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## A BILL FOR AN ACT

RELATING TO LAND USE.

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

1           SECTION 1. The legislature finds that on October 5, 2016,  
2 the Honolulu city council adopted Resolution 16-172, Committee  
3 Draft 1, Floor Draft 1. Resolution 16-172 approved a conceptual  
4 plan for an interim planned development-transit project permit  
5 for the construction of the Manaolana Place hotel and  
6 residential condominium. The project would include the  
7 demolition of five low-rise buildings and the development of a  
8 four hundred-foot-high mixed use tower with one hundred nine  
9 multi-family dwelling units, one hundred twenty-five hotel  
10 units, a hotel lobby, residential activity and park areas, a  
11 ballroom, a pool, a personal services area, four levels of  
12 parking with about two hundred seventy-six parking spaces,  
13 retail and eating establishments, a publically accessible corner  
14 plaza at street level, and other ground-level pedestrian and  
15 right-of-way improvements within one-half mile of the future  
16 transit station in the Ala Moana neighborhood.



1           Resolution 16-172 was precedent-setting because it was the  
2 first interim planned development-transit project permit issued.  
3 It provided the project developer with the option of including  
4 at least twenty affordable rental housing units or contributing  
5 a dollar amount equal to the value of twenty affordable rental  
6 housing units, not to exceed \$3,000,000 to the city and county  
7 of Honolulu housing development special fund. This provision  
8 was established without a clear explanation by the Honolulu city  
9 council of the justification for the in-lieu cash contribution  
10 cap in light of the finding that affordable housing was the top  
11 priority of the community in which the project would be  
12 situated.

13           The legislature further finds that pursuant to Act 130,  
14 Session Laws of Hawaii 2016, the legislature established the  
15 public policy that the State must enhance Oahu's urban  
16 environment and improve the quality of life for residents by  
17 requiring the use of sound smart growth and transit-oriented  
18 development principles to revitalize neighborhoods and increase  
19 affordable housing inventory among other public benefits. Among  
20 other things, Act 130, designated the office of planning as the  
21 lead agency to coordinate and advance smart growth and transit-



1 oriented development planning in the State, and established the  
2 interagency council for transit-oriented development within the  
3 department of business, economic development, and tourism to  
4 coordinate effective and efficient transit-oriented development  
5 planning statewide.

6         Although Act 130 was signed into law on June 29, 2016, and  
7 both the office of planning and the department of business,  
8 economic development, and tourism have taken steps to implement  
9 the new law, Resolution 16-172 was adopted less than four months  
10 after the enactment of Act 130. The legislature finds that both  
11 the office of planning and the department of business, economic  
12 development, and tourism have not had sufficient time to fully  
13 analyze the potential impacts of the Manaolana Place development  
14 project on the current inventory of affordable housing units,  
15 the existing road, the sewer system, and on other pertinent  
16 infrastructure.

17         Accordingly, the purpose of this Act is to establish a  
18 five-year moratorium on the approval of any county permit for  
19 any project proposed in or within one mile of a transit-oriented  
20 development area if the developer substitutes any requirement



1 for the provision of affordable housing with the payment of a  
2 fee.

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

5 "§46-14.5 Land use density and infrastructure; low-income  
6 rental units. (a) Notwithstanding any other law to the  
7 contrary, the counties are authorized to provide flexibility in  
8 land use density provisions and public facility requirements to  
9 encourage the development of any rental 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[-]; provided  
15 that no county may authorize any developer to substitute any  
16 requirement for the provision of affordable housing in  
17 accordance with this section with the payment of a fee if the  
18 development is proposed to be in or within one mile of a  
19 transit-oriented development area, as determined pursuant to  
20 section 225M-2.



1        (b) No permit for any project proposed in or within one  
 2 mile of a transit-oriented development area, as determined  
 3 pursuant to section 225M-2(b)(10), shall be issued if the  
 4 developer substitutes any requirement for the provision of  
 5 affordable housing, in accordance with this section, with the  
 6 payment of a fee."

7        SECTION 3. Statutory material to be repealed is bracketed  
 8 and stricken. New statutory material is underscored.

9        SECTION 4. This Act shall take effect upon its approval  
 10 and shall be repealed on December 31, 2022.

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INTRODUCED BY:

*Calvin H. Ay*  


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*Ray A. ...*  
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 JAN 19 2017



# H.B. NO. 220

**Report Title:**

Land Use; Transit-Oriented Development; Moratorium

**Description:**

Establishes a five-year moratorium on county permit approvals for a project in or within one mile of a transit-oriented development area if the developer substitutes any requirement for the provision of affordable housing with the payment of a fee.

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

