THE SENATE TWENTY-NINTH LEGISLATURE, 2017 STATE OF HAWAII **S.B. NO.** ¹¹⁴⁷ S.D. 1

A BILL FOR AN ACT

RELATING TO HOUSING.

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

1 SECTION 1. The legislature finds that there exists in the State a critical need for the development and construction of 2 affordable housing units. Act 127, Session Laws of Hawaii 2016, 3 established a goal of developing at least 22,500 rental housing 4 5 units ready for occupancy between 2017 and 2026. The legislature further finds that the transit-oriented development 6 associated with the construction of a rail transit system in 7 8 Honolulu has the potential to fulfill this housing goal. Because the State is the largest landowner of properties along 9 10 the rail transit line, the State has the opportunity to utilize 11 its resources to significantly increase the inventory of affordable housing units. 12

13 The legislature additionally finds that Act 130, Session 14 Laws of Hawaii 2016, established an interagency council for 15 transit-oriented development to create a strategic plan that, 16 among other things, identifies financing and prioritizes state 17 financing for the public infrastructure, facility, and service 18 investments required to support transit-oriented development, 2017-1295 SB1147 SD1 SMA-1.doc

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1 mixed use projects, and affordable and rental housing project
2 plans. The legislature also finds that requiring an affordable
3 housing component as part of development and redevelopment of
4 state properties along the rail transit line will not only
5 increase the affordable housing stock, but also support rail
6 ridership goals by locating denser, mixed use developments along
7 the rail transit line.

8 The purpose of this Act is to require the strategic plan 9 developed by the Hawaii interagency council for transit-oriented 10 development to require that affordable housing be included as 11 part of the development or redevelopment plan for any state 12 property located within one-half mile of the Honolulu rail 13 transit system.

SECTION 2. Section 226-63, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

16 "(c) The strategic plan developed by the Hawaii 17 interagency council for transit-oriented development shall:

- 18 (1) Coordinate with the counties on transit-oriented19 development;
- 20 (2) For each county, compile an inventory of state,
 21 county, and private sector transit-oriented



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1		development projects lacking infrastructure,
2		identifying the type of infrastructure each project
3		lacks, and the approximate timeframe when additional
4		capacity is needed;
5	(3)	Prioritize the development of transit-oriented
6		development projects, including mixed use and
7		affordable and rental housing projects, on state
8		lands;
9	(4)	Identify financing and prioritize state financing for
10		the public infrastructure, facility, and service
11		investments required to support transit-oriented
12		development, mixed use, and affordable and rental
13		housing project plans; [and]
14	(5)	Encourage and promote partnerships between public and
15		private entities to identify, renovate, and secure
16		affordable housing options on state lands within
17		county-designated transit-oriented development areas
18		or within a [one] <u>one-half mile</u> radius of public
19		transit stations, if a county has not designated
20		transit-oriented development zones [-]; and

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1	(6)	Require that every development or redevelopment plan
2		or any state property located within one-half mile c
3		he Honolulu rail transit system include housing unit
4		with at least thirty per cent as follows:
5		A) Ten per cent reserved for residents with an
6		income less than or equal to thirty per cent of
7		the area median income;
8		B) Ten per cent reserved for residents with an
9		income greater than thirty per cent but less tha
10		or equal to sixty per cent of the area medium
11		income; and
12		C) Ten per cent reserved for residents with an
13		income greater than sixty per cent but less than
14		or equal to eighty per cent of the area medium
15		income;
16		nless the council determines that housing is not
17		easible or desirable on a particular property;
18		provided that a developer may build less than the
19		required percentages of affordable housing under this
20		paragraph at a rail station if the developer builds

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1	additional housing units at another rail station to
2	offset that reduction."
3	SECTION 3. Statutory material to be repealed is bracketed
4	and stricken. New statutory material is underscored.
5	SECTION 4. This Act shall take effect on January 1, 2020.
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Report Title:

Interagency Council for Transit-oriented Development; Development or Redevelopment Plans; State Lands; Affordable Housing

Description:

Requires the strategic plan developed by the Hawaii interagency council for transient-oriented development to require that affordable housing be included as part of the development or redevelopment plan for any state property located within onehalf mile of the Honolulu rail transit system, unless the council determines that housing is not feasible or desirable on a particular property. Requires every development or redevelopment plan to include housing with thirty per cent reserved for graduated area medium incomes. Allows a developer to build less housing units than required at a rail station if the developer builds additional housing at another rail station to offset the reduction. Takes effect 1/1/2020. (SD1)

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