BILL005(26)
Testimony

MISC. COMM. 59

*ZONING & PLANNING (ZON)

***ZONING & PLANNING (ZON) Meeting**

Meeting Date: Feb 5, 2026 @ 09:00 AM

Support: 4

Oppose: 0

I wish to comment: 0

Name:	Email:	Zip:
Stefanie Sakamoto	ssakamoto@imanaka-asato.com	96789
Representing:	Position:	Submitted:
BIA Hawaii	Support	Feb 3, 2026 @ 03:41 PM

Name:	Email:	Zip:
Martin Nguyen	martin@centre-urban.com	96815
Representing:	Position:	Submitted:
Centre Urban Real Estate	Support	Feb 3, 2026 @ 04:27 PM

Name:	Email:	Zip:
Ted Kefalas	tkefalas@grassrootinstitute.org	96813
Representing:	Position:	Submitted:
Grassroot Institute of Hawaii	Support	Feb 4, 2026 @ 07:08 AM

Name:	Email:	Zip:
Perry Arrasmith	perry@hawaiisfuture.org	96797
Representing:	Position:	Submitted:
Housing Hawai‘i's Future	Support	Feb 4, 2026 @ 10:44 PM

HONOLULU CITY COUNCIL
Committee on Zoning & Planning
HONOLULU HALE
9:00 AM

February 5, 2026

Subject: Bill 5 - Relating to Development Standards in Apartment and Apartment Mixed Use Districts

Chair Kiaaina, Vice Chair Waters, and members of the Council::

My name is Roseann Freitas, CEO of the Building Industry Association of Hawaii (BIA-Hawaii). Chartered in 1955, the Building Industry Association of Hawaii is a professional trade organization affiliated with the National Association of Home Builders, representing the building industry and its associates. BIA-Hawaii takes a leadership role in unifying and promoting the interests of the industry to enhance the quality of life for the people of Hawaii. Our members build the communities we all call home.

BIA-Hawaii is in support of Bill 5, Relating to Development Standards in Apartment and Apartment Mixed Use Districts. At its core, this measure represents an effort to ensure that zoning regulations in areas already designated for residential growth better support the development of housing. As Honolulu continues to face a significant housing shortage, especially for local working families, policies that improve the ability to build homes in appropriate urban locations are both timely and necessary.

BIA Hawaii supports the general concept behind this bill: aligning development standards with the City's housing goals. Apartment and Apartment Mixed-Use districts are intended to accommodate higher-density residential living, often near jobs, services, and transit. When standards in these districts are modernized and made more workable, it becomes more feasible to move housing projects from the planning phase to construction.

We appreciate the opportunity to provide our comments on this matter.

CENTRE URBAN
REAL ESTATE

Martin M. Q. Nguyen, MRED
Managing Principal
CA DRE #02074177
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February 3, 2026

The Honorable Esther Kiaʻāina
Committee on Zoning & Planning
Honolulu City Council
530 South King Street
Honolulu, Hawaii 96813

RE: TESTIMONY IN SUPPORT OF BILLS 5 AND 6 (2026) – RELATING TO THE DEVELOPMENT STANDARDS FOR THE APARTMENT AND APARTMENT MIXED-USE DISTRICTS

Aloha Chair Kiaʻāina, Vice Chair Waters, and Committee Members,

I am submitting testimony in my capacity as principal of Centre Urban Real Estate in **SUPPORT** of Bills 5 and 6 (2026) relating to the development standards for the Apartment and Apartment Mixed-use districts. Centre Urban is a commercial real estate investment, development, and advisory firm active in Honolulu and Southern California, with a specific focus on impactful multifamily and mixed-use projects.

We are currently working on creating housing under ROH Chapter 32, otherwise known as "Bill 7", which is a preeminent example of common-sense collaboration between the public and private sectors to solve one of the most pressing issues of our generation: creating more housing. Our current pipeline include two projects in Waikīkī, totaling 72 kamaʻāina housing units. However, it is important to note that the primary reason why development programs like 201H and ROH Chapter 32 exist is because the LUO does not allow for the by-right construction of moderate-sized housing that would be most impactful in keeping kamaʻāina home. Every day that potential housing is delayed is another day where more and more of our neighbors are moving away, some who will never return to Hawaiʻi.

Bills 5 and 6 would revise development standards so that one can meet in the middle with **moderate** FAR between 2.0 and 4.0 to encourage **modest** development of 50-75'/ 4 to 7 stories in areas where it fits the existing built environment. This would likely make the biggest dent in the natural development of more housing. The key objective is to allow the **by-right** development of housing in the areas of Honolulu that have existing structures with similar densities, such as the Apartment and Apartment Mixed-Use districts. This will naturally allow the development of more moderate, human-scaled housing projects and limit the instances of "monster homes" in residential zoned areas.

In my earlier testimony to the City Council and Planning Commission, I highlighted the disconnect in the current LUO standards: if one were to seek to develop a >40,000 square foot A-2 lot in town – effectively accomplishing the near-impossible task of assembling eight contiguous urban Honolulu lots - the maximum FAR allowed would be 1.9, which is for all intents and purposes an approximately 2 or 3-story building. Practically speaking, most individual A-2 lots are 5,000 square feet – 50 by 100 feet - which would result in a maximum FAR of 0.85, which is effectively a 1-story building. However, in either instance that same lot would at the same time have a height limit of 150'.

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This is a comically large disconnect between the key guiding metrics of the current LUO development standards. As such, anyone seeking to do any meaningful housing project would be required to seek variances, zoning change, or seek approval as a Planned Development or 201H project – all extensive, expensive, and complicated processes. Natural, by-right housing development at the scale needed for our community will simply not occur under the current LUO. As a rough illustration of the lopsidedness in the current LUO development standards for Apartment and Apartment Mixed-use districts we've prepared the table below with our high-level approximations:

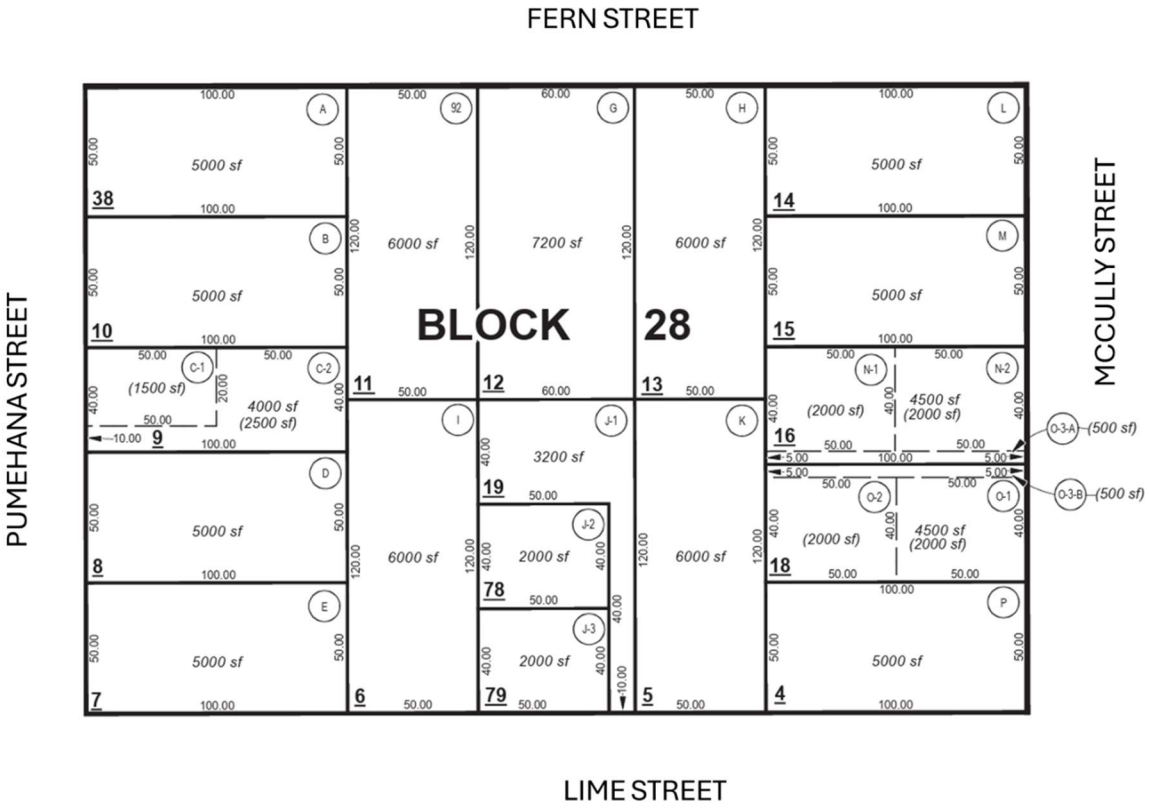
Honolulu Land Use Ordinance (LUO) Housing Element

	Lot Size	FAR	Potential Floors per FAR	Height Limits	Height per ZM	Potential Floors per Height
A-1 & AMX-1	5,000	0.45	1 Story	30	N/A	2-3 Stories
	10,000	0.60	1 Story	30	N/A	2-3 Stories
	40,000	0.90	1 Story	30	N/A	2-3 Stories
A-2 & AMX-2	5,000	0.85	1 Story	Zoning Map	40-150	4 to >10 Stories
	10,000	1.30	2 Stories	Zoning Map	40-150	4 to >10 Stories
	40,000	1.90	2-3 Stories	Zoning Map	40-150	4 to >10 Stories
A-3 & AMX-3	5,000	1.30	2 Stories	Zoning Map	100-350	10 to >30 Stories
	10,000	2.00	3 Stories	Zoning Map	100-350	10 to >30 Stories
	20,000	2.40	3-4 Stories	Zoning Map	100-350	10 to >30 Stories
	40,000	2.80	4-6 Stories	Zoning Map	100-350	10 to >30 Stories
B-1	N/A	1.00	1-2 Stories	40	N/A	3-4 Stories
B-2	N/A	3.50	5-8 Stories	Zoning Map	60-150	6 to >10 Stories
BMX-3	N/A	3.50	5-8 Stories	Zoning Map	60-350	6 to >30 Stories
BMX-4	N/A	7.50	>15 Stories	Zoning Map	~450	>40 Stories

I want to commend the City Council and the DPP for tackling this issue head-on. Both bills propose elements that individually improves the LUO but certain positive elements together could make a meaningful dent in the housing crisis. The proposed revisions keep growth within the framework of the General Plan, Development Plans, and TOD plans, and focuses capacity where infrastructure and services already exist.

My one requested refinement concerns the **minimum lot width / dimension** standard in Bill 6. As proposed, Bill 6 would set a uniform 60-foot minimum lot dimension in the Apartment and Apartment Mixed-Use districts. While I appreciate the intent - to ensure enough frontage for driveways, utilities, landscaping, and multimodal improvements - this threshold is slightly out of alignment with the historic urban fabric of Honolulu, where the predominant lot pattern in many A and AMX areas is **50 feet wide**.

I've included a sample plat map of an A-2 zoned block located in McCully below for visual reference:



In this one sample block of A-2 zoned parcels in the heart of town, made up of approximately twenty lots, **only one parcel** would satisfy a 60-foot minimum lot width requirement. As such, in practice, retaining a 60-foot minimum lot width will mean that housing development on many existing 50-foot lots in urban Honolulu will not be considered "by right" and would discourage owners of those lots from reinvesting in housing in a way that is needed to address the housing crisis. Reducing the minimum lot dimension in Bill 6 from 60 feet to 45 or 50 feet, as proposed in Bill 5, would:

- Align the LUO's dimensional standards with the reality of existing parcelization in older urban neighborhoods;
- Put the new FAR entitlements within reach of the many small and mid-sized local property owners who hold 50-foot lots, rather than limiting opportunities to larger land assemblages; and,
- Maintain the ability for the City and County to achieve its "complete streets" and green infrastructure goals, while still allowing reasonable driveway and frontage design on typical urban lots - through driveway width controls, shared access, or alley/frontage road solutions where available.

In other words, a 45 or 50-foot minimum width standard - as proposed in Bill 5 - would preserve nearly all of the policy benefits of Bill 6, while materially expanding the number of realistic, by-right housing opportunities in the very neighborhoods the City is seeking to strengthen.

I personally believe updating the LUO will be most consequential pieces of local legislation in our lifetimes. Bills 5 and 6 are critical steps in that direction, and a 50-foot minimum width would ensure that the benefits of this reform are accessible to the many small and mid-sized property owners whose 50-foot lots define much of urban Honolulu. Holistically, this would impactfully address the current LUO lopsidedness by implementing simple FAR standards and doing away with a complicated calculation system that rewarded only those well off enough to accumulate and assemble large amounts of land.

Mahalo for the opportunity to provide testimony and for your ongoing work to modernize our land use framework. If there are any questions or concerns, please reach me at martin@centre-urban.com to discuss.

Sincerely,



Martin M. Q. Nguyen, MRED
Managing Principal
Centre Urban Real Estate Hawaii, LLC

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Removing barriers to Hawaii's prosperity

Feb. 5, 2026, 9 a.m.
Honolulu Hale

To: Honolulu City Council Committee on Zoning & Planning
Esther Kiaʻāina, Chair
Tommy Waters, Vice Chair

From: Grassroot Institute of Hawaii
Ted Kefalas, Director of Strategic Campaigns

RE: Bill 5 (2026) and Bill 6 (2026) — RELATING TO DEVELOPMENT STANDARDS IN THE APARTMENT AND APARTMENT MIXED-USE DISTRICTS

Aloha Chair Kiaʻāina, Vice Chair Waters and other members of the Committee,

The Grassroot Institute of Hawaii **supports** — and **offers amendments** to — Bill 5 (2026) and Bill 6 (2026), both of which would amend development standards for the apartment and apartment mixed-use zoning districts.

Grassroot believes these bills could unlock a range of new housing opportunities for Honolulu residents and would result in more plentiful, affordable housing.

In particular, both would reduce the minimum lot sizes for these districts and increase floor-area ratios. The floor-area ratio for a property is currently calculated using a complicated formula tied to the size of the lot and the zoning district. Table 1 below shows the current maximum FARs by zoning district compared to the new ratios proposed in the bills.

Table 1: Current and proposed maximum floor-area ratios

Zone	Maximum current FAR	Proposed residential FAR
A-1, AMX-1	0.9	2.0
A-2, AMX-2	1.9	3.0
A-3, AMX-3	2.8	4.0

A greater floor-area ratio means more building square footage can be built on a parcel. Increasing these ratios is critical because Honolulu needs more housing units. According to the 2019 Hawaii Housing Planning study, Honolulu needed 22,168 new units between 2020 and 2025.[1] A 2024 update to the Hawaii housing planning study estimated that Honolulu needs 27,710 new units built between 2023 and 2027 to meet demand.[2]

For homebuilders to justify buying a property and replacing aging buildings, they must be sure the project can be profitable.

Grassroot analyzed the potential impact of this bill by identifying apartment and apartment mixed-use parcels that have buildings 50 years old or older, none of which is designated as a condominium unit.[3] We identified 1,230 such parcels in the A-1, A-2, A-3 and AMX-2 zones, and the results are shown in Table 2.

Table 2: Current actual and legal average floor-area ratios

Zone	Count of parcels	Average actual FAR	Average max. FAR	Proposed FAR
A-1	185	0.28	0.46	2.0
A-2	994	0.26	1.31	3.0
A-3	27	0.23	1.31	4.0
AMX-2	24	0.28	0.92	3.0

Increasing the allowable floor-area ratios could move some projects from questionably to realistically profitable. Consider a 10,000-square-foot A-2 lot where a 1,500-square-foot, 70-year-old single-family home now sits. The land value of that property could easily be $1 million.

If a homebuilder acquired that property, current FAR limits would allow up to 13,000 square feet of building area,[4] with a land cost per square foot of $79.

On the other hand, increasing the allowable FAR for that parcel to 3.0 would increase the amount of building area to 30,000, which would lower the land cost per square foot to $33 — a more than 50% reduction that could help the project pencil out.

[1] "Hawai'i Housing Planning Study, 2019," prepared for the Hawai'i Housing Finance and Development Corporation by SMS Research and Marketing Services, Inc., December 2019, p. 56.
[2] "Hawaii Housing Planning Study 2024," prepared by SMS Research and Marketing Services, Inc., FSR Consulting LLC and Ward Research, Inc. for the Hawai'i Housing Finance and Development Corporation, Table 39A, p. 124.
[3] Data from Hawaii Information Service's Multiple Listing Service, which requires a subscription to access. Reviewed tax year 2024 parcels with condominiums and properties without year built information excluded.
[4] Calculated by multiplying the lot size (10,000 square feet) by the current A-2 FAR calculation (FAR = 0.00002 x lot area + 1.1).

Although both bills would improve the financial feasibility of infill projects, there are minor differences between them that are worth noting:

>> Each bill would reduce the minimum lot sizes for apartment and apartment mixed-use zones, but Bill 5 (2026) would eliminate the minimums completely for A-3 and AMX-3 zones.

>> Bill 5 (2026) would reduce the minimum lot widths and depths from 70 feet to 45 or 50 feet, depending on the zone, while Bill 6 (2026) would reduce the lot widths and depths from 70 feet to 60 feet.

>> Bill 6 (2026) would set the maximum building area at 60% of the lot area for all apartment zones and all lot sizes, while Bill 5 (2026) would keep the current building area limitations, which impose stricter maximum building areas on larger parcels.

Grassroot believes that Bill 5's adjustments to the minimum lot areas and lot widths and depths should be combined with Bill 6's maximum building area changes.

The resulting legislation would give homebuilders greater flexibility in constructing apartment units in these zones that are already selected for higher-density development.

Lastly, Grassroot requests that the FAR for A-2 and AMX-2 parcels be increased to 4.0.

A-2 parcels with older, non-condominium dwellings make up 80% of the properties Grassroot reviewed. Allowing more density in those areas would help ensure that new housing comes on line at a quicker rate.

Thank you for the opportunity to testify.

Ted Kefalas
Director of Strategic Campaigns
Grassroot Institute of Hawaii

Housing Hawaii's Future
PO Box 3043
Honolulu, HI 96802-3043

February 5, 2025

TO: Chair Waters and Members of the Honolulu City Council

RE: Bill 5 and Bill 6, Relating to Development Standards in the Apartment and Apartment Mixed-Use Districts

Housing Hawai'i's Future is a movement led by young residents fighting to create opportunities for Hawai'i's next generations by ending the workforce housing shortage.

We strongly support Bill 5 and Bill 6, with comments.

Our organization has closely followed the debate over Resolution 25-105, which proceeded to the Planning Commission last year for review before transmittal back to the Council as these two measures. We urge the Council to entertain the elements of both measures that maximize options for prospective homebuilders.

When taken together, these reforms could generate more than 5,000 new subdivided lots for residents, per the Department of Planning and Permitting's own estimates.[1] The following elements would benefit a future draft, including:

1. The reductions in minimum lot area and width and depth proposed in Bill 5;
2. The maximum building area reduction proposed in Bill 6; and
3. The elimination of the maximum density (FAR) for all districts.

Let's advance the conversation, and advance a flexibile, cohesive measure that marries the best of both Bill 5 and Bill 6.

Aloha,

Lee Wang
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[1] See P. 4 of the memorandum here: https://hnldoc.ehawaii.gov/hnldoc/document-download?id=26870