COUNCIL OF THE COUNTY OF MAUI

HOUSING, HUMAN SERVICES, AND TRANSPORTATION COMMITTEE

December 11, 2018	Committee	
	Report No.	

Honorable Chair and Members of the County Council County of Maui Wailuku, Maui, Hawaii

Chair and Members:

Your Housing, Human Services, and Transportation Committee, having met on October 4, 2018, and November 1, 2018, makes reference to County Communication 18-330, from Councilmember Stacy Crivello, relating to amendments to the Maui County Code ("MCC") relating to expediting the permitting process for workforce housing projects.

By correspondence dated September 28, 2018, the Chair of your Committee transmitted to the Department of the Corporation Counsel a proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING THE MAUI COUNTY CODE RELATING TO FAST TRACK PERMITTING." The purpose of the proposed bill is to support the fast track development of residential workforce housing by codifying the County's priority permitting policy for expediting the County's permit process and giving priority to qualified residential workforce housing projects.

By correspondence dated November 26, 2018, the Department of the Corporation Counsel transmitted a revised proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING CHAPTER 2.96, MAUI COUNTY CODE, RELATING TO RESIDENTIAL WORKFORCE HOUSING FAST TRACK PERMITTING," approved as to form and legality, incorporating amendments to the fast track permitting process. The revised proposed bill repeals Section 2.96.140, MCC, relating to incentives, and adds a new Section 2.96.140, MCC, relating to fast permitting that includes amendments to project qualifications and permit review deadlines for the Council and applicable departments.

Your Committee notes a recent finding from the County's 2018 affordable housing policy analysis, conducted by SMS Hawaii, identified

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uncertainty, timing, and rate of return as top barriers to developing affordable housing in the County.

The policy analysis indicated quicker permit reviews may reduce risk and financing costs for developers and result in expedited construction of affordable housing. The policy analysis further indicated it may be difficult to implement expedited permit reviews for all affordable housing projects if there are inadequate resources in place to handle reviews.

The Director of Housing and Human Concerns noted the proposed bill is similar to a recent directive issued by the Mayor relating to permit reviews for workforce housing projects. He recommended limiting the provisions in the proposed bill to housing projects comprised of at least 50 percent residential workforce housing units.

Your Committee noted the fast-track permitting provisions of the proposed bill should only apply to projects comprised of 100 percent residential workforce housing units.

The Planning Director suggested setting a permit review deadline for applicable departments and limiting the Council's permit review period.

Your Committee revised the fast-track permitting processing procedure for applicable departments by setting a permit review period deadline for initial comments to 15 working days.

Your Committee further revised the proposed bill to allow the Council to extend its permit review process, provided it makes a reasonable best effort to complete its review within 60 days.

Your Committee voted 7-0 to recommend passage of the revised proposed bill on first reading and filing of the communication. Committee Chair Crivello, Vice-Chair Carroll, and members Atay, Guzman, Hokama, King, and White voted "aye."

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to form an incorporation	Committee is in receipt of a revised proposed bill, approved as defeality by the Department of the Corporation Counsel, and your Committee's recommended revisions and ative revisions.
	Housing, Human Services, and Transportation Committee NDS the following:
1.	That Bill (2018), attached hereto, entitled "A BILL FOR AN ORDINANCE AMENDING CHAPTER 2.96, MAUI COUNTY CODE, RELATING TO RESIDENTIAL WORKFORCE HOUSING FAST TRACK PERMITTING," be PASSED ON FIRST READING and be ORDERED TO PRINT; and
2.	That County Communication 18-330 be FILED.
This the Council	report is submitted in accordance with Rule 8 of the Rules of .
	Vinello

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ORDINANCE NO.	
DII I NO	(2019)

A BILL FOR AN ORDINANCE AMENDING CHAPTER 2.96, MAUI COUNTY CODE, RELATING TO RESIDENTIAL WORKFORCE HOUSING FAST TRACK PERMITTING

BE IT ORDAINED BY THE PEOPLE OF THE COUNTY OF MAUI:

SECTION 1. Section 2.96.140, Maui County Code, is repealed.

SECTION 2. Chapter 2.96, Maui County Code, is amended by adding a new section to be appropriately designated and to read as follows:

- **"2.96.160 Fast track permitting**. A. Purpose. The purpose of this section is to support the fast track development of residential workforce housing by codifying the County's priority permitting policy for expediting its permit process and giving priority to qualified residential workforce housing projects.
- B. Project qualifications. A project comprised of 100 percent residential workforce housing units with a fully-executed residential workforce housing agreement between the developer and the County, recorded in the bureau of conveyances or registered in the land court, in compliance with this chapter, shall be eligible for fast track permitting.
- C. Permits subject to fast track permitting. Qualified projects may utilize the fast track permitting process to expedite the review and issuance of all County permits necessary for the development of the project site, including subdivision applications, civil construction plan permits, and other plans and permits associated with the development of the project site. Building permits shall only be expedited for residential workforce housing units.

Fast track permitting applies to applications that require review or approval by the planning commissions, the council, or any other County board or commission. The processing of fast track applications shall be given first priority by County departments while complying with all statutory and procedural requirements.

- D. Fast track permitting processing procedure. All applicable County departments shall review and process permits for qualified projects in accordance with state and county laws. Applicable departments shall begin the permit review process for fast track projects no later than two working days following submission of all required applications and forms deemed complete. Applicable departments shall submit initial comments to the applicant within fifteen working days following submission of all required applications and forms deemed complete. If on the sixteenth working day an applicant does not receive initial comments, the permit will be deemed approved by the applicable department. Applicable departments shall begin the permit review process for qualified projects before all other permit applications for projects not eligible for fast track permitting.
- E. Fast track applications requiring council review. For qualified projects subject to fast track permitting, the council shall schedule the initial meeting for such application within thirty days of the referral to the appropriate committee. The council shall make its reasonable best efforts to approve or deny the application within sixty days of the referral to committee.
- <u>F.</u> <u>Annual report. The department shall prepare and submit an annual report to the council on the following:</u>
 - 1. The number of qualified projects that utilized the County's fast track permitting process.
 - <u>2.</u> <u>The length of review time for each permit by each department.</u>
- G. Rules. The director may adopt administrative rules to implement the fast track permitting procedure provided for in this section or amend rules adopted to implement this chapter to include fast track permitting."

SECTION 3. New material is underscored. In printing this bill, the County Clerk need not include the underscoring.

SECTION 4. This ordinance shall take effect upon its approval.

APPROVED AS TO FORM AND LEGALITY:

Department of the Corporation Counsel
County of Maui
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