BILL018(26)
Testimony

MISC. COMM. 68

COUNCIL

COUNCIL Meeting

Meeting Date: Feb 18, 2026 @ 10:00 AM

Support: 8

Oppose: 1

I wish to comment: 9

Name:	Email:	Zip:
Johnnie-Mae Perry	waianaenb569@gmail.com	96792
Representing:	Position:	Submitted:
Self	I wish to comment	Feb 11, 2026 @ 10:18 PM

Testimony:

I, Johnnie-Mae L. Perry, COMMENT on BILL018(26) RELATING TO AFFORDABLE HOUSING.

Include 5 ADA units with designated parking, wheelchair accessibility in the bathroom such as wheelchair into the shower, in the kitchen, countertop lower and wider doorway.

Manager with maintenance skills for simple fix such as plumbing leaks...

Name:	Email:	Zip:
Jacob Wiencek	jacob.m.wiencek@pm.me	96815
Representing:	Position:	Submitted:
Self	Support	Feb 13, 2026 @ 07:34 PM

Testimony:

Aloha Councilmembers,

This is an impressive bill that systemically addresses key affordable housing issues. If we don't proactively address the crushing housing affordability crisis in our city, then more working- and middle-class families will continue to leave. There will be much discussion in the future, but I am liking what I see. I urge the Council to SUPPORT this bill moving forward.

Name:	Email:	Zip:
Ma Consuelo Nieva	mconsuelonieva@gmail.com	96707
Representing:	Position:	Submitted:
Self	Support	Feb 15, 2026 @ 10:26 AM

Testimony:

I wish to support this bill to encourage more units and address traffic concerns for upcoming affordable housing projects.

Name:	Email:	Zip:
Shelby PIkachu Billionaire	presidentbillionaire@gmail.com	96792
Representing:	Position:	Submitted:
Ohana Unity Party	Support	Feb 16, 2026 @ 10:10 AM

Testimony:

I support this! Cheeeehuuu

Love Pikachu

Name:	Email:	Zip:
Geena Thielen	geena@ccs-hawaii.com	96734
Representing:	Position:	Submitted:
Self	I wish to comment	Feb 16, 2026 @ 01:41 PM
Name:	Email:	Zip:
Paul Lam	paullam77@gmail.com	96816
Representing:	Position:	Submitted:
Self	I wish to comment	Feb 16, 2026 @ 03:44 PM
Name:	Email:	Zip:
DON HUANG	don@c7hawaii.com	96814
Representing:	Position:	Submitted:
Self	Oppose	Feb 17, 2026 @ 09:37 AM
Name:	Email:	Zip:
McKinley Eads	mckinleye@avalonhi.com	96813
Representing:	Position:	Submitted:
Avalon Development Company LLC	Support	Feb 17, 2026 @ 09:52 AM
Name:	Email:	Zip:
Martin Nguyen	martin@centre-urban.com	90012
Representing:	Position:	Submitted:
Centre Urban Real Estate	Support	Feb 17, 2026 @ 10:27 AM
Name:	Email:	Zip:
Perry Arrasmith	perry@hawaiisfuture.org	96797
Representing:	Position:	Submitted:
Housing Hawai'i's Future	Support	Feb 17, 2026 @ 10:36 AM
Name:	Email:	Zip:
Benjamin Sadoski	bsadoski@5.unitehere.org	96818
Representing:	Position:	Submitted:
UNITE HERE Local 5	I wish to comment	Feb 17, 2026 @ 11:04 AM
Name:	Email:	Zip:
Ted Kefalas	tkefalas@grassrootinstitute.org	96813
Representing:	Position:	Submitted:
Grassroot Institute of Hawaii	Support	Feb 17, 2026 @ 12:19 PM

Name:	Email:	Zip:
CHUCK LEE	Success881@hawaiiantel.net	96822
Representing:	Position:	Submitted:
Self	I wish to comment	Feb 17, 2026 @ 02:31 PM

Testimony:

Chair Tupolo, and Members of the Council,

My name is Chuck Lee, and I am submitting testimony regarding Bill 18 introduced by Councilmember Andria Tupola relating to affordable housing.

First, mahalo for recognizing the urgent need to address Honolulu's housing crisis. We all understand that affordable housing is a serious and ongoing challenge for our island community. However, while we hear much about how these bills will assist developers in building projects more quickly and with fewer barriers, we do not hear enough about the real impacts these developments have on the neighborhoods that must absorb them.

I respectfully request that the following considerations be incorporated into Bill 18:

1. Mandatory Neighborhood Board Presentations Before Project Approval

There must be meaningful community engagement before projects are officially approved and developers are allowed to begin construction. Presenting to the appropriate Neighborhood Board prior to final approval ensures transparency, builds trust, and allows residents to raise concerns early — not after decisions are already made.

2. Requirement for a Resident Manager in Each Project

Each affordable housing project should be required to have an on-site Resident Manager. This is critical for maintaining order, addressing tenant concerns promptly, and helping prevent issues related to safety, maintenance, and quality of life for both residents and surrounding neighbors.

3. Creative Parking Solutions — Not Elimination of Parking

While we understand the push for transit-oriented development and reduced parking minimums, eliminating parking entirely creates spillover problems in surrounding neighborhoods. Creative solutions — shared parking agreements, structured parking, staggered parking, or transit incentives — should be explored rather than imposing zero-parking projects that burden existing communities.

4. Addressing Safety Concerns Resulting from Relaxed Regulations

If city and state safety regulations are being relaxed to expedite development, we must ensure that safety standards are not compromised. Increased density without adequate infrastructure, lighting, emergency access, or oversight can create unintended safety challenges. The City must proactively address these risks instead of reacting after problems arise.

5. Accountability for Negative Impacts

We hear a great deal about what the City is doing to help developers build these projects. What we do not hear enough about is how the City plans to assist neighborhoods that experience increased congestion, parking strain, infrastructure stress, and safety concerns as a result of these developments.

I respectfully challenge all City officials to present concrete, measurable solutions that address the potential negative impacts of these projects — not just the benefits to developers or theoretical housing numbers. If affordable housing is truly about helping our community, then the surrounding communities must also be supported and protected.

Affordable housing is important. But so is balance, accountability, and responsible planning.

Mahalo for the opportunity to testify.

Respectfully,

Chuck Lee

Name: Kristine Pagano	Email: bryan.mick@doh.hawaii.gov	Zip: 96734
Representing: Disability and Communication Access Board	Position: Support	Submitted: Feb 17, 2026 @ 04:14 PM
Name: Arjuna Heim	Email: arjuna@hiappleseed.org	Zip: 96813
Representing: Hawaii Appleseed Center for Law and Economic Justice	Position: I wish to comment	Submitted: Feb 17, 2026 @ 06:13 PM
Name: Stefanie Sakamoto	Email: ssakamoto@imanaka-asato.com	Zip: 96789
Representing: BIA Hawaii	Position: I wish to comment	Submitted: Feb 17, 2026 @ 07:33 PM
Name: Keith Ishida	Email: ki@ahegroup.com	Zip: 96734
Representing: Ahe Group	Position: I wish to comment	Submitted: Feb 17, 2026 @ 08:32 PM
Name: Chuck Lee	Email: success881@hawaiiantel.net	Zip: 96822
Representing: Self	Position: I wish to comment	Submitted: Feb 18, 2026 @ 08:45 AM

Testimony:

Chair Tupolo and Council Members:

This is Chuck and im a member of the Makiki Neighborhood.

I wish to provide some written comments regarding Bill 18 and the Bill 7 projects.

There has been absolutely no cost/benefit analysis or financial accounting undertaken by the Council or the City to track the value of the many economic concessions and incentives being thrown at developers (no propert taxes, no permitting fees, all sewer and other improvements/connections needed to accommodate the project are absorbed by taxpayers; relaxation of zoning and code requirements; exemption from Punchbowl's special district guidelines, monetary grants and bonuses paid to developers again paid by taxpayers), against the realistic and limited value being provided to the City and taxpayers. i.e., do we really achieve "affordable housing" by building micro units in already congested areas, that the working class doesn't want and/or can't effectively use (Ernest St. project is a failure in this regard); and does throwing money at a developer (who has solicited foreign investment for these projects) and who is only holding these micro units as "affordable housing" for 15 years and then using them in the open market, really solve our housing crisis? I would argue it creates a much bigger problem in the long run. The bottom will drop out in 15 years, we will have an even bigger housing crisis and on top of it, more of our land will be owned by foreign investors (who we threw money at, to boot). All I see is lawmakers throwing more and more money at developers so they can claim they are creating affordable housing. There is absolutely no accountability. And all the while, they are turning a deaf ear to the interests of owners and residents (taxpayers), whose interests are being sacrificed. Auwe.

Mahalo

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February 18, 2026

Honolulu City Council

Re: Bill 18 Relating to Affordable Housing

Dear Chair Waters, Vice Chair Tupola and Members of the Council,

I am testifying with comments on Bill 18 Relating to Affordable Housing. As written Bill 18 is a blend of things that could help Bill 7 and a variety of things that would hurt Bill 7. While we welcome the opportunity to discuss each of these issues, the broader concern is making wholesale changes to a program that is just really getting started.

Keep in mind the history of Bill 7 and the progression that we have seen. Bill 7 was passed in 2019. It wasn't until 2022 that the very first Bill 7 project was completed. In less than 4 years since that first project, 5 additional projects have been completed. According to DPP there are currently another 13 projects under construction. This means that in less than 7 years we have almost 20 buildings either completed or close to it. How many buildings has the City built in that time?

Bill 7 is truly starting to show it's promise. Like many programs it takes time and the heavy lifting of the early adopters to figure this out. While Bill 18 may be well intentioned, it risks upending the applecart just as Bill 7 is getting going. I would encourage the Council to step back from large scale reforms to this program and give it more time. Modest tweaks that entice more Developers to start their own projects are encouraged, but wholesale change is just too risky.

Sincerely,

Geena Thielen
President/RME

LAM CAPITAL LLC
AFFORDABLE HOUSING HAWAI'I

Re: Testimony on Bill 18 (2026)

Chair Waters, Vice Chair Tupola, and Members of the Honolulu City Council:

I am an affordable housing developer operating under Bill 7 and respectfully submit this testimony to provide both **support and concerns regarding Bill 18 (2026).**

I support increased density and elimination of the 20,000-square-foot minimum lot requirement. Height limits tied to the underlying zoning district—including applicable special district standards—should allow a minimum of 60 feet or greater, subject to review and approval by the Department of Planning and Permitting. I applaud Councilmember Tupola's bold and forward-thinking leadership on this issue.

However, permitting certain special districts to revert to a 40-foot height limit or less is unduly restrictive and should be removed. Such limitations would materially impair project feasibility, remove hundreds of parcels from Bill 7 viability, and prevent countless projects from penciling—thereby impeding progress toward the City's estimated 25,000-unit housing shortfall. Additional regulatory barriers in an already constrained market are counterproductive.

I also oppose any requirement or suggestion imposing a resident manager on Bill 7 projects serving lower AMI households while exempting market-rate developments. This disparate treatment is discriminatory in effect, inequitable as a matter of policy, and increases operating costs that will ultimately be borne by financially vulnerable tenants. The provision should be stricken.

While Bill 18 is intended to advance pro-housing amendments to Chapter 32 (Bill 7), any amendments that weaken or materially constrain the program in Housing Committee or before the full Council should be carefully scrutinized, as they would undermine the City's housing objectives.



Paul Lam

922 KEALAOLU AVE. HONOLULU, HAWAII, 96816 U.S.A

PHONE: (808) 479-3414 FAX: (808) 737-7588 EMAIL: PAULLAM77@GMAIL.COM

Collaborative Seven Companies
Don Huang
Founder/CEO
February 17, 2026

Dear Members of the Honolulu City Council,

My name is Don Huang, and my company, Collaborative Seven, is pleased to have the opportunity to submit testimony regarding the proposed Bill 18. My 44-year-old company, founded in 1982, focuses on a forward-thinking commercial and residential projects. In 2019, inspired by the passing of Ordinance 19-08, we made a monumental corporate decision to focus on developing and designing multiple affordable apartment projects for the people of Honolulu.

Six years later, we obtained two permits for 33 units and 29 units. We are now processing two additional projects: a 39-unit retrofit in an existing 4 stories 1963 concrete building near Waikiki, which will be the largest retrofit Bill 7 project to date; and also, a new ground-up 94-unit project with 78 parking stalls in the Punchbowl SDD. This project has received a National HUD invitation to apply for $25M debt financing, and we expect to receive funding to break ground within 12 months. When completed, this project will also be the largest Bill 7 project to date. These four projects will total 195 quality units to help serve the affordable renters.

Our company's redirection was not a random decision; it was a strategic response to Ordinance 19-08. Just as we follow traffic laws every day, we can count on to proceed on green light and knowing the opposing traffic will have red light, and therefore we do not collide. In a metaphorical way we could count on the safe-harbor of the Ordinance to guide us in completing our development to achieve our goals and objectives. Over the past six years, we have dedicated significant financial resources and time to learn and comply with Bill 7 development standards. The proposed Bill 18 is unfounded and insufficiently thought through. We understood that the initial Bill 7 rules were imperfect, and both the Administration and the private sector, including myself and fellow developers, worked together to help each other to address those challenges. Bill 18 has not learned from these mistakes and is headed to repeat the same setbacks we experienced in the earlier years of Bill 7. It is simply not thoroughly considered and will impose rules that prevent thousands of units from ever being built. If adopted, it will literally force my company to abandon further Bill 7 development projects as we cannot trust the instability of the government system to change rules for unfounded reasons.

We fully understand the need to adjust laws as circumstances as it evolves, to meet contemporary neighborhood needs, and to preserve our beautiful island. However, this Bill does not serve those objectives. Instead, it disrupts the momentum the Administration has worked tirelessly to improving the Ordinance so that there are fewer unknowns going forward. This momentum is essential to encourage small- and medium-sized developers like me to continue building creatively to achieve building value and deliver quality housing projects.

There are a few other topics, but I would like to discuss two primary issues that I am most concern about. I will present them as clearly and objectively as possible:

BUILDING HEIGHT REDUCTION

Besides many of the Bill 7 concessions that help us to achieve our buildings, the single most important factor is the height extension up to 60 feet, with no discretions on the district or SDD. Without this, we cannot achieve sensible architectural schemes or viable economic proformas to finance projects.

In the greater urban center—Makiki, Punchbowl, and Moiliili—lie roughly 80% of the town's apartment-zoned lots, of which only a fraction can realistically be developed into Bill 7 projects. Most older apartment buildings will remain dilapidated, and year to year to be minimally renovated, and passed on to the next generation. The remaining lots depend heavily on family circumstances—whether owners choose to sell or have the funds to venture with a developer and architect to rebuild their properties into legitimate Bill 7 projects. The number of viable lots is far smaller than what is needed to meet the 25,000-unit deficit and the 800-units-per-year target.

Bill 18 proposes to limit building height to 40 feet, including in the Special Design Districts (SDD) such as Waikiki and Punchbowl. This will gravely affect the number of lots that can be developed. Punchbowl SDD is the most dense and viable location for Bill 7 projects. With its manageable commute without cars due to its proximity to the Central Business District, three hospitals, the Capitol and municipal buildings, shopping centers, schools, universities, and other workforce hubs—this is an ideal Bill 7 location.

The Bill 18 proposed increase in unit density is meaningless when the restrictive 40-foot height limit will prevent any project from being considered. The framer of this density provision is out of touch with the necessary understanding of building volume versus height limitations. They simply do not match, and this will cause mass confusion within the development community.

As simple case-in-point example: my 29-unit PenseMetro building sits on a 5,860 sq. ft. lot in the Punchbowl SDD. Under Bill 18, the new density calculation allows 48 units (5,860 ÷ 120). But designing 48 units within a 40-foot height limit on the same site would eliminate ground-level parking and result in units 48-100 sq. ft. unit. As you might see this does not match up the intent of each of these provisions. Further, has anyone even considered whether the city sewer and water infrastructure could support such added density in each district?

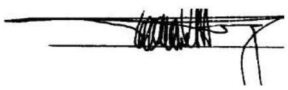
My proposed 94-unit project in Punchbowl SDD has already been designed and has obtained an union contractor's bid based on four residential floors over two parking levels. If Bill 18 passes, we would be forced not only to abandon a year of work and investment, but also to consider compressing the building envelope by deleting the two levels of parking entirely to make ways to fit the living units within the 40-foot height limit. The result would be no parking stalls available for tenants, which is still an option allowed under Ord 19-08. Bill 18 will undermine developers and architects who are doing their best to work within the site allowances that the present Ordinance allows. I hope the framers of this Bill recognize the real consequences of this proposals and reconsider.

OTHER MISCELLANEOUS ISSUES

- **Parking** I don't believe this Bill adequately addresses parking. A more effective approach might be to increase allowable height when projects provide parking on the lower level. This Bill penalizes the project by reducing height, which eliminates any chance of designing possible parking. The City might explore an existing SERVCO program that provides multiple vehicles onsite for the shared-ride program. Offering tax incentives or grants to developers who provide shared-car options would help incentivize alternatives to public transportation.
- **Elevators** The provision stating that no elevator is required for buildings under six stories is concerning. How does this support aging in place? Expecting residents—young and old—to walk up five flights of stairs is unrealistic.
- **Bus Access** Tying bus access to unit count is reasonable, but if density increases as proposed, the real issue becomes infrastructure capacity—not bus stops.

I am confident that my 30+ fellow developers share many of the same sentiments in opposing the passage of Bill 18. Thank you for the opportunity to testify.

Thank you and Aloha,



Don Huang
Founder/CEO

Collaborative Seven Companies

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Fax 808.587.7769
www.avalonhi.com

WRITTEN TESTIMONY IN SUPPORT OF BILL 18 (2026)

Aloha Chair, Vice Chair, and Honorable Councilmembers,

My name is McKinley Eads, and I submit this written testimony on behalf of Avalon Development Company in strong support of Bill 18 (2026).

At the outset, I would like to thank the introducers of this measure and the members of this Council for your leadership and your solutions-oriented approach to addressing Honolulu's housing shortage. Bill 18 reflects a thoughtful willingness to reassess long-standing assumptions and focus on policies that meaningfully increase housing production.

Bill 18 represents one of the most consequential opportunities before the City to advance affordable rental housing through practical, outcome-focused reform. At its core, the bill recognizes a fundamental reality: housing cannot be built without predictability, and predictability comes from clear, flexible, and objective development standards.

As I have previously testified before this Council, regulatory flexibility is a critical driver of housing production. When regulations allow projects to respond to real-world site conditions—rather than imposing rigid, one-size-fits-all requirements, projects become financially feasible. Bill 18 advances this principle by modernizing development standards, removing unnecessary parking mandates, eliminating inflexible unit size restrictions, and replacing discretionary density controls with clear, objective formulas.

Equally important, Bill 18 shifts the housing conversation away from reliance on new public subsidies and toward regulatory certainty. The measure does not require additional public funding. Instead, it removes barriers that add cost, delay, and uncertainty—factors that often determine whether a housing project moves forward or is abandoned.

From a development perspective, the value of Bill 18 is not about maximizing returns, it is about creating the ability to plan, finance, and build with confidence. Clear, objective standards reduce entitlement risk, shorten development timelines, and improve access to financing. When projects are predictable, costs decline and housing production increases.

Bill 18 is a thoughtful and forward-looking step toward a housing framework that prioritizes results over process and production over delay. Avalon Development Company strongly supports its passage and commends the Council for pursuing innovative regulatory solutions to expand affordable housing opportunities at scale.

Mahalo for the opportunity to submit this testimony.

CENTRE URBAN
REAL ESTATE

Martin M. Q. Nguyen, MRED
Managing Principal
CA DRE #02074177
HI RB-24080

February 17, 2026

Honolulu City Council
530 South King Street
Honolulu, Hawaii 96813

RE: IN SUPPORT OF BILL 18 (2026) – RELATING TO AFFORDABLE RENTAL HOUSING

Aloha Chair Waters, Vice Chair Tupola, and Council Members,

I am writing this letter providing comments and recommendations in **SUPPORT** of Bill 18 (2026) relating to Affordable Housing under ROH Chapter 32 – otherwise known as "Bill 7". Our firm is currently working on two kamaʻāina workforce housing projects being developed under ROH Chapter 32. These projects are located at 2533 Kāneloa Road and 1615 Ala Wai Boulevard, both in Waikiki, and would result in the creation of 72 workforce housing units. We are currently pursuing additional project sites, centered around a high concentration of jobs and availability of public transit – places where we believe workforce housing is much needed – which Bill 18 would help facilitate the creation of thousands of additional housing units.

The introduction of Bill 18 is a major step forward and our team applauds the City Council's efforts in refining the ROH Chapter 32 project. This allows the City to define areas where we agree more mid-rise workforce housing would be impactful, while allowing for a density gradient the further you get away from those areas. Removing the arbitrary 20,000 square foot lot limit and the inclusion of B-zones would further unlock the creation of more meaningful workforce housing.

However, I do want to stress the importance of making sure the maximum stories and height are aligned with other development standards. In most of our projects, the primary constraint hasn't been the unit count or FAR. It's typically the physical building envelope - which is constrained by the number of stories we can go up, which is effectively six stories with the 60' height limit. For example, for our 1615 Ala Wai Boulevard project – a 9,454 square foot parcel – we are allowed as much as 47 units under the current ROH Chapter 32 calculation (9,454 x 4 / 800 = 47.27) but we're limited to 40 units due to the physical building envelope (setbacks x height limit x site grade) as we are constrained at 8 units per floor, with 5 levels of residential use over a non-residential ground floor – six stories total. While increasing the unit density is commendable in facilitating the creation of more housing, I would imagine most transit adjacent projects would end up leaving most of those buildable units on the table, similar to how many projects are currently not utilizing the full 4.0 FAR (1615 Ala Wai is currently ~2.5 FAR) or even the maximum allowable height of the underlying zoning or special district as proposed by Bill 18. In other words, unless the maximum story count is increased where the new density bonus applies, many projects will never be able to realize the additional units that Bill 18 is otherwise trying to incentivize. As such, in order to align the unit density bonus with what would actually be buildable, I would suggest allowing for the increase of the maximum height (stories) from 7 to 10 for type IB, IIA, and IIIA construction, perhaps within the same transit density bonus proximity.

Further, explicitly including TOD Special Districts and adopted Neighborhood TOD Plans as part of the definition of "special district" would incentivize TOD development in the areas where housing is greatly needed. Another positive amendment would be the inclusion of current and future Skyline rail stations as part of the definition of an "urban high service transit stop", rather than limiting density bonuses to solely bus stops.

One item of caution, that could lead to unintended consequences as currently proposed in Bill 18, is the language regarding setbacks required by the underlying zoning. As an example, the current setback language for apartment districts states the following under § 21-3.80-1(c):

(c) Additional development standards.

(1) Except for necessary access drives and walkways, all yards must be landscaped.
(2) Height setbacks. In the A-2 and A-3 districts, for any portion of a structure over 40 feet in height, additional side and rear setbacks must be provided as follows:

(A) For each 10 feet of additional height or portion thereof, an additional 1-foot setback must be provided; and
(B) The additional setback pursuant to paragraph (A) must be a continuous plane from the top of the structure to the height of 40 feet above grade (see Figure 21-3.3).

For context, base side and rear setbacks in most apartment districts can be as much as 10'. This additional height setback requirement in the underlying zoning could unintentionally make urban infill projects with narrow lots unfeasible, even if developed to the current 60' height limit allowed. For a proposed 60' height project on a 50' wide urban lot, which is a common dimension for apartment district zoning lots, the underlying zoning setback may require two 12' side yard setbacks, effectively allowing a <30' wide structure, which would be very difficult to do efficiently. As such, I recommend either removing the language regarding the underlying zoning setback or sticking with the already existing language of 80% of the zoning lot.

Finally, revisions are needed to align language regarding the real property tax waiver such that the RPT waiver is equal to the affordability period of the project, in the case the affordability period exceeds the currently fixed 15 years. This is the case for all other affordable housing projects, except under ROH Chapter 32. Creating consistency here would be much appreciated.

My suggested amendments that would address the aforementioned concerns are noted below. Changes currently proposed in Bill 18 are underlined and my additional revisions are **underlined and bolded**:

§ 32-2.3 Development standards.

Maximum building area: [~~80% of the zoning lot~~] None**; ~~provided that the setbacks required by the underlying zoning will apply~~**

§ 32-2.8 Maximum number of units.

The maximum number of affordable rental housing units for each zoning lot is determined by dividing the square footage of the lot by a factor of 130 and rounding down to the nearest whole number; provided that for each zoning lot located within 2,000 feet of an urban high service ~~bus~~ **transit** stop at the time of application for a building permit to construct an affordable rental housing

project, the maximum number of affordable rental housing units is determined by dividing the square footage of the lot by a factor of 120 and rounding down to the nearest whole number. For the purposes of this section, "urban high service ~~bus~~ **transit** stop" means any **current or planned fixed guideway rail station or** bus stop that is located within the primary urban center development plan area and is served by at least one bus route with a frequency of service interval of 16 minutes or less at any point during the week."

§ 32-3.2 Standards.

<table>
<tr><td colspan="6">TABLE 32-A</td></tr>
<tr><td rowspan="4">TYPE OF CONSTRUCTION</td><td colspan="5">ALLOWABLE HEIGHT AND BUILDING AREAS FOR MID-RISE MULTI-FAMILY RESIDENTIAL BUILDINGS.
Height Limitations shown as stories and feet above grade plane. Area limitations as determined by the definition of Area, building, per story</td></tr>
<tr><td>IB</td><td>IIA</td><td>IIIA</td><td>HT</td><td>VA</td></tr>
<tr><td colspan="5">MAXIMUM HEIGHT (feet)</td></tr>
<tr><td>[~~60~~]</td><td>[~~60~~]</td><td>[~~60~~]</td><td>[~~60~~]</td><td rowspan="2">50</td></tr>
<tr><td colspan="4">The maximum height for the underlying zoning district; provided that in a special district, including TOD Special Districts and adopted Neighborhood TOD Plans, the maximum height allowed in the special district will apply</td></tr>
<tr><td>Height/Area</td><td colspan="5">Maximum Height (stories) and Maximum Area (sq. ft.)</td></tr>
<tr><td>H

A</td><td>~~7~~ 10

[~~80% of land area~~]
None~~;~~ ~~provided that the setbacks required by the underlying zoning will apply~~</td><td>~~7~~ 10

[~~80% of land area~~]
None~~;~~ ~~provided that the setbacks required by the underlying zoning will apply~~</td><td>~~7~~ 10

[~~80% of land area~~]
None~~;~~ ~~provided that the setbacks required by the underlying zoning will apply~~</td><td>7

[~~80% of land area~~]
None~~;~~ ~~provided that the setbacks required by the underlying zoning will apply~~</td><td>5

[~~80% of land area~~]
None~~;~~ ~~provided that the setbacks required by the underlying zoning will apply~~</td></tr>
</table>

§ 8-10.33 Exemption—Qualifying affordable rental dwelling units or affordable rental housing units.

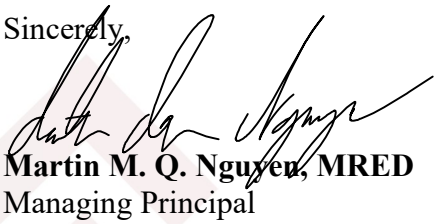
Exemption Period. The ~~**15-year**~~ period **during which a project is subject to an affordable housing agreement or regulatory agreement** commencing upon the effective date of the claim for a real property tax exemption pursuant to subsection (b)(4); **provided that the exemption period shall be not less than fifteen years~~, and ending on June 30 of the last year of the 15-year period; Any exemptions granted pursuant to § 8-10.33 prior to May 28, 2025 will be extended by five years~~**.

ROH Chapter 32, based on my experience with housing markets throughout the country, is a pre-eminent 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. ROH Chapter 32 has become the City and County of Honolulu's flagship workforce housing program that is just starting to show buds. The City Council should take this incredible opportunity to refine ROH Chapter 32 such that it allows more housing to be created in areas where we want more density, such as near public transit and job centers, as well as a tapering of density in areas where we want to retain the existing sense of place.

Bill 18 is the City Council's opportunity to make the commitment to the targeted creation of affordable housing, preventing another day where more and more kamaʻāina – our family, friends, and neighbors - are moving away, some whom will never return to Hawaiʻi. I urge the City Council to pass Bill 18 with amendments.

Mahalo for the opportunity to comment and provide recommendations. 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

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

February 18, 2025

TO: Chair Waters and Members of the Honolulu City Council

RE: Bill 18, Relating to Affordable Housing

Dear Chair Waters and Members of the Honolulu City Council,

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 support Bill 18, with comments. This measure makes strategic amendments to development standards, building construction standards, and other requirements for the City and County of Honolulu's Chapter 32, Revised Ordinances of Honolulu (ROH).

We respectfully ask that the Council consider amending the *Maximum Building Height* development standard to provide that the maximum height shall remain 60 feet, or the maximum height for the underlying zoning district where the height is above 60 feet (including special districts). This simple amendment will protect current projects at various stages that presently rely on Chapter 32's existing language.

We believe in the 'Bill 7' program. Right now, it is one of the few programs in the City and County of Honolulu that actively generates more housing opportunities for residents. O'ahu presently experiences a shortage of 25,710 housing units. The present shortage, to borrow a phrase from 1932, calls for "bold, persistent experimentation."

Let's expand housing opportunities for residents. **Let's advance Bill 18.**

Aloha,

Lee Wang
Executive Director
Housing Hawai'i's Future
lee@hawaiisfuture.org

Perry Arrasmith
Director of Policy
Housing Hawai'i's Future
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UNITE HERE!
Cade Watanabe, Financial Secretary-Treasurer Gemma G. Weinstein, President Eric W. Gill, Senior Vice-President

February 17, 2026

Honolulu City Council
Councilmember Tommy Waters, Chair
Councilmember Andria Tupola, Vice Chair

Testimony With Comments on Bill 18 (2026)

Chair Waters, Vice Chair Tupola, and Councilmembers,

UNITE HERE Local 5 represents 10,000 working people in the hotel, food service and health care industries across Hawaii. While we share the goal of getting more residents housed in affordable rental housing, we are concerned with one of the provisions of this bill. Specifically, the elevator requirement on page 2 of the bill, states, “Elevators are required for buildings over 60 feet in height, but are not required for buildings 60 feet and below, unless required by applicable federal accessibility laws.”

Our understanding is that 60 feet translates to about six floors. It is not reasonable to make people living in 6th floor (or 5th or 4th floor) apartments have to use stairs every time they want to enter or exit the building. While it might be a mere nuisance for healthy people not carrying anything to have to traverse several flights of stairs, it would pose significantly greater difficulty for anyone carrying groceries or laundry, anyone with small children, kupuna, anyone with debilitating injuries, people carrying strollers, etc. It would be difficult to move furniture, heavy appliances, balikbayan boxes, and other bulky items.

We ask that you please remove this exemption on elevators for buildings up to 60 feet in height.

Thank you.

GRASSROOT INSTITUTE OF HAWAII

1050 Bishop St. #508
Honolulu, HI 96813
808-864-1776
info@grassrootinstitute.org

Removing barriers to Hawaii's prosperity

Feb. 18, 2026, 10 a.m.
Honolulu Hale

To: Honolulu City Council
Tommy Waters, Chair
Andria Tupola, Vice Chair

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

RE: Bill 18 (2026) — RELATING TO AFFORDABLE RENTAL HOUSING

Aloha Chair Waters, Vice Chair Tupola and other members of the Council,

The Grassroot Institute of Hawaii **supports** — and **offers an amendment** to — Bill 18 (2026), which would make changes to the Bill 7 affordable housing program.

Specifically, Bill 18 (2026) would allow Bill 7 projects to be built in business zoning districts; repeal the 20,000-square-foot maximum lot area; clarify that Bill 7 projects can be built to the height allowed by the underlying zoning district instead of a blanket 60-foot height limit; allow more units per building in areas near high-service bus stops in the Honolulu Primary Urban Development Center Development Plan area; and repeal maximum square footage rules for different unit configurations.

Currently, Honolulu's Bill 7 program offers homebuilders relaxed zoning rules, property tax breaks, fee waivers and other financial incentives in exchange for building multiple housing units, at least 80% of which are required to be rented for at least 15 years at rents that would be affordable to residents making 100% or less of the area median income.[1]

The program has been an important tool for city homebuilders trying to produce affordable housing, and the expansions proposed in this bill would add much-needed flexibility for homebuilders interested in using the program to reduce Honolulu's housing shortage.

[1] § 32-1.1 Definitions., Revised Ordinances of Honolulu, accessed Oct. 31, 2025.

After all, a 2024 update to the Hawaii housing planning study estimated that Honolulu needs 27,710 new units built between 2023 and 2027 to keep up with demand.[2]

Bill 18 (2026) also aligns with several goals outlined in the city's 2025-2028 Strategic Housing Plan. One such goal is to "Identify opportunities for maximizing urban land use through adjustments to density standards in the Land Use Ordinance," and another is "Enhancing predictability for developers is also critical, with a focus on methods to streamline and standardize processes."[3]

However, Grassroot believes one amendment is necessary to preserve the potential of the Bill 7 program.

Bill 18 (2026) changes the height restriction from a flat 60-foot limit to strictly following the underlying zoning, and this could unintentionally stall or even stop new housing projects in certain areas. For projects already in the permitting pipeline or preparing to break ground, sudden regulatory shifts create uncertainties that could delay financing, increase costs and ultimately discourage much-needed housing.

Grassroot suggests instead adopting a height limit of 60 feet or the underlying zoning, whichever is greater.

This approach maintains the existing 60-foot allowance while still enabling larger projects in areas already designated for higher-intensity development. In short, it provides flexibility without undermining current Bill 7 projects.

Height limits directly affect how many homes can be built on scarce urban land, and decreasing them could result in fewer units, higher per-unit costs and reduced feasibility for workforce and affordable housing projects.

With this critical amendment, Bill 18 (2026) could supercharge the existing Bill 7 program.

Thank you for the opportunity to testify.

Ted Kefalas
Director of Strategic Campaigns
Grassroot Institute of Hawaii

[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] "Strategic Housing Plan 2025-2028," Prepared by the Mayor's Office of Housing with CommunityScale, January 2025, p. 70.

DISABILITY AND COMMUNICATION ACCESS BOARD

Ka ʻOihana Hoʻokaʻaʻike no ka Poʻe Kīnānā

1010 Richards Street, Rm. 118 • Honolulu, Hawai'i 96813
Ph. (808) 586-8121 (V) • Fax (808) 586-8129 • (808) 204-2466 (VP)

February 18, 2026

The Honorable Tommy Waters, Chair
and Members
Honolulu City Council
530 South King Street
Room 203
Honolulu, HI 96813

Regarding: Bill 18 – Relating to affordable housing. (Amending provisions relating to affordable rental housing).

Dear Chair Waters and Members of the Honolulu City Council:

The Disability and Communication Access Board (DCAB) supports Bill 18 – Relating to affordable housing. (Amending provisions relating to affordable rental housing).

The housing crisis is magnified for people with disabilities. People with disabilities are twice as likely to be below the poverty level. Without action to address the affordable housing shortage, more people with disabilities are at risk of losing their independence or becoming homeless or institutionalized.

The Fair Housing Act (FHA) design and construction requirements specify the minimum number of adaptable housing units in public and private buildings containing four or more units. The FHA requires all multi-family dwelling units to be adaptable for mobility disabilities in buildings with an elevator but only require ground floor units to be adaptable for mobility disabilities in buildings without an elevator. According to the U.S. Census Bureau's 2021 Disability Characteristics for the State of Hawaii, 19.1 percent of Hawaii's residents that are sixty-five years and older have a mobility difficulty,

Bill 18 would address the issue in larger buildings by amending the Honolulu Revised Ordinances 32-2.3 to require elevators in buildings over sixty feet in height. However, this will still result in walk ups as high as six stories being constructed where most of the units are not adaptable for a person with a disability. Therefore, DCAB urges that Bill 18 be amended to read "Elevators are required for buildings over 30 feet in height, but are not required for buildings 30 feet and below, unless required by applicable Hawaii Adopted International Building and Residential Codes with state/city amendments and federal accessibility laws."

Thank you for the opportunity to provide comments on Bill 18.

Respectfully submitted,

Kristine Pagano

KRISTINE PAGANO
Acting Executive Director

HAWAII APPLESEED
CENTER FOR LAW & ECONOMIC JUSTICE

Testimony of the Hawai‘i Appleseed Center for Law and Economic Justice
Support & Comments to Bill 18 – Relating to Affordable Housing
Honolulu City & County Council Meeting
Wednesday, February 18, 2026 at 10:00AM

Aloha Chair Waters and Council Members;

Mahalo for the opportunity to testify in **support with comments to Bill 18**, which would amend certain regulatory standards to Honolulu's Affordable Rental Housing Program under ROH Chapter 32, also known as “Bill 7 Projects”. Hawaii Appleseed supports the overall direction of Bill 18 (2026) and appreciates the Council’s effort to strengthen and extend the Affordable Rental Housing Program. At the same time, we have significant concerns about how some provisions will function in practice and whether they will actually result in new rental housing production at the scale urgently needed.

Supportive provisions:

Hawaii Appleseed supports the proposed amendments to:

> (1) remove maximum lot area limits for eligible projects, so that more underutilized parcels can be feasibly redeveloped into affordable rentals;
>
> (2) clarify and expand eligibility to include mixed-use development in appropriate districts, which can activate streets, support small businesses, and still keep housing as the primary use; and
>
> (3) increase allowable floor area ratio and/or unit yield for projects located within walking distance of “urban high service bus stops,” so that more affordable homes are produced in walkable, transit-rich neighborhoods where households can realistically live with fewer cars.

These are practical and important changes to scaling production of income restricted rental housing in the by allowing more sites to participate and by aligning the program with the City’s transit-oriented development and climate goals. Removing the lot-area cap will allow appropriately scaled projects on larger underutilized parcels, while the mixed-use allowance will support active ground floors and neighborhood-serving commercial uses without displacing the program’s core emphasis on housing. Enhanced FAR or unit yield around high-frequency transit is an evidence-based way to prioritize new affordable homes in the locations where households can most feasibly live car-light or car-free, reducing transportation costs and greenhouse gas emissions.

HAWAII APPLESEED
CENTER FOR LAW & ECONOMIC JUSTICE

Testimony of the Hawai‘i Appleseed Center for Law and Economic Justice
Support & Comments to Bill 18 – Relating to Affordable Housing
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Concern 1: Height limits tied to underlying zoning

In 2016 the Council commissioned Strategic Economics to conduct the "Affordable Housing Requirement Financial Analysis," which evaluated the financial feasibility of imposing affordable housing requirements on condominium and apartment prototypes across O‘ahu. The study's purpose was to understand where and when projects could support affordability requirements and still pencil, and it consistently showed that feasibility is highly sensitive to both development intensity and regulatory constraints.

ROH Chapter 32 was intentionally designed to accelerate affordable rental housing by decoupling height from restrictive underlying zoning, allowing projects to reach up to 60 feet where appropriate in exchange for affordability. Bill 18, by contrast, moves backward by re-tying height to underlying zoning and special district limits and by imposing tighter caps on buildings under 60 feet. This shift will dramatically reduce the number of sites where projects can realistically pencil, especially in neighborhoods where zoning has not kept pace with housing demand and land costs.

Height flexibility is not a giveaway; it is the core mechanism that makes deep affordability feasible in high-cost markets like Honolulu.[1] Curtailing that flexibility means fewer viable projects, fewer units, and slower delivery of the rental housing our residents need. For these reasons, the bill should retain a standard of 60 feet or the underlying zoning height, whichever is greater, to preserve the basic economic logic that underpins Chapter 32.

Concern 2: Definition of "urban high service bus stop" and exclusion of Skyline

We also have concerns with the current definition of "urban high service bus stop," particularly that it does not appear to include the Skyline rail system or its station areas.

If the policy goal is to prioritize affordable housing near high-capacity, high-frequency transit, Skyline station areas are among the most logical and impactful locations for increased FAR and development incentives. Excluding rail from the definition undermines the City's own transit-oriented development policies and misses a key opportunity to concentrate affordable units where residents can most effectively reduce transportation costs and vehicle dependence.

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1 https://www4.honolulu.gov/docushare/dsweb/Get/Document-347776/2025-2028%20Strategic%20Housing%20Plan.pdf

Testimony of the Hawai'i Appleseed Center for Law and Economic Justice
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We urge the Council either to revise the definition to explicitly include Skyline stations and associated high-frequency bus connections, or to create a parallel category that treats rail station areas at least as favorably as "urban high service bus stops."

Concern 3: Over-reliance on underlying zoning in a market that does not produce rentals

We have greater concern that leaning too heavily on underlying zoning standards, without strong regulatory incentives and financial tools, will not deliver the rental housing outcomes the City is seeking.

The experience of the past decade is clear: where the County relies on base zoning alone, without targeted incentives and monetary assistance, the private market has largely failed to produce new, modestly priced rental housing at scale. This is shown in a study the Council itself commissioned in 2016 (Table 1). Land, construction, and financing costs in Honolulu are such that, absent meaningful programmatic advantages, projects will either not pencil out or will skew toward higher-rent, smaller-unit, or non-residential development. Bill 18's promise lies in offering a real departure from "business as usual"; if its standards collapse back into the constraints of underlying zoning, the pipeline of income restricted rental projects will likely stall.

Figure 15: Return-on-cost for Condominium Prototypes, assuming an 18 Percent Threshold for Financial Feasibility

Financial Incentives	Low-rise, Kapolei	Low-rise, Pearlridge	Mid-rise, Kapalama	Mid-rise + CB Bonus, Kapalama	High-rise, Ala Moana	High-rise + CB Bonus, Ala Moana
Baseline - No Affordable Housing Requirement						
Before Incentives	-13%	12%	-7%	5%	1%	25%
On-Site Affordable Housing Requirement						
Before Incentives	-16%	7%	-11%	0%	0%	20%
With Incentives	-15%	9%	-9%	2%	3%	24%
Off-Site Affordable Housing Requirement						
Before Incentives	-16%	7%	-11%	0%	0%	20%
With Incentives	-15%	9%	-9%	2%	3%	24%
In-lieu Fee						
Before Incentives	-20%	2%	-13%	-4%	-4%	15%
With Incentives	-20%	2%	-13%	-4%	-4%	15%

Figure 16: Return on Yield for Apartment Prototypes, assuming a 7.5 Percent Threshold for Financial Feasibility

Financial Incentives	Low-rise, Kapolei	Low-rise, Pearlridge	Mid-rise, Kapalama	Mid-rise + CB Bonus, Kapalama	High-rise, Ala Moana	High-rise + CB Bonus, Ala Moana
Baseline						
Before Incentives	5.7%	6.2%	4.6%	5.3%	not analyzed	
On-Site Affordable Housing Requirement						
Before Incentives	5.4%	5.8%	4.3%	4.8%	not analyzed	
With Incentives	5.5%	5.9%	4.3%	4.9%		
Off-Site Affordable Housing Requirement						
Before Incentives	5.4%	5.9%	4.3%	4.9%	not analyzed	
With Incentives	5.5%	5.9%	4.4%	4.9%		
In-lieu Fee						
Before Incentives	5.2%	5.6%	4.3%	4.8%	not analyzed	
With Incentives	5.2%	5.6%	4.3%	4.8%		

Source: Strategic Economics, 2016

HAWAII APPLESEED
CENTER FOR LAW & ECONOMIC JUSTICE

Testimony of the Hawai‘i Appleseed Center for Law and Economic Justice
Support & Comments to Bill 18 – Relating to Affordable Housing
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Wednesday, February 18, 2026 at 10:00AM

Hawaii Appleseed appreciates the intent behind Bill 18 (2026) and strongly supports its goal of facilitating more affordable rental housing in transit-served, walkable neighborhoods. **We respectfully urge the Council to: (1) maintain a height standard of 60 feet or underlying zoning, whichever is greater; (2) revise the "urban high service bus stop" definition to include Skyline rail; and (3) ensure that the bill preserves clear, material advantages over underlying zoning.** Without robust incentives and, where possible, complementary financial support, the County's own feasibility experience shows that we will not see the level of rental housing production that our communities so urgently need.

Mahalo for your consideration and opportunity to testify.

HONOLULU CITY COUNCIL
HONOLULU HALE
10:00 AM

February 18, 2026

Subject: Bill 18 - Relating to Affordable Housing

Chair Waters, Vice Chair Tupola, 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 submits the following comments regarding Bill 18, Relating to Affordable Housing. This bill amends various development standards, building construction standards, and other requirements for affordable rental housing projects developed under ROH Chapter 32.

The Bill 7 program (Ord. 19-8) was the result of extensive stakeholder engagement and careful policy balancing. After significant effort by the Council, the Administration, the Department of Planning and Permitting (DPP), and affordable housing developers and advocates, the program is now functioning and beginning to deliver results. Projects are moving through the pipeline, financing is being secured, and local families are moving into affordable units. Bill 7 is now delivering what it was designed to do: incentivize affordable housing production in the urban core.

While we understand the intent of improving the current process, we respectfully recommend that the Council allow Bill 7 to continue operating as enacted so that it can fully realize its intended benefits and continue producing needed housing units for working families.

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

ĀHĒ GROUP

Comments on Bill 18 (26)
Related to Affordable Housing

The Ahe Group supports the intent of Bill 18, however we have serious reservations regarding certain provisions of Bill 18 (26) as presently drafted.

The intent of Chapter 32, Revised Ordinances of Honolulu, was to provide developers of affordable housing with relief from certain development standards, fees, and other requirements relating to the development of affordable rental housing. In its relatively brief history, Chapter 32 has shown much promise in facilitating the development of much needed affordable rental housing for our community by private entities typically using private financing.

We have concerns over the provisions of Bill 18 (26) that would limit building heights to what is allowed under the present zoning and limiting the building area to the portion of the site remaining after all required setbacks are accommodated. Both provisions will reduce the available building envelope, reducing the number of affordable housing units that may be developed, and adversely impacting the financial feasibility of the project as there will be less revenue generating rental units on the site to support the financing needed to develop the project.

The Ahe Group is presently developing two affordable rental housing projects in Kailua; 330 Kuulei a 40-unit affordable rental housing project currently under construction, and 614 Wailepo Street, a 38-unit affordable rental housing project currently in the permitting stage. Both projects are being undertaken under the current provisions of Chapter 32 ROH, and both projects would not be feasible had the changes to Chapter 32 ROH as proposed in Bill 18 (26) been enacted. We suggest our projects in Kailua serve as a cautionary example of how changes to a program, no matter how well intentioned or demanded by a few, can negatively impact a program intended to support the many in our community who have consistently raised their voices in support of more affordable housing.

Thank you for the opportunity to provide these comments.

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