
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 in August 2007,
2 Hawaii accepted an invitation by the United State Department of
3 Housing and Urban Development to join the National Call to
4 Action for Affordable Housing through Regulatory Reform. The
5 Call to Action presented an opportunity for Hawaii to receive
6 technical assistance from the federal government and collaborate
7 with other states, counties, municipalities, and organizations
8 to knock down the barriers imposed by governments in hopes of
9 building more affordable housing. Governor Lingle convened a
10 statewide task force comprised of representatives from the
11 counties, business, labor, developers, architects, nonprofit
12 providers of services, the State, and the legislature to carry
13 out the mission of the Call to Action and recommend solutions to
14 address barriers to affordable housing.

15 The legislature recognizes that the need for more
16 affordable housing in Hawaii remains a significant problem
17 affecting all segments of society. The development of

1 residential housing is bridled by significant varying
2 regulations placed on the industry at both the state and county
3 levels. Recent analysis shows that regulations and conditions
4 placed on developers can potentially delay a project for up to
5 seven years. This delay in time leads to a level of uncertainty
6 for the housing industry, adds cost to the total development
7 project, jeopardizes funding streams for affordable housing
8 projects, and ultimately results in a more expensive home for
9 the homebuyer or renter. In addition, impact fees, connection
10 fees, and other conditions that are imposed on housing
11 developers during this uncertain time of permit approvals can
12 increase the cost of the home or rental unit by \$10,000 to
13 \$50,000.

14 The purpose of this Act is to implement the legislative
15 recommendations of the task force by providing incentives for
16 the development of affordable housing.

17 SECTION 2. Section 46-14.5, Hawaii Revised Statutes, is
18 amended to read as follows:

19 "~~§46-14.5 [Land use density]~~ Affordable housing;
20 incentives and infrastructure ~~[, low income rental units]~~.

21 Notwithstanding any other law to the contrary, the counties [~~are~~
22 ~~authorized to~~] shall provide [~~flexibility in land use~~]

1 incentives for the development of affordable housing in transit
2 oriented developments that may include, but are not limited to
3 density [~~provisions and~~] bonuses, height waivers, cluster
4 zoning, reduction of parking requirements, greater design
5 flexibility, waiving water and sewer connection fees, waiving
6 public facilities set-asides and fees, priority infrastructure
7 financing, and site flexibility. Counties shall provide
8 flexibility in public facility requirements to encourage the
9 development of [~~any rental~~] affordable housing [~~project where at~~
10 ~~least a portion of the rental units are set aside for persons~~
11 ~~and families with incomes at or below one hundred forty per cent~~
12 ~~of the area median family income, of which twenty per cent are~~
13 ~~set aside for persons and families with incomes at or below~~
14 ~~eighty per cent of the area median family income.] as defined in~~
15 section 201H-57, in transit oriented developments.

16 For the purposes of this section, "transit oriented
17 development" means compact, mixed-use development near new or
18 existing public transit facilities that serves, housing,
19 transportation and neighborhood goals."

20 SECTION 3. The counties may consult with the commission on
21 transit oriented development, established pursuant to section 6
22 of S.B. No. 442, to serve in as advisory capacity to the

1 legislative bodies of the counties and county agencies for
2 carrying out a continuing, comprehensive, transit oriented
3 development planning process.

4 SECTION 4. If any provision of this Act, or the
5 application thereof to any person or circumstance is held
6 invalid, the invalidity does not affect other provisions or
7 applications of the Act, which can be given effect without the
8 invalid provision or application, and to this end the provisions
9 of this Act are severable.

10 SECTION 5. Upon codifying the new chapter that establishes
11 the commission on transit oriented development, as proposed by
12 S.B. No. 442 (2009) and as referred to in section 3 of this Act,
13 the revisor of statutes shall substitute the appropriate Hawaii
14 Revised Statutes section number for the reference to section 6
15 of S.B. No. 442 in section 3 of this Act.

16 SECTION 6. Statutory material to be repealed is bracketed
17 and stricken. New statutory material is underscored.

18 SECTION 7. This Act shall take effect on July 1, 2009.

Report Title:

Affordable Housing; Fees; Incentives; Transit Oriented
Development

Description:

Provides county incentives for the development of affordable
housing in transit oriented developments. (SD1)