
A BILL FOR AN ACT

RELATING TO KAKAAKO.

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

1 SECTION 1. The legislature finds that Honolulu has become
2 the primary urban core for the State, with the increasing
3 concentration of density at its downtown and Kakaako center. In
4 Act 153, Session Laws of Hawaii 1976, the legislature created
5 the Hawaii community development authority as the authority in
6 charge of the planning and development of Kakaako, one of the
7 main centers of urban living in Honolulu. This was due to its
8 central location and largely unplanned and underused condition
9 at the time.

10 The State realizes the importance of Kakaako due to its
11 location and has invested millions of dollars in clean-up and
12 the building of infrastructure so that this area can become a
13 high density community. The legislature finds that the State
14 further needs to partner with the landowners in the area to
15 fully develop this community.

16 The opportunities presented by the planning framework in
17 place and the fact that there are but a few large landowners in
18 Kakaako make it imperative that planning incentives continue to



1 be made available for Kakaako in accordance with the Kakaako
2 development plan.

3 The legislature finds that approval of a master plan by the
4 Hawaii community development authority in itself does not confer
5 any vested right upon the approved master plan holder nor estop
6 the legislature from increasing the reserved housing requirement
7 within the approved master plan area. This finding is based on
8 the legislature's belief that the master plan approval does not
9 represent the final discretionary approval for any development
10 in the master plan area. The legislature notes that this Act
11 applies to every "planned development", including any within an
12 approved master plan area, and that such a planned development
13 still requires a "planned development permit" from the
14 authority. According to section 15-22-110, Hawaii
15 administrative rules, the planned development permit process is
16 intended to allow "flexibility" to secure better planning and
17 "incentives" to achieve more efficient use of scarce land. The
18 legislature believes that "flexibility" and "incentives"
19 generally are not words associated with ministerial permits.
20 Finally and most importantly, the legislature finds that the
21 plain language of the authority's administrative rules indicates
22 that a planned development permit is a discretionary approval.



1 Section 15-22-111(a), Hawaii administrative rules, states that
2 "[t]he authority *may* grant a planned development permit for a
3 development ... which it finds meets the requirements of this
4 chapter ... [and] *may* impose conditions and requirements upon a
5 planned development permit as it finds are reasonable and
6 necessary to carry out the purposes and requirements of this
7 subchapter (emphasis added)". Thus, the legislature finds that
8 the permissive "may" and the authority's power to impose
9 "conditions and requirements" before permit approval clearly
10 indicate that a planned development permit is discretionary.

11 The legislature also finds that this Act has the
12 significant and legitimate public purpose of increasing the
13 affordable housing supply in Kakaako. According to the Kakaako
14 community development district plan, dated February 1982, the
15 authority had envisioned the development of nineteen thousand
16 housing units in Kakaako. Of that total, the authority had
17 intended the development of the following proportions: two
18 thousand two hundred eighty units, or twelve per cent, for very
19 low-income households (less than fifty per cent of median
20 income); four thousand nine hundred forty units, or twenty-six
21 per cent, for low- and low-moderate income households (fifty to
22 eighty per cent of median income); one thousand three hundred



1 thirty units, or seven per cent, for "Hula Mae", now termed "gap
2 group", households (eighty to one hundred twenty per cent of
3 median income), five thousand seven hundred units, or thirty per
4 cent, for "unserviced" households (greater than eighty per cent
5 of median income, but unable to afford to purchase a unit); and
6 four thousand seven hundred fifty units, or twenty-five per
7 cent, for "unassisted" households (those not needing assistance
8 to purchase a unit). This vision, however, has not been
9 achieved. In fact, progress has been dismal. The Hawaii
10 community development authority 2008 annual report states:

11 In 1980, there were some 1,100 residences in Kaka'ako, none
12 of them were reserved for either affordable rental or sale.
13 Today, the HCDA has permitted an additional 2,089 market-
14 priced residential units and directed that an additional
15 1,388 affordable units are [sic] constructed, with another
16 63 reserved units released to the buyers in 2008, and more
17 are on the way.

18 The disparity between the vision and actual situation is
19 glaring. Thus, the legislature finds that this Act is necessary
20 to promote the development of more affordable housing units in
21 Kakaako mauka.



1 Because the need for additional reserved housing in Kakaako
2 mauka is so substantial, and approximately thirty per cent of
3 the designated redevelopment area is already developed, the
4 legislature intends that this Act apply to the entire mauka area
5 of the Kakaako community development district, including
6 portions covered under any master plan approved before the
7 effective date of this Act. The legislature finds that
8 excluding the portions covered under an approved master plan
9 would, in essence, shield a relatively large area from this Act,
10 an area comprised of relatively large parcels conducive to the
11 development of reserved housing with other uses. The
12 legislature finds that those portions must be subject to this
13 Act to meet the vision of the 1982 Plan.

14 It is imperative that an acceptable quantity of affordable
15 housing units be provided in Kakaako for Hawaii residents
16 because Hawaii's taxpayers have made a substantial investment in
17 infrastructural improvements in the Kakaako community
18 development district dedicating it as the urban core of the city
19 of Honolulu as an alternative to further urban sprawl in
20 suburban and rural areas of the island of Oahu.

21 Accordingly, the purpose of this Act is to encourage the
22 development of affordable residential housing units by



1 statutorily imposing a reserved housing requirement for the
2 Kakaako mauka area of the Kakaako community development district
3 for planned developments on land areas of twenty thousand square
4 feet or more, and to make the reserved housing requirement apply
5 to areas that are already covered by an approved master plan.

6 SECTION 2. Chapter 206E, Hawaii Revised Statutes, is
7 amended by adding a new section to part II to be appropriately
8 designated and to read as follows:

9 "§206E- Reserved housing requirement for the Kakaako
10 mauka area. (a) The reserved housing requirement imposed by
11 this section shall apply only to applications for a planned
12 development permit project. The countable floor area of a
13 development on a lot within the Kakaako mauka area shall be
14 developed and made available for reserved housing units for the
15 following land areas:

16 (1) Less than twenty thousand square feet, there shall be
17 no reserved housing requirements;

18 (2) Twenty thousand square feet or more, but less than
19 eighty thousand square feet, the reserved housing
20 requirements for any:

21 (A) Residential building square footage shall be
22 twenty per cent; and



1 (B) Commercial building square footage shall be ten
2 per cent; and

3 (3) Eighty thousand square feet or more, the reserved
4 housing requirement for any:

5 (A) Residential building square footage shall be
6 thirty per cent; and

7 (B) Commercial building square footage shall be
8 twenty per cent.

9 If a developer is issued a temporary or permanent
10 certificate of occupancy pursuant to a planned development
11 permit project containing a reserved housing requirement within
12 five years from the effective date of this Act, the authority
13 shall grant a five per cent density bonus for the planned
14 development permit project for every additional twenty thousand
15 square feet of floor area designated by the authority as
16 reserved housing beyond the minimum reserved housing square
17 footage required by this part; provided that the extra density
18 is used solely for reserved housing units.

19 After five years from the effective date of this Act, each
20 residential and commercial development percentage requirement
21 stated above shall be increased by an additional five per cent
22 of the countable floor area of a development unless the



1 legislature determines there is adequate reserved housing in
2 Kakaako at that time.

3 To achieve a proper balance of commercial and residential
4 uses in the urban core, when a five thousand reserved housing
5 unit inventory in the Kakaako mauka area has been achieved, all
6 reserved housing unit requirements for commercial floor area
7 developments shall terminate.

8 A project that has a building permit and obtains its
9 certificate of occupancy prior to seven years after the
10 effective date of this Act shall use the percentage as of the
11 effective date of this Act.

12 The developer of the development shall divide the floor
13 area required for reserved housing units into, and construct the
14 number, types, and sizes of reserved housing units set by the
15 authority; provided that in lieu of constructing the reserved
16 housing units, the developer may be allowed offsetting credits
17 pursuant to subsection (b). The authority shall establish sale
18 prices or rents to be charged that are affordable to families
19 intended to be served by the reserved housing units. The
20 authority shall also set the number of parking stalls to be
21 assigned to the reserved housing units.



1 (b) For lots of eighty thousand square feet or more, the
2 following flexibility options shall be applicable to allow a
3 developer to offset the reserved housing unit requirements under
4 subsection (a):

5 (1) An additional reserved housing unit requirement credit
6 offset of one-half of one reserved housing unit
7 requirement credit shall apply if a unit remains an
8 affordable rental for twenty years; and

9 (2) If a developer transfers land to the authority or
10 another entity identified by and on terms approved by
11 the authority, the developer shall receive one-half of
12 one reserved housing unit requirement credit for each
13 reserved housing unit developed by the authority or
14 another entity.

15 (c) Notwithstanding any law to the contrary, the for-sale
16 reserved housing units shall remain a reserved housing unit for
17 not less than ten years after the sale; provided that if a
18 purchaser of a reserved housing unit wishes to transfer the
19 title of the reserved housing unit before the ten year period
20 expires, the authority shall have the right of first refusal to
21 purchase the reserved housing unit at a price that shall not
22 exceed the sum of:



- 1 (1) The original purchase price of the reserved housing
2 unit, as defined in rules adopted pursuant to chapter
3 91 by the authority;
- 4 (2) The cost of any improvement made by the purchaser to
5 the reserved housing unit, as defined by rules adopted
6 pursuant to chapter 91 by the authority; and
- 7 (3) Simple interest on the original purchase price of the
8 reserved housing unit and any capital improvement
9 costs paid by the purchaser at the rate of one per
10 cent per year;
- 11 provided that this subsection shall not apply to any reserved
12 housing unit that is developed on private land that has not
13 received any governmental monetary subsidy.
- 14 (d) All reserved housing units developed shall be exempt
15 from all infrastructure assessments and public facilities fees
16 imposed by the authority.
- 17 (e) The authority shall set the types and sizes of
18 amenities, in accordance with any limited amenities requirements
19 as stated in the definition of "reserved housing units", to be
20 included in the reserved housing units and establish sale prices
21 or rents to be charged that are affordable to families intended
22 to be served by the reserved housing units to promote the



1 provision of the reserved housing units. The authority also
2 shall set the number of parking stalls to be assigned to the
3 reserved housing units. The authority may adopt rules providing
4 for a contribution, in lieu of the provision of reserved housing
5 units, of a fee simple assignment of real property within the
6 Kakaako mauka area.

7 (f) Subject to the rules of the authority, reserved
8 housing units shall be built and made available for occupancy
9 prior to or concurrently with the development of the lot that
10 required the provision of the reserved housing units. The
11 authority shall prohibit the issuance of any certificate of
12 occupancy for any of the other uses before the issuance of the
13 certificate of occupancy for all the required reserved housing
14 floor area or units.

15 (g) Any project that provides more reserved housing units
16 or floor area than is required under this section may transfer
17 excess reserved housing unit credits to another project in the
18 Kakaako community development district toward satisfaction of
19 the reserved housing units requirement of that project as
20 follows:

21 (1) \$70,000 for a studio with one bathroom not exceeding
22 five hundred square feet;



- 1 (2) \$90,000 for a one-bedroom with one bathroom not
- 2 exceeding six hundred square feet;
- 3 (3) \$110,000 for a two-bedroom with one bathroom not
- 4 exceeding eight hundred fifty square feet;
- 5 (4) \$120,000 for a two-bedroom with one and one-half
- 6 bathrooms not exceeding nine hundred square feet;
- 7 (5) \$130,000 for a two-bedroom with two bathrooms not
- 8 exceeding one thousand square feet;
- 9 (6) \$135,000 for a three-bedroom with one and one-half
- 10 bathrooms not exceeding one thousand one hundred
- 11 square feet;
- 12 (7) \$140,000 for a three-bedroom with two bathrooms not
- 13 exceeding one thousand two hundred square feet; and
- 14 (8) \$145,000 for a four-bedroom with two bathrooms not
- 15 exceeding one thousand three hundred square feet.

16 The authority shall annually review the amount and price
17 for the transfer of the excess credits and is authorized to
18 increase the amount as deemed necessary; provided that the
19 authority shall consider adjustments in construction costs and
20 changes based on government subsidies received. The terms of
21 the reserved housing unit credits transfer shall be approved by
22 the authority.



1 (h) For the purposes of this section:
2 "Community service use" means any of the following uses:
3 (1) Nursing or convalescent home, nursing facility,
4 assisted living administration, or ancillary assisted
5 living amenities for the elderly or persons with
6 disabilities;
7 (2) Child care, day care, or senior citizen center;
8 (3) Nursery school or kindergarten;
9 (4) Church;
10 (5) Charitable institution or nonprofit organization;
11 (6) Public use;
12 (7) Public utility; or
13 (8) Consulate.
14 "Countable floor area" of a development means the total
15 floor area of every building on the lot of a development, except
16 the floor area developed for the following:
17 (1) Industrial use;
18 (2) Community service use; or
19 (3) Special facility use;
20 provided that the term "industrial use" shall be defined by
21 rules adopted by the authority applicable to the Kakaako



1 community development district as of the effective date of this
2 Act.

3 "Development" means the construction of a new building or
4 other structure on a lot, the relocation of an existing building
5 on another lot, the use of a tract of land for a new use, or the
6 enlargement of an existing building or use.

7 "Floor area":

8 (1) Means the total area of the several floors of a
9 building, including basement but not unroofed areas,
10 measured from the exterior faces of the exterior walls
11 or from the center line of party walls separating
12 portions of a building. The floor area of a building
13 or portion thereof not provided with surrounding
14 exterior walls shall be the usable area under the
15 horizontal projection of the roof or floor above,
16 excluding elevator shafts, corridors, and stairways;
17 and

18 (2) Shall not include the area for parking facilities and
19 loading spaces, driveways, access ways, lanai or
20 balconies of dwelling or lodging units that do not
21 exceed fifteen per cent of the total floor area of the
22 units to which they are appurtenant, attic areas with



1 head room less than seven feet, covered rooftop areas,
2 and rooftop machinery, equipment, and elevator
3 housings on the top of buildings.

4 "Kakaako mauka area" means that portion of the Kakaako
5 community development district established by section 206E-32,
6 that is bound by King street, Piikoi street from its
7 intersection with King street to Ala Moana boulevard, Ala Moana
8 boulevard, exclusive, from Piikoi street to its intersection
9 with Punchbowl street, and Punchbowl street to its intersection
10 with King street.

11 "Lot" means a duly recorded parcel of land that can be
12 used, developed, or built upon as a unit.

13 "Median income" means the median annual income, adjusted
14 for family size, for households in the city and county of
15 Honolulu as most recently established by the United States
16 Department of Housing and Urban Development for the Section 8
17 housing assistance payment program.

18 "Planned development permit" means the permit issued by the
19 authority for new construction developments that are over forty-
20 five feet in height or have a floor area ratio greater than one
21 and one-half.

22 "Reserved housing unit":



- 1 (1) Means a multi-family dwelling unit that is developed
2 for:
- 3 (A) Purchase by a family that:
- 4 (i) Has an income of not more than one hundred
5 forty per cent of the median income; and
- 6 (ii) Complies with other eligibility requirements
7 established by statute or rule; or
- 8 (B) Rent to a family that:
- 9 (i) Has an income of not more than one hundred
10 per cent of the median income; and
- 11 (ii) Complies with other eligibility requirements
12 established by statute or rule;
- 13 (2) Shall be one of the following types of dwelling units:
- 14 (A) Studio with one bathroom, not exceeding five
15 hundred square feet in size;
- 16 (B) One bedroom with one bathroom, not exceeding six
17 hundred square feet in size;
- 18 (C) Two bedrooms with one bathroom, not exceeding
19 eight hundred square feet in size;
- 20 (D) Two bedrooms with one and one-half bathrooms, not
21 exceeding nine hundred square feet in size;



1 (E) Two bedrooms with two bathrooms not exceeding one
2 thousand square feet in size;

3 (F) Three bedrooms with one and one-half bathrooms,
4 not exceeding one thousand one hundred square
5 feet in size;

6 (G) Three bedrooms with two bathrooms, not exceeding
7 one thousand two hundred square feet in size; and

8 (H) Four bedrooms with two bathrooms, not exceeding
9 one thousand three hundred square feet in size;

10 and

11 (3) Shall be a multi-family unit that contains limited
12 amenities and is not included in a central air
13 conditioned building;

14 provided that the reserved housing unit is developed in the
15 Kakaako mauka area.

16 "Special facility use" means a use in a "special facility"
17 as defined under section 206E-181."

18 SECTION 3. Section 206E-4, Hawaii Revised Statutes, is
19 amended to read as follows:

20 "**§206E-4 Powers; generally.** Except as otherwise limited
21 by this chapter, the authority may:

22 (1) Sue and be sued;



- 1 (2) Have a seal and alter the same at pleasure;
- 2 (3) Make and execute contracts and all other instruments
3 necessary or convenient for the exercise of its powers
4 and functions under this chapter;
- 5 (4) Make and alter bylaws for its organization and
6 internal management;
- 7 (5) Make rules with respect to its projects, operations,
8 properties, and facilities, which rules shall be in
9 conformance with chapter 91;
- 10 (6) Through its executive director appoint officers,
11 agents, and employees, prescribe their duties and
12 qualifications, and fix their salaries, without regard
13 to chapter 76;
- 14 (7) Prepare or cause to be prepared a community
15 development plan for all designated community
16 development districts;
- 17 (8) Acquire, reacquire, or contract to acquire or
18 reacquire by grant or purchase real, personal, or
19 mixed property or any interest therein; to own, hold,
20 clear, improve, and rehabilitate, and to sell, assign,
21 exchange, transfer, convey, lease, or otherwise
22 dispose of or encumber the same;



- 1 (9) Acquire or reacquire by condemnation real, personal,
2 or mixed property or any interest therein for public
3 facilities, including [~~but not limited to~~] streets,
4 sidewalks, parks, schools, and other public
5 improvements;
- 6 (10) By itself, or in partnership with qualified persons,
7 acquire, reacquire, construct, reconstruct,
8 rehabilitate, improve, alter, or repair, or provide
9 for the construction, reconstruction, improvement,
10 alteration, or repair of any project; own, hold, sell,
11 assign, transfer, convey, exchange, lease, or
12 otherwise dispose of or encumber any project, and in
13 the case of the sale of any project, accept a purchase
14 money mortgage in connection therewith; and repurchase
15 or otherwise acquire any project [~~which~~] that the
16 authority has [~~theretofore~~] sold or otherwise
17 conveyed, transferred, or disposed of;
- 18 (11) Arrange or contract for the planning, replanning,
19 opening, grading, or closing of streets, roads,
20 roadways, alleys, or other places, or for the
21 furnishing of facilities or for the acquisition of



- 1 property or property rights or for the furnishing of
2 property or services in connection with a project;
- 3 (12) Grant options to purchase any project or to renew any
4 lease entered into by it in connection with any of its
5 projects, on [~~such~~] terms and conditions as it deems
6 advisable;
- 7 (13) Prepare or cause to be prepared plans, specifications,
8 designs, and estimates of costs for the construction,
9 reconstruction, rehabilitation, improvement,
10 alteration, or repair of any project, and from time to
11 time to modify [~~such~~] the plans, specifications,
12 designs, or estimates;
- 13 (14) Provide advisory, consultative, training, and
14 educational services, technical assistance, and advice
15 to any person, partnership, or corporation, either
16 public or private, to carry out the purposes of this
17 chapter, and engage the services of consultants on a
18 contractual basis for rendering professional and
19 technical assistance and advice;
- 20 (15) Procure insurance against any loss in connection with
21 its property and other assets and operations in [~~such~~]



- 1 amounts and from ~~[such]~~ insurers as it deems
- 2 desirable;
- 3 (16) Contract for and accept gifts or grants in any form
- 4 from any public agency or from any other source;
- 5 (17) Do any and all things necessary to carry out its
- 6 purposes and exercise the powers given and granted in
- 7 this chapter; and
- 8 (18) Allow satisfaction of any affordable housing
- 9 requirements imposed by law or the authority upon any
- 10 proposed development project through the construction
- 11 of reserved housing~~[7]~~ units, as defined in section
- 12 ~~[206E-1017]~~ 206E- , by a person on land located
- 13 outside the ~~[geographic boundaries of the authority's~~
- 14 ~~jurisdiction; provided that the authority shall not~~
- 15 ~~permit any person to make cash payments in lieu of~~
- 16 ~~providing reserved housing, except to account for any~~
- 17 ~~fractional unit that results after calculating the~~
- 18 ~~percentage requirement against residential floor space~~
- 19 ~~or total number of units developed. The substituted~~
- 20 ~~housing shall be located on the same island as the~~
- 21 ~~development project and shall be substantially equal~~
- 22 ~~in value to the required reserved housing units that~~

1 ~~were to be developed on site. The authority shall~~
2 ~~establish the following priority in the development of~~
3 ~~reserved housing:~~

4 ~~(A) Within the] lot of the proposed development~~
5 ~~project, but within the same community~~
6 ~~development district;~~

7 ~~[(B) Within areas immediately surrounding the~~
8 ~~community development district;~~

9 ~~(C) Areas within the central urban core;~~

10 ~~(D) In outlying areas within the same island as the~~
11 ~~development project.] provided that the~~

12 ~~prohibitions of section 206E-31.5(2) shall apply.~~

13 The Hawaii community development authority shall
14 adopt rules relating to the approval of reserved
15 housing ~~[that are]~~ units to be developed outside ~~[of a~~
16 ~~community development district. The rules shall~~
17 ~~include, but are not limited to, the establishment of~~
18 ~~guidelines to ensure compliance with the above~~
19 ~~priorities.] the lot of a proposed development~~
20 ~~project, but within the same community development~~
21 ~~district, in accordance with this paragraph."~~



1 SECTION 4. Section 206E-15, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "§206E-15 Residential projects; cooperative agreements.

4 [(a)] If the authority deems it desirable to develop a
5 residential project, it may enter into an agreement with
6 qualified persons to construct, maintain, operate, or otherwise
7 dispose of the residential project. Sale, lease, or rental of
8 dwelling units in the project shall be as provided by [the]
9 rules established by the authority. The authority may enter
10 into cooperative agreements with the Hawaii housing finance and
11 development corporation for the financing, development,
12 construction, sale, lease, or rental of dwelling units and
13 projects.

14 [~~(b)~~] ~~The authority may transfer the housing fees collected~~
15 ~~from private residential developments for the provision of~~
16 ~~housing for residents of low or moderate income to the Hawaii~~
17 ~~housing finance and development corporation for the financing,~~
18 ~~development, construction, sale, lease, or rental of such~~
19 ~~housing within or without the community development districts.~~
20 ~~The fees shall be used only for projects owned by the State or~~
21 ~~owned or developed by a qualified nonprofit organization. For~~
22 ~~the purposes of this section, "nonprofit organization" means a~~



1 ~~corporation, association, or other duly chartered organization~~
2 ~~registered with the State, which organization has received~~
3 ~~charitable status under the Internal Revenue Code of 1986, as~~
4 ~~amended.] "~~

5 SECTION 5. Section 206E-33, Hawaii Revised Statutes, is
6 amended to read as follows:

7 "§206E-33 Kakaako community development district;
8 development guidance policies. The following shall be the
9 development guidance policies generally governing the
10 authority's action in the Kakaako community development
11 district:

12 (1) Development shall result in a community [~~which~~] that
13 permits an appropriate land mixture of residential,
14 commercial, industrial, and other uses. In view of
15 the innovative nature of the mixed use approach, urban
16 design policies should be established to provide
17 guidelines for the public and private sectors in the
18 proper development of this district; while the
19 authority's development responsibilities apply only to
20 the area within the district, the authority may engage
21 in any studies or coordinative activities permitted in
22 this chapter [~~which~~] that affect areas lying outside



1 the district, where the authority in its discretion
 2 decides that those activities are necessary to
 3 implement the intent of this chapter. The studies or
 4 coordinative activities shall be limited to facility
 5 systems, resident and industrial relocation, and other
 6 activities with the counties and appropriate state
 7 agencies. The authority may engage in construction
 8 activities outside of the district; provided that
 9 [~~sueh~~] the construction relates to infrastructure
 10 development or residential or business relocation
 11 activities; provided further, notwithstanding section
 12 206E-7, that [~~sueh~~] the construction shall comply with
 13 the general plan, development plan, ordinances, and
 14 rules of the county in which the district is located;

15 (2) Existing and future industrial uses shall be permitted
 16 and encouraged in appropriate locations within the
 17 district. No plan or implementation strategy shall
 18 prevent continued activity or redevelopment of
 19 industrial and commercial uses [~~which~~] that meet
 20 reasonable performance standards;

21 (3) Activities shall be located [~~se-as~~] to provide primary
 22 reliance on public transportation and pedestrian



- 1 facilities for internal circulation within the
2 district or designated subareas;
- 3 (4) Major view planes, view corridors, and other
4 environmental elements, such as natural light and
5 prevailing winds, shall be preserved through necessary
6 regulation and design review;
- 7 (5) Redevelopment of the district shall be compatible with
8 plans and special districts established for the Hawaii
9 Capital District, and other areas surrounding the
10 Kakaako district;
- 11 (6) Historic sites and culturally significant facilities,
12 settings, or locations shall be preserved;
- 13 (7) Land use activities within the district, where
14 compatible, shall to the greatest possible extent be
15 mixed horizontally, that is, within blocks or other
16 land areas, and vertically, as integral units of
17 multi-purpose structures;
- 18 (8) Residential development may require a mixture of
19 densities, building types, and configurations in
20 accordance with appropriate urban design guidelines [7]
21 and the integration, both vertically and horizontally,
22 of residents of varying incomes, ages, and family



1 groups; [~~and an increased supply of housing for~~
2 ~~residents of low or moderate income may be required as~~
3 ~~a condition of redevelopment in residential use.]~~
4 provided that the reserved housing requirements of
5 section 206E- shall be imposed upon a development
6 when applicable. Residential development shall
7 provide necessary community facilities, such as open
8 space, parks, community meeting places, child care
9 centers, parking stalls consistent with county
10 requirements, and other services, within and adjacent
11 to residential development; and

- 12 (9) Public facilities within the district shall be
13 planned, located, and developed [~~se-as~~] to support the
14 redevelopment policies for the district established by
15 this chapter and plans and rules adopted pursuant to
16 it."

17 SECTION 6. Section 206E-101, Hawaii Revised Statutes, is
18 amended by amending the definition of "reserved housing" to read
19 as follows:

20 ""Reserved housing" means [~~housing designated for residents~~
21 ~~in the low or moderate income ranges who meet such]~~ a reserved
22 housing unit, as defined under section 206E- , developed and



1 made available for purchase by a family that has a household
2 income of not more than one hundred forty per cent of the area
3 median income and that meets other eligibility requirements as
4 the authority may adopt by rule."

5 SECTION 7. The Hawaii community development authority
6 shall adopt new or amend existing rules to implement this Act
7 without regard to the public notice and public hearing
8 requirements of section 91-3, Hawaii Revised Statutes, or the
9 small business impact review requirements of chapter 201M,
10 Hawaii Revised Statutes. The authority shall adopt the rules no
11 later than . Any subsequent amendment of the rules
12 adopted pursuant to this section shall be subject to all
13 applicable provisions of chapters 91 and 201M, Hawaii Revised
14 Statutes.

15 SECTION 8. Any building that has been issued a foundation
16 or building permit or is under construction prior to the
17 effective date of this Act shall not be subject to this Act or
18 rules adopted pursuant to section 7 of this Act; provided that
19 any existing building or building under construction shall not
20 qualify for any excess housing credit provided for in section 2
21 of this Act. The development shall be subject to the laws and
22 rules in effect on the date of the permit application.



1 SECTION 9. (a) Twenty days prior to the convening of the
2 regular session of 2014, the Hawaii community development
3 authority shall submit a report to the legislature, including
4 any proposed legislation, on the status of its reserved housing
5 program in the Kakaako community development district.

6 (b) The report shall set forth:

7 (1) The total number of reserved housing units contained
8 in the Kakaako community development district at the
9 time of the report, broken down with regard to:

10 (A) Size and type of unit;

11 (B) Age group of occupants of the units; and

12 (C) Whether the units were sold or rented;

13 (2) The number of reserved housing units that were
14 provided or are under construction at the time of the
15 report as a result of the requirements of this Act;

16 (3) A recommendation whether the reserved housing
17 requirements contained in this Act should be reduced,
18 remain unchanged, or increased; and

19 (4) Any other information that it deems relevant to its
20 reserved housing program in the Kakaako community
21 development district.



1 SECTION 10. This Act shall apply to the unbuilt portion of
2 a major development within the area of approval of an approved
3 master plan; provided that the developer shall have four years
4 from the effective date of this Act to obtain all necessary
5 building or planned development permits to start construction of
6 a specific building, complete any required grading and
7 infrastructure improvements for the major development, and
8 commence construction of the unbuilt portion of the major
9 development before this Act shall apply; provided further that
10 any portion of the required affordable housing requirement that
11 is completed within the four year period shall be the only
12 portion that shall not be applicable to the new requirements
13 imposed by this Act.

14 SECTION 11. Statutory material to be repealed is bracketed
15 and stricken. New statutory material is underscored.

16 SECTION 12. This Act shall take effect upon its approval.



Report Title:

Kakaako Community Development District, Mauka; Reserved Housing

Description:

Imposes a retroactive reserved housing requirement for residential and commercial planned development permit projects greater than 45 feet in height or containing a floor area ratio greater than 1 1/2 on a lot 20,000 square feet or greater in size in the Kakaako community development district, mauka area. Repeals the use of in-lieu cash payments and substituted housing not located within the Kakaako district. (HB2849 HD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

