
A BILL FOR AN ACT

RELATING TO AFFORDABLE HOUSING.

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

1 SECTION 1. In August 2007, Hawaii accepted an invitation
2 by the United State Department of Housing and Urban Development
3 to join the National Call to Action for Affordable Housing
4 through Regulatory Reform. The Call to Action presented an
5 opportunity for Hawaii to receive technical assistance from the
6 federal government and collaborate with other states, counties,
7 municipalities, and organizations to knock down the barriers
8 imposed by governments in hopes of building more affordable
9 housing.

10 The purpose of this Act is to provide incentives for
11 affordable housing by:

- 12 (1) Establishing a commission on transit oriented
13 development to facilitate affordable housing in
14 transit oriented developments by better coordinating
15 transportation and housing planning and programs; and
16 (2) Requiring the counties to provide fee waivers and
17 other incentives for the development of affordable
18 housing.

1 SECTION 2. The Hawaii Revised Statutes is amended by
2 adding a new chapter to be appropriately designated and to read
3 as follows:

4 "CHAPTER

5 COMMISSION ON TRANSIT ORIENTED DEVELOPMENT

6 § -1 **Definitions.** The following terms, wherever used or
7 referred to in this chapter, shall have the following respective
8 meanings, unless a different meaning clearly appears from the
9 context:

10 "Affordable housing" means housing units for households
11 with incomes at or below one hundred forty per cent of the
12 median family income, as determined by the United States
13 Department of Housing and Urban Development.

14 "Commission" means the commission on transit oriented
15 development.

16 "Rapid transit system" means a grade-separated, high
17 capacity, high frequency transportation system used primarily to
18 transport people.

19 "Transit oriented development" means compact, mixed-use
20 development near new or existing public transit facilities that
21 serves, housing, transportation and neighborhood goals.

1 "Transit oriented development zone" means an area in
2 proximity to a transit station, within the jurisdiction of a
3 county government or a legislatively established special
4 district, which is designated by the commission for state or
5 county incentives and programs.

6 § -2 **Commission on transit oriented development;**
7 **establishment, staff.** (a) There is established the commission
8 on transit oriented development under the department of
9 business, economic development, and tourism for administrative
10 purposes and staffed by the Hawaii housing finance and
11 development corporation.

12 (b) The commission shall consist of at least thirteen
13 members; provided that each county that develops a rapid transit
14 system shall be represented on the commission as follows.

15 Members shall include:

16 (1) Two members of the county council appointed by the
17 chairperson of the council, one of whom represents an
18 area with, or planned to have rapid transit stations;

19 (2) Two members of the state senate appointed by the
20 president of the senate, one of whom shall be the
21 chairperson of the senate committee with primary
22 responsibility for housing issues;

- 1 (3) Two members of the state house of representatives
2 appointed by the speaker of the house of
3 representatives, one of whom shall be the chairperson
4 of the committee with primary responsibility for
5 housing issues;
- 6 (4) The state director of finance, or a designated
7 representative;
- 8 (5) The executive director of the Hawaii housing finance
9 and development corporation, or a designated
10 representative;
- 11 (6) The director of the state office of planning, or a
12 designated representative;
- 13 (7) The county director of planning, or a designated
14 representative;
- 15 (8) The county director of budget and fiscal services, or
16 a designated representative;
- 17 (9) The county housing director, or a designated
18 representative; and
- 19 (10) The county director of the metropolitan planning
20 organization, or a designated representative.
- 21 (c) Each member of the commission who is a member of the
22 state legislature or the legislative body of the county shall

1 serve for the same term as the term of office for which the
2 member is elected. Vacancies that occur on the commission shall
3 be filled in the same manner in which the original member was
4 appointed.

5 (d) The commission shall select a chairperson and vice
6 chairperson from among its members. Seven members shall
7 constitute a quorum, whose affirmative vote shall be necessary
8 for all actions by the commission.

9 (e) The members shall receive no compensation for
10 services.

11 **§ -4 Functions of the commission on transit oriented**
12 **development.** (a) The commission shall serve in an advisory
13 capacity to the state legislature, the legislative body of each
14 county, and the appropriate state and county agencies
15 responsible for carrying out a continuing, comprehensive,
16 transit oriented development planning process.

17 (b) The commission shall:

18 (1) Identify regulatory barriers to housing near transit
19 stations;

20 (2) Identify ways to improve coordination of housing and
21 transportation planning including the United States

22 Department of Housing and Urban Development's

- 1 Consolidated Plan and Public Housing Agency Plan, and
2 the United States Department of Transportation's
3 transportation planning requirements;
- 4 (3) Identify strategies for addressing area housing and
5 transportation needs including the designation of
6 transit oriented development zones;
- 7 (4) Identify ways to improve the leveraging of housing and
8 transportation funds;
- 9 (5) Identify financial incentives for funding mixed-income
10 and affordable housing near transit, as well as land
11 use and other incentives to expand housing choices in
12 proximity of new and existing transit stations;
- 13 (6) Identify tax incentives for the development or
14 rehabilitation of community health care facilities
15 within mixed-use transit oriented development
16 projects;
- 17 (7) Monitor outcomes and continually update goals and
18 objectives; and
- 19 (8) Undertake any other functions as may be appropriate in
20 an advisory capacity to ensure a joint planning
21 process between the county and the State, and advise

1 appropriate legislative bodies and agencies, as
2 necessary.

3 § -5 **Jurisdictional responsibilities.** Nothing in this
4 chapter is intended to change the basic jurisdictions for
5 planning, regulating, financing, and permitting responsibilities
6 under the purview of state and county agency statutes and
7 ordinances that were in existence prior to the enactment of this
8 chapter. The State and counties shall cooperate with the
9 commission by providing guidance based on their planning
10 processes and regulatory functions."

11 SECTION 3. There is appropriated out of the general
12 revenues of the State of Hawaii the sum of \$ or so
13 much thereof as may be necessary for fiscal year 2009-2010 and
14 the same sum or so much thereof as may be necessary for fiscal
15 year 2010-2011 for the operations of the commission on transit
16 oriented development.

17 The sums appropriated shall be expended by the Hawaii
18 housing finance and development corporation for the purposes of
19 this Act.

20 SECTION 4. Section 46-14.5, Hawaii Revised Statutes, is
21 amended to read as follows:

1 "~~§46-14.5 [Land use density]~~ Incentives and
2 infrastructure [~~; low income rental units~~]. Notwithstanding any
3 other law to the contrary, the counties [~~are authorized to~~]
4 shall provide [flexibility in land use density provisions and]
5 incentives for the development of affordable housing that may
6 include density bonuses, height waivers, cluster zoning, greater
7 design flexibility, waiving water and sewer connection fees,
8 priority infrastructure financing, and site flexibility;
9 provided that the counties may establish priorities for the
10 development of affordable housing in transit oriented
11 developments. Counties shall provide flexibility in public
12 facility requirements to encourage the development of any rental
13 housing project where at least a portion of the rental units are
14 set aside for persons and families with incomes at or below one
15 hundred [~~forty~~] per cent of the area median family income, of
16 which [~~twenty~~] forty per cent are set aside for persons and
17 families with incomes at or below eighty per cent of the area
18 median family income."

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

21 SECTION 6. This Act shall take effect on July 1, 2020.

Report Title:

Affordable Housing; Fees; Incentives

Description:

Establishes a commission on transit oriented development to facilitate affordable housing in transit oriented developments by better coordinating transportation and housing planning and programs; requires counties to offer incentives for affordable housing development; authorizes counties to establish priorities for affordable housing in transit oriented developments; requires counties to provide flexibility in public facility requirements for rental housing projects with units for tenants at or below median income levels, with forty per cent for tenants with incomes eighty per cent or below the median. (SD1)