

SUMMARY OF PROPOSED COMMITTEE DRAFT:

Bill 19 (2024), FD1 RELATING TO HOUSING

The PROPOSED CD1 makes the following amendments:

- A. Adds a new SECTION 3, which amends ROH § 29-1.4 by removing the option for developers to satisfy the City's affordable housing requirement by producing for-sale affordable dwelling units that must remain affordable for 30 years. Further amends ROH § 29-1.4 by increasing the length of time that for-sale affordable dwelling units must remain affordable by an additional five years. Renumbers subsequent SECTIONS as appropriate.
- B. Makes miscellaneous technical and nonsubstantive amendments.



HONOLULU CITY COUNCIL
KE KANIHELA O KE KALANA O HONOLULU
CITY AND COUNTY OF HONOLULU

ORDINANCE _____

BILL **19 (2024), FD1, CD1**

PROPOSED

A BILL FOR AN ORDINANCE

RELATING TO HOUSING.

BE IT ORDAINED by the People of the City and County of Honolulu:

SECTION 1. Purpose. The purpose of this ordinance is to address housing in the City and County of Honolulu ("City"), including establishing a resident preference in the City's housing programs.

SECTION 2. Chapter 1, Revised Ordinances of Honolulu 2021 ("General Provisions"), is amended by adding a new article to be appropriately designated by the Revisor of Ordinances and to read as follows:

"ARTICLE __: RESIDENT PREFERENCE IN CITY HOUSING PROGRAMS

§ 1-__.1 Purpose.

This article establishes a preference for city residents who participate in various housing programs offered by the city, to the extent allowed by law.

§ 1-__.2 Definitions.

For the purposes of this article, the following definition applies unless the context clearly indicates or requires a different meaning.

City Resident. Any individual who is a full-time resident of the city, consistent with "residency" as that term is defined in HRS § 235-1 and HRS § 11-13, and as demonstrated by evidence satisfactory to the director of an agency designated by the mayor or the director's authorized representative.

§ 1-__.3 Policy Preference.

It is the policy of the city to ensure that every program or initiative that promotes or is intended to promote the provision of housing, and that was created, developed, implemented, administered, required, supervised, managed, or guided by the city must, to the greatest extent allowable under law, include a preference for city residents. This policy installs only a preference for city residents and does not exclude non-city residents from such programs or initiatives. This preference must be construed broadly to effect the intended purpose of installing the aforementioned preference.



HONOLULU CITY COUNCIL
KE KANIHELA O KE KALANA O HONOLULU
CITY AND COUNTY OF HONOLULU

ORDINANCE _____

BILL **19 (2024), FD1, CD1**

A BILL FOR AN ORDINANCE

§ 1-___.4 Rules.

The department or agency designated by the mayor to implement this article may adopt rules, pursuant to HRS Chapter 91, to implement this article."

SECTION 3. Section 29-1.4, Revised Ordinances of Honolulu 2021 ("Affordable housing requirement"), is amended by amending subsection (a) to read as follows:

- "(a) The affordable housing requirements set forth in Table 29-1.4 of this subsection apply to all projects subject to this chapter pursuant to § 29-1.3. The requirements must be met by satisfying one or a combination of the options in this section subject to the director's approval. If a combination of options is used, the declarant shall designate the proportionate share of the affordable housing requirement that each option will fulfill, and the sum of the proportionate shares must equal or exceed one. Fulfillment of the requirement may account for varying unit sizes, lower income ranges, rounding, or other factors, subject to the director's approval, as established in rules adopted pursuant to § 29-1.11. Affordable for-sale dwelling units must be owner occupied.



HONOLULU CITY COUNCIL
KE KANIHELA O KE KALANA O HONOLULU
CITY AND COUNTY OF HONOLULU

ORDINANCE _____

BILL **19 (2024), FD1, CD1**

A BILL FOR AN ORDINANCE

TABLE 29-1.4 AFFORDABLE HOUSING REQUIREMENT PROVISIONS, AS A PERCENTAGE OF THE TOTAL NUMBER OF DWELLING UNITS IN THE PRINCIPAL PROJECT				
Principal Project Location	For Sale ¹ or For Rental ²	On-Site Production ³	Off-Site Production ³	Conveyance of Land
The following requirements take effect on April 3, 2018.				
IPD-T projects, PD-T projects, or TOD special district projects seeking bonus height or density, or both ⁴	For Sale	30 percent ⁵	[30 percent^{8,5}] 30 percent ^{7,5}	[Conveyance of land ¹²] Conveyance of land ¹¹
			[35 percent^{9,5}] 35 percent ^{8,5}	
		20 percent ⁶	[20 percent^{8,6}] 20 percent ^{7,6}	
			[25 percent^{9,6}] 25 percent ^{8,6}	
		[10 percent ⁷]	[40 percent^{8,7}]	
	[45 percent^{9,7}]			
For Rental	15 percent			
All areas, excluding IPD-T projects, PD-T projects, or TOD special district projects seeking bonus height or density, or both	For Sale	15 percent ⁵	[15 percent^{10,5}] 15 percent ^{9,5}	[Conveyance of land ¹²] Conveyance of land ¹¹
			[20 percent^{11,5}] 20 percent ^{10,5}	
		10 percent ⁶	[10 percent^{10,6}] 10 percent ^{9,6}	
			[15 percent^{11,6}] 15 percent ^{10,6}	
		[5 percent ⁷]	[5 percent^{10,7}]	
	[10 percent^{11,7}]			
For Rental	5 percent			
(1)	For-sale affordable dwelling units must be sold to households earning 120 percent and below of the AMI. At least one-half of those units must be sold to households earning 100 percent and below of the AMI.			
(2)	For-rental affordable dwelling units must be rented to households earning 80 percent and below of the AMI.			



HONOLULU CITY COUNCIL
KE KANIHELA O KE KALANA O HONOLULU
CITY AND COUNTY OF HONOLULU

ORDINANCE _____

BILL **19 (2024), FD1, CD1**

A BILL FOR AN ORDINANCE

TABLE 29-1.4 AFFORDABLE HOUSING REQUIREMENT PROVISIONS, AS A PERCENTAGE OF THE TOTAL NUMBER OF DWELLING UNITS IN THE PRINCIPAL PROJECT				
Principal Project Location	For Sale ¹ or For Rental ²	On-Site Production ³	Off-Site Production ³	Conveyance of Land
(3)	Any on-site or off-site affordable dwelling unit provided through substantial rehabilitation will count as one unit.			
(4)	The affordable housing requirements for IPD-T projects, PD-T projects, or TOD special district projects seeking bonus height or density, or both, are base affordable housing requirements. If affordable dwelling units are being provided as a community benefit to justify increased height or density, or both, the affordable dwelling units being provided as a community benefit must be in addition to the base affordable housing requirements for IPD-T, PD-T, or TOD special district projects.			
(5)	For-sale affordable dwelling units must remain affordable for not less than [five] <u>10</u> years after the date when the unit is initially sold to a qualified buyer.			
(6)	For-sale affordable dwelling units must remain affordable for not less than [40] <u>15</u> years after the date when the unit is initially sold to a qualified buyer.			
[(7)]	For sale affordable dwelling units must remain affordable for not less than 30 years after the date when the unit is initially sold to a qualified buyer.			
(8)] <u>(7)</u>	Applies to off-site production of affordable housing that is located within the same rail transit station area as the principal project.			
[(9)] <u>(8)</u>	Applies to off-site production of affordable housing that is located outside of <u>the</u> rail transit station area in which the principal project is located.			
[(10)] <u>(9)</u>	Applies to off-site production of affordable housing that is located within the same rail transit station area as the principal project; or, if the principal project is not located in a rail transit station area, the off-site production of affordable housing that is located within the same development plan area as the principal project.			
[(11)] <u>(10)</u>	Applies to off-site production of affordable housing that is located outside of <u>the</u> rail transit station area in which the principal project is located; or, if the principal project is not located in a rail transit station area, the off-site production of affordable housing that is located outside of the development plan area in which the principal project is located.			
[(12)] <u>(11)</u>	The appraised value of the real property conveyed must, at a minimum, be equal to an amount that will be established and may be periodically adjusted by rules adopted by the director pursuant to [Section] <u>§</u> 29-1.11.			

SECTION 4. Ordinance material to be repealed is bracketed and stricken. New ordinance material is underscored. When revising, compiling, or printing this ordinance for inclusion in the Revised Ordinances of Honolulu, the Revisor of Ordinances need not



HONOLULU CITY COUNCIL
KE KANIHELA O KE KALANA O HONOLULU
CITY AND COUNTY OF HONOLULU

ORDINANCE _____

BILL **19 (2024), FD1, CD1**

A BILL FOR AN ORDINANCE

include the brackets, the material that has been bracketed and stricken, or the underscoring.

SECTION 5. This ordinance takes effect upon its approval.

INTRODUCED BY:

Tyler Dos-Santos Tam

Radiant Cordero

DATE OF INTRODUCTION:

March 15, 2024
Honolulu, Hawai'i

Councilmembers

APPROVED AS TO FORM AND LEGALITY:

Deputy Corporation Counsel

APPROVED this _____ day of _____, 20 _____.

RICK BLANGIARDI, Mayor
City and County of Honolulu

Report Title:

Housing; Resident Preference; Affordable Rental Housing Projects Rates; For-Sale Affordable Dwelling Units; Duration of Affordability Requirements

Description:

Establishes a resident preference policy for City housing programs. Authorizes the department or agency designated by the Mayor to adopt administrative rules to implement the policy. Removes the option for developers to satisfy the City's affordable housing requirements by producing affordable housing that must remain affordable for 30 years. Increases the length of time that for-sale affordable dwelling units must remain affordable by an additional five years.

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