
HOUSE CONCURRENT RESOLUTION

URGING THE HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION TO LOWER AFFORDABLE UNIT INCOME ELIGIBILITY THRESHOLDS AND TO STUDY INCREASING THE MINIMUM PERCENTAGE OF AFFORDABLE HOUSING UNITS REQUIRED IN HOUSING PROJECTS AND CAPPING ALLOWABLE ZONING EXEMPTIONS FOR THOSE PROJECTS.

1 WHEREAS, chapter 201H, Hawaii Revised Statutes, established
2 the Hawaii Housing Finance and Development Corporation to serve
3 as the State of Hawaii's housing finance and development agency;
4 and

5
6 WHEREAS, the Hawaii Housing Finance and Development
7 Corporation is authorized to, on its own behalf or with an
8 eligible developer, develop fee simple or leasehold property,
9 construct dwelling units thereon, and sell, lease, or rent the
10 dwelling units at the lowest possible price to qualified
11 residents, nonprofit organizations, or governmental agencies;
12 and

13
14 WHEREAS, pursuant to section 201H-38, Hawaii Revised
15 Statutes, the Hawaii Housing Finance and Development Corporation
16 may develop affordable housing projects that are exempt from all
17 statutes, ordinances, charter provisions, and rules of any
18 government agency relating to planning, zoning, construction
19 standards for subdivisions, development and improvement of land,
20 and the construction of dwelling units thereon if the council of
21 the county in which the project is situated approves the
22 project, with or without modifications; and

23
24 WHEREAS, county councils have approved valuable financial
25 incentives for eligible projects, including waiver or deferral
26 of plan review fees, building permit fees, grading and grubbing
27 permit fees, wastewater system facility charges, water system



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1 facility fees, park dedication requirements, and height
2 restrictions; and

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4 WHEREAS, the State must balance the significant need for
5 more housing, and the exemptions to the various construction
6 requirements enacted to help provide more housing, with the
7 competing interests of current residents desiring to retain the
8 character of their neighborhoods, not increase congestion, keep
9 street parking availability, and refrain from overloading the
10 sewer and water infrastructure; and

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12 WHEREAS, the Hawaii Housing Finance and Development
13 Corporation establishes a maximum income limit at one hundred
14 forty percent of the applicable area median income, which for
15 urban Honolulu was \$182,440 for a family of four in 2022, for
16 priority to purchase affordable dwelling units and the same
17 income amount for eligibility to rent corporation-owned dwelling
18 units; and

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20 WHEREAS, in the City and County of Honolulu, at least
21 fifty-one percent of the units in projects with more than thirty
22 units must be set at rents or sale prices at amounts affordable
23 for low- and moderate-income households as follows:

24

25 (1) Twenty percent of the units in an eligible project
26 must be set aside for households earning annual
27 incomes of less than eighty percent of the area median
28 income for the Honolulu Metropolitan Statistical Area,
29 which was \$104,500 for a family of four in 2022; and

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31 (2) Thirty-one percent of the units in an eligible project
32 must be set aside for households earning annual
33 incomes of eighty-one percent to one hundred twenty
34 percent of the area median income for the Honolulu
35 Metropolitan Statistical Area, which was \$104,500 to
36 \$156,700 for a family of four in 2022; and

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38 WHEREAS, in the City and County of Honolulu, affordable
39 dwelling units must remain affordable for at least thirty years;
40 now, therefore,

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1 BE IT RESOLVED by the House of Representatives of the
2 Thirty-second Legislature of the State of Hawaii, Regular
3 Session of 2023, the Senate concurring, that the Hawaii Housing
4 Finance and Development Corporation is requested to lower the
5 maximum income levels to qualify for affordable rentals under
6 section 201H, Hawaii Revised Statutes, to reflect qualifications
7 that mirror those of the City and County of Honolulu as follows:
8

- 9 (1) For twenty percent of the units in an eligible
10 project, decrease the maximum income from one hundred
11 twenty percent of the area median income to eighty
12 percent of the area median income; and
13
- 14 (2) For thirty-one percent of the units in an eligible
15 project, decrease the maximum income from one hundred
16 twenty percent of the area median income to a range of
17 eighty percent to one hundred twenty percent of the
18 area median income; and
19

20 BE IT FURTHER RESOLVED that the Hawaii Housing Finance and
21 Development Corporation is requested to:
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- 23 (1) Study the viability of increasing the minimum
24 percentage of units in a project that a developer must
25 set aside for low- and moderate-income households to
26 qualify for an exemption under chapter 201H, Hawaii
27 Revised Statutes; and
28
- 29 (2) Study the viability of developing a mechanism to cap
30 or limit the amount of exemptions an eligible project
31 under chapter 201H, Hawaii Revised Statutes, that may
32 be granted for zoning, including height and floor area
33 ratio, so that the eligible projects do not destroy
34 the neighborhood fabric that is normally guaranteed by
35 carefully considered, long-range plans with the
36 communities, interfere with the zoning that implements
37 these plans, or overwhelm the infrastructure tailored
38 to what zoning allows; and
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40 BE IT FURTHER RESOLVED that the Hawaii Housing Finance and
41 Development Corporation is requested to submit a report of its
42 findings, recommendations, and proposed legislation, if any,



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1 resulting from the study and the proposed mechanism to the
2 Legislature no later than twenty days prior to the convening of
3 the Regular Session of 2024; and
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5 BE IT FURTHER RESOLVED that certified copies of this
6 Concurrent Resolution be transmitted to the Governor and
7 Executive Director of the Hawaii Housing Finance and Development
8 Corporation.
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OFFERED BY



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