulted in huge increases in construction costs, and interest rates increases have hurt developers, investors, and would-be homebuyers. Do your best to accurately assess/plan for and secure funding or financing required for the successful completion of your project. Have back up plans and scenarios.

**05 *Create space for public input***

Make sure to integrate a comprehensive and robust public input plan into your development strategy. Opposition from community members can impede development, but this can be mitigated through proactive and continuous community outreach. By initiating early and frequent discussions, you can foster constructive dialogue that helps alleviate potential hurdles and ensures smoother project advancement.



# TIPS AND POINTS OF CONTACT

## COUNTIES

### MAUI COUNTY:



#### Recommended Point of Contact:

Lori Tsuhako - DHHC Director  
loriann.tsuhako@co.maui.hi.us



#### Timeline Tips:

Frequent engagement in the early phases of development is encouraged.

### C&C OF HONOLULU:



#### Recommended Point of Contact:

Denise Iseri-Matsubara - Housing Director  
d.i-matsubara@honolulu.gov



#### Timeline Tips:

In addition to the project eligibility rules associated with the Governor's Emergency Proclamation on Housing, developers may consult the Department of Planning & Permitting website.

Public input and feedback from stakeholders should be obtained for all proposed projects.

### KAUA'I COUNTY:



#### Recommended Point of Contact:

Adam Roversi - Housing Director  
aroversi@kauai.gov



#### Timeline Tips:

- 1) Contact the Housing Agency to determine project requirements.
- 2) Reach out to the community advisory board to receive community feedback.
- 3) Once feedback has been received, reach out to the County of Kaua'i Planning Department for a preliminary meeting. This should include the Director, Deputy Director, and Regulatory Division Head.

### HAWAII COUNTY:



#### Recommended Point of Contact:

Susan Kunz - Housing Administrator  
susan.kunz@hawaiiicounty.gov



#### Timeline Tips:

Developers can now take advantage of Hawai'i County's new expedited permit process which is more streamlined and ensures projects are being monitored by the Office of Housing and Community Development every step of the way.

To do so, developers and their architects must make sure to submit their plans to OHCD before submitting for permitting.

# TIPS AND POINTS OF CONTACT

## STATE AGENCIES

### Office of Planning & Sustainable Development:



#### Recommended Point of Contact:

Mary Alice Evans - Acting Director  
maryalice.evans@hawaii.gov



#### Timeline Tips:

N/A

### Hawai'i Housing Finance & Development Corporation:



#### Recommended Point of Contact:

Randy Chu - Development Branch Chief  
randy.n.t.chu@hawaii.gov



#### Timeline Tips:

Staff is available for consultation on a first-come first-served basis, with no consultations being taken within two weeks of the application deadline.

### State Historic Preservation Division:



#### Recommended Point of Contact:

Alan Downer  
alan.s.downer@hawaii.gov



#### Timeline Tips:

If consultation is required, engage early in planning process.

### Commission on Water Resource Management



#### Recommended Point of Contact:

Ryan Imata - Hydrologic Program Manager  
ryan.r.imata@hawaii.gov  
(808) 270-7805



#### Timeline Tips:

Contact with staff is encouraged prior to application if there are foreseeable issues.

Frequency of contact should be on an as-needed basis.

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**"We seek to create a more fair and equitable development process that provides opportunities for affordable homes to all our people.**

**We must coordinate and modernize processes across the various agencies in order to provide housing for our communities. This work is long overdue.**

**It is our collective kuleana to ensure that our kupuna, our keiki, and their keiki can afford to live in Hawai'i.**

**We hope the Emergency Proclamation Relating to Housing aids in the critical work of building much-needed housing for our people. "**

**- Nani Medeiros, Chief Housing Officer, Office of Governor Josh Green, M.D.**

