
HOUSE 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
28 facility fees, park dedication requirements, and height
29 restrictions; and
30



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

8
9 WHEREAS, the Hawaii Housing Finance and Development
10 Corporation establishes a maximum income limit at one hundred
11 forty percent of the applicable area median income, which for
12 urban Honolulu was \$182,440 for a family of four in 2022, for
13 priority to purchase affordable dwelling units and the same
14 income amount for eligibility to rent corporation-owned dwelling
15 units; and

16
17 WHEREAS, in the City and County of Honolulu, at least
18 fifty-one percent of the units in projects with more than thirty
19 units must be set at rents or sale prices at amounts affordable
20 for low- and moderate-income households as follows:

- 21
22 (1) Twenty percent of the units in an eligible project
23 must be set aside for households earning annual
24 incomes of less than eighty percent of the area median
25 income for the Honolulu Metropolitan Statistical Area,
26 which was \$104,500 for a family of four in 2022; and
27
28 (2) Thirty-one percent of the units in an eligible project
29 must be set aside for households earning annual
30 incomes of eighty-one percent to one hundred twenty
31 percent of the area median income for the Honolulu
32 Metropolitan Statistical Area, which was \$104,500 to
33 \$156,700 for a family of four in 2022; and
34

35 WHEREAS, in the City and County of Honolulu, affordable
36 dwelling units must remain affordable for at least thirty years;
37 now, therefore,

38
39 BE IT RESOLVED by the House of Representatives of the
40 Thirty-second Legislature of the State of Hawaii, Regular
41 Session of 2023, that the Hawaii Housing Finance and Development
42 Corporation is requested to lower the maximum income levels to



1 qualify for affordable rentals under section 201H, Hawaii
2 Revised Statutes, to reflect qualifications that mirror those of
3 the City and County of Honolulu as follows:

- 4
- 5 (1) For twenty percent of the units in an eligible
6 project, decrease the maximum income from one hundred
7 twenty percent of the area median income to eighty
8 percent of the area median income; and
9
 - 10 (2) For thirty-one percent of the units in an eligible
11 project, decrease the maximum income from one hundred
12 twenty percent of the area median income to a range of
13 eighty percent to one hundred twenty percent of the
14 area median income; and
15

16 BE IT FURTHER RESOLVED that the Hawaii Housing Finance and
17 Development Corporation is requested to:

- 18
- 19 (1) Study the viability of increasing the minimum
20 percentage of units in a project that a developer must
21 set aside for low- and moderate-income households to
22 qualify for an exemption under chapter 201H, Hawaii
23 Revised Statutes; and
24
 - 25 (2) Study the viability of developing a mechanism to cap
26 or limit the amount of exemptions an eligible project
27 under chapter 201H, Hawaii Revised Statutes, that may
28 be granted for zoning, including height and floor area
29 ratio, so that the eligible projects do not destroy
30 the neighborhood fabric that is normally guaranteed by
31 carefully considered, long-range plans with the
32 communities, interfere with the zoning that implements
33 these plans, or overwhelm the infrastructure tailored
34 to what zoning allows; and
35

36 BE IT FURTHER RESOLVED that the Hawaii Housing Finance and
37 Development Corporation is requested to submit a report of its
38 findings, recommendations, and proposed legislation, if any,
39 resulting from the study and the proposed mechanism to the
40 Legislature no later than twenty days prior to the convening of
41 the Regular Session of 2024; and
42



H.R. NO. //

1 BE IT FURTHER RESOLVED that certified copies of this
2 Resolution be transmitted to the Governor and Executive Director
3 of the Hawaii Housing Finance and Development Corporation.
4
5
6

OFFERED BY: _____



FEB 21 2023

