BILL018(26)
Testimony

MISC. COMM. 80

*HOUSING, HOMELESSNESS & PARKS (HHP)

***HOUSING, HOMELESSNESS & PARKS (HHP) Meeting**

Meeting Date: Mar 3, 2026 @ 02:30 PM

Support: 5

Oppose: 3

I wish to comment: 8

Name:	Email:	Zip:
Johnnie-Mae Perry	waianaenb569@gmail.com	96792
Representing:	Position:	Submitted:
Self	Support	Feb 25, 2026 @ 09:08 PM

Testimony:

I, Johnnie-Mae L. Perry, Support BILL018(26)

RELATING TO AFFORDABLE HOUSING.

Name:	Email:	Zip:
Jacob Wiencek	jacob.m.wiencek@pm.me	96815
Representing:	Position:	Submitted:
Self	I wish to comment	Feb 26, 2026 @ 11:09 PM

Testimony:

Aloha Councilmembers,

Ensuring a supply of affordable housing is a central concern for working- and middle-class families in Honolulu. Over the past several years, this Council has made steady progress in addressing these challenges. I am glad to see Bill 18 working through our legislative process so we can comprehensively address affordable housing issues.

However, I am very concerned with two significant changes in the proposed CD-1. Reintroducing parking mandates will only RAISE costs while providing NEGLIGIBLE benefits to projects or those in need of affordable housing. Additionally, I am uncertain as to what benefit, if any, lowering the height requirement for elevators provides.

I strongly urge the committee to REJECT these two proposed changes and continue advancing what is a fine piece of legislation.

Name:	Email:	Zip:
Jonathan Huynh	Jhweather123@yahoo.com	96792
Representing:	Position:	Submitted:
Self	Oppose	Feb 27, 2026 @ 01:25 PM

Testimony:

Aloha. I oppose Bill 18 because the amended version has elements that increase the cost of housing and supports car dependency (which increases the cost of living):

- Parking minimum mandate of 10 spaces

-Elimination of the bicycle parking requirement

- Elevator required for buildings 30' or taller

These elements make it more expensive to build housing and increase the cost of living. Therefore, I urge you to oppose Bill 18.

Name:	Email:	Zip:
Bryan Mick	bryan.mick@doh.hawaii.gov	96734
Representing:	Position:	Submitted:
Disability and Communication Access Board	Support	Feb 27, 2026 @ 04:21 PM

Name:	Email:	Zip:
Paul Lam	paullam77@gmail.com	96816
Representing:	Position:	Submitted:
Self	I wish to comment	Feb 28, 2026 @ 12:17 PM

Name:	Email:	Zip:
Geena Thielen	geena@ccs-hawaii.com	96734
Representing:	Position:	Submitted:
Self	Oppose	Mar 1, 2026 @ 04:48 PM

Name:	Email:	Zip:
Arjuna Heim	arjuna@hiappleseed.org	96816
Representing:	Position:	Submitted:
Hawaii Appleseed Center for Law and Economic Justice	I wish to comment	Mar 1, 2026 @ 07:56 PM

Name:	Email:	Zip:
Eduardo Hernandez	eduardo@hbl.org	96816
Representing:	Position:	Submitted:
Hawai'i Bicycling League	Oppose	Mar 2, 2026 @ 10:33 AM

Name:	Email:	Zip:
Donald Sakamoto	cylonone@aol.com	96813
Representing:	Position:	Submitted:
Self	Support	Mar 2, 2026 @ 11:30 AM
Testimony:		
Support		

Name:	Email:	Zip:
Perry Arrasmith	perry@hawaiisfuture.org	96797
Representing:	Position:	Submitted:
Housing Hawai‘i's Future	I wish to comment	Mar 2, 2026 @ 11:36 AM

Name:	Email:	Zip:
Martin Nguyen	martin@centre-urban.com	96815

Representing:	Position:	Submitted:
Centre Urban Real Estate	I wish to comment	Mar 2, 2026 @ 11:38 AM
Name:	Email:	Zip:
Damien Waikoloa	damien.waikoloa@gmail.com	96822
Representing:	Position:	Submitted:
Hawai'i YIMBY	Support	Mar 2, 2026 @ 12:20 PM
Name:	Email:	Zip:
Ted Kefalas	tkefalas@grassrootinstitute.org	96813
Representing:	Position:	Submitted:
Grassroot Institute of Hawaii	Support	Mar 2, 2026 @ 01:02 PM
Name:	Email:	Zip:
Phillip Camp	pcamp@hiarchy.net	96813
Representing:	Position:	Submitted:
hi.arch.y llp	I wish to comment	Mar 2, 2026 @ 02:26 PM
Name:	Email:	Zip:
Stefanie Sakamoto	ssakamoto@imanaka-asato.com	96789
Representing:	Position:	Submitted:
BIA Hawaii	I wish to comment	Mar 2, 2026 @ 09:54 PM
Name:	Email:	Zip:
Erica Castillo	egcastle29@gmail.com	96814
Representing:	Position:	Submitted:
Self	I wish to comment	Mar 3, 2026 @ 10:28 AM

Testimony:

Members of the Honolulu City Council,

My name is Erica Castillo. I have been living in a Bill 7 affordable housing project on Kinau Street (across from Safeway) for about a year now with my family.

My husband is a Navy veteran. He was medically discharged and is now disabled. I stay home to take care of him and our 10 year old daughter Kiyomi. We do not qualify for government assistance like food stamps, Section 8, or other housing assistance. This affordable housing has truly been a blessing for our family. Without it, we could easily be homeless. Our income and credit are not perfect, so finding housing is very hard for us.

When I read Bill 18 and saw the requirement for a resident manager, I felt it was not necessary for every property. We have 25 families in our building, and we are like one big family. We care, support and look after

each other. Parking requirements are not

necessary for every property. My building is walking distance to schools and grocery. Most people in my building do not

have a vehicle. If parking was a requirement then my building wouldn't exist simply because the lot is too small. I am grateful for my building even with no parking lot. Street parking is available in town. Requiring parking only increases construction costs, and those extra costs are passed on to tenants through higher rent. Our rent doesn't even feel like low income. It is still very expensive.

We have many friends and family members who would love to live in housing like ours, but there is not enough affordable housing in our city. I respectfully ask the Honolulu City Council and our Mayor to make it easier, not harder, for developers to build these projects. Without affordable housing, families like ours face instability and hardship. I know many great residents here that are homeless due to financial crisis and housing unavailability especially when so many factors have to be considered for application. Our building is only three stories. There is no need to require elevators on every development. Every extra construction requirement increases costs, and those costs are passed on to families like mine.

Thank you for listening to my testimony and for considering families like ours when making your decision.

Erica Castillo

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)

March 3, 2026

The Honorable Andria Tupola, Chair
and Members of the Committee on Housing, Homelessness, and Parks
Honolulu City Council
530 South King Street
Room 203
Honolulu, HI 96813

Regarding: Bill 18 (2026) CD1 – Relating to affordable housing. (Amending provisions relating to affordable rental housing).

Dear Chair Tupola and Committee Members:

The Disability and Communication Access Board (DCAB) supports Bill 18 (2026) CD1 – Relating to affordable housing.

The housing crisis is magnified for people with disabilities who 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.

In multifamily residential projects, where the Fair Housing Act (FHA) design and construction requirements apply, adaptable units are required to be provided for persons with mobility disabilities. According to the U.S. Census Bureau's 2021 Disability Characteristics for the State of Hawaii, 19.1 percent of Hawaii' residents that are sixty five years and older have a mobility difficulty.

Bill 18 (2026) CD1 amends Honolulu Revised Ordinances 32-2.3 to require elevators in buildings over thirty feet in height for buildings that are constructed under the City's Affordable Rental Housing Program. DCAB supports the requirement in Bill 18 (2026) CD1 for elevators in buildings over thirty feet in height for buildings constructed under the City's Affordable Rental Housing Program.

Thank you for the opportunity to testify.

Respectfully submitted,

Kristine Pagano

KRISTINE PAGANO
Acting Executive Director

LAM CAPITAL LLC
AFFORDABLE HOUSING HAWAI'I

March 2, 2026

Testimony on Bill 18 (CD1)
Before the Honolulu City Council

Chair Waters, Vice Chair Tupola, and Honorable Members of the Council:

Thank you for the opportunity to testify on Bill 18 (CD1). I commend Councilmember Tupola for her commitment to increasing affordable housing under Chapter 32 (Bill 7). In addition to my February 18 written testimony, I respectfully submit the following comments on the Committee Draft.

Over the past five years, our firm has evaluated approximately 50–60 parcels ranging from 5,000 to 20,000 square feet and prepared detailed feasibility analyses for Bill 7 developments. These comments are based on direct development experience under current construction costs and financing constraints.

1. Increase in Lot Area, Height, and Density — Strongly Support

We support increasing the maximum eligible lot size to 40,000 square feet, permitting heights up to 60 feet (or the underlying zoning maximum, whichever is greater), and allowing additional density.

While parcels exceeding 20,000 square feet—particularly in the urban core—are limited, they do exist. Expanding eligibility will unlock additional feasible development opportunities at a time when land and construction costs continue to escalate. This flexibility is both reasonable and necessary to meaningfully address the City's housing shortage.

The added height and density could significantly enhance the effectiveness of Bill 7 projects. Our community has been discussing housing affordability for decades, yet the problem continues to worsen. If we do not enact bold, forward-thinking reforms such as this, we risk having the same conversation 20 years from now—under even more severe conditions. Addressing a crisis requires decisive and bold action, and this proposal represents one important step in the right direction. Of the housing measures Councilmember Tupola has advanced in this bill, this is the most impactful and pro-housing.

Importantly, these pro-housing amendments should be developed in consultation with the Department of Planning and Permitting (DPP) and should receive the support of the Blangiardi Administration to ensure proper implementation and long-term success.

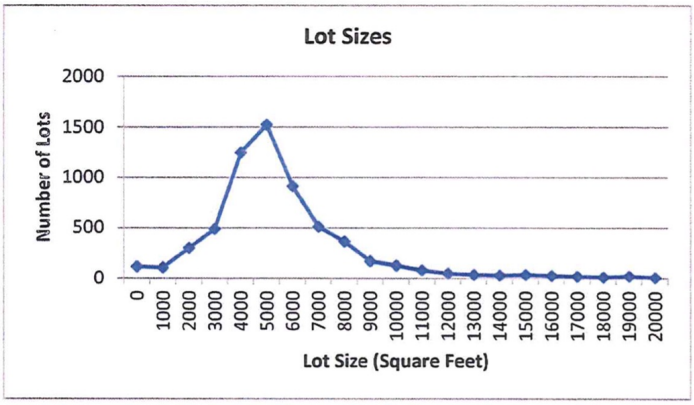
2. Mandatory Parking and Elevator Requirements — Strongly Oppose

We respectfully oppose requiring a minimum of ten off-street parking stalls (including one ADA stall) and mandating elevators for buildings 30 feet or higher.

Bill 7 projects on 5,000 square foot lots are typically three- or four-story walk-up buildings and form the backbone of the program. Structured parking, which necessitates podium construction, is cost-prohibitive under current market conditions. Elevator mandates further increase development costs and reduce the number of units deliverable at affordable rents. Parking and elevator needs should be guided by market demand rather than fixed mandates.

According to 2019 DPP data, of approximately 6,175 apartment-zoned lots under 20,000 square feet, roughly 1,500 are 5000 square foot parcels. Imposing parking and elevator mandates would materially constrain the development capacity of a substantial portion of eligible site.

APARTMENT LANDS UNDER 20,000 SQUARE FEET
Total Number of Lots: 6,175



Program Stability and Legislative Intent

Since the enactment of Chapter 32 (Bill 7) in 2019, only six projects have secured Certificates of Occupancy. While momentum is now building—and new rental developments are emerging at a pace not seen in nearly four decades—the program remains highly delicate. Capital markets are constrained, construction costs persist at elevated levels, and development margins remain exceedingly narrow.

Regulatory requirements that materially increase development costs—particularly mandatory parking and elevator provisions—threaten to undermine the legislative intent of Bill 7 and impede affordable housing production at a critical juncture. The State Legislature is concurrently considering statewide measures addressing parking mandates for affordable housing, including HB 1919, which, if enacted, may preempt local requirements. Absent restraint, the City risks materially impairing the viability of what is presently its most effective affordable housing program.

For these reasons, I respectfully urge the Council to refrain from adopting amendments that would undermine the program's recent progress or impair its economic feasibility.

If the proposed pro-housing amendments cannot secure majority support absent the inclusion of additional parking, elevator, and resident manager mandates, then I respectfully request that the Council decline to advance the bill in its current form, as such additions would undermine the intent of Bill 7 and, in turn, harm the people of Honolulu.

Thank you for your consideration.

Respectfully submitted,

Paul Lam

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March 3, 2026

Honolulu City Council, Committee on Housing, Homelessness and Parks

Re: Bill 18 Relating to Affordable Housing

Dear Chair Tupola, Vice Chair Tulba and Members of the Committee,

I am testifying in **OPPOSITION** to 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 well intentioned the result will be to undermine an effort that is only now gaining the momentum to succeed.

Bill 7 is truly starting to show its promise. Like many programs it takes time and the heavy lifting of the early adopters to figure out something new. 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?

Whether intended or not, Bill 18 is an attempt to vault Bill 7 projects into larger and larger buildings while sacrificing all smaller buildings in the process. The parking and elevator requirements will absolutely end any chance to build on 5,000 – 10,000 SF lots as these buildings are simply too small to be able to afford the required podium for parking and an elevator.

While the advantages of larger lots and greater density are alluring, they carry with it the need to reconsider some of the code amendments contained in the original Bill 7. This would be akin to opening Pandora's Box. Even if a successful purely pro-housing solution to Bill 18 can be crafted, it will essentially be setting the clock back to zero on this program.

Sincerely,
Geena Thielen
President/RME

HAWAII APPLESEED
CENTER FOR LAW & ECONOMIC JUSTICE

Testimony of the Hawai‘i Appleseed Center for Law and Economic Justice
Comments to Bill 18, CD1 – Relating to Affordable Housing
Honolulu City & County Council
Committee on Housing, Homelessness, and Parks
Tuesday, March 3, 2026 at 2:30PM

Aloha Chair Tupola, Vice Chair Tulba, and Council Members;

Mahalo for the opportunity to testify in **with comments on 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.

Opposition: Increased Parking Requirements in CD1

At a time when Honolulu faces a severe housing affordability crisis, adding new parking mandates to below-market rental housing moves us in the wrong direction. **Parking requirements are not free; they are among the most expensive components of residential construction, particularly in urban Honolulu where structured or podium parking is often required.**

HAWAII APPLESEED
CENTER FOR LAW & ECONOMIC JUSTICE

Testimony of the Hawai‘i Appleseed Center for Law and Economic Justice
Comments to Bill 18, CD1 – Relating to Affordable Housing
Honolulu City & County Council
Committee on Housing, Homelessness, and Parks
Tuesday, March 3, 2026 at 2:30PM

Our research shows that mandated podium parking can add over $68,000 to the cost of constructing a single affordable rental unit in 2025. Those costs do not disappear, they are either passed on to tenants in the form of higher rents or absorbed into already thin affordable housing financing structures, making projects harder to pencil out. In many cases, excessive parking requirements can mean fewer total units are built, or that projects become financially infeasible altogether.

For renters, the impact is direct. **A single required parking stall can add approximately $410 per month to the rent of a studio apartment in urban Honolulu whether or not the tenant owns a car.** Requiring parking for income-restricted rental housing effectively forces those households to pay for car storage they may not need or use.

Importantly, maintaining the current rules around parking does not eliminate it. Developers can still choose to include parking based on resident needs, transit access, and financial feasibility. Many income-restricted projects already conduct market and resident demand analyses as part of their financing applications. Imposing a blanket requirement overrides that data-driven approach with a one-size-fits-all mandate.

The City’s prior reform under Ordinance 20-41 was a step toward reducing unnecessary costs and improving housing feasibility. Bill 18 would partially reverse that progress and would do so specifically for income-restricted rental housing, the very projects we should be making easier, not harder, to build.

If our shared goal is to maximize the production of affordable housing and lower housing costs for working families, we must remove unnecessary regulatory barriers. Reinstating parking mandates for income-restricted rental housing does the opposite.

For these reasons, Hawai‘i Appleseed respectfully urges the council to reject the proposal of costly parking mandates.

Mahalo for the opportunity to testify.

HAWAIʻI BICYCLING LEAGUE
Since 1975

BikeEd Hawaii

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Honolulu City Council
Committee On Housing, Homelessness, & Parks

Tuesday, March 3, 2026 – 2:30pm

Hawaiʻi Bicycling League Opposes Elements of Bill 18, CD1(2026), Relating To Affordable Housing

Aloha Chair Tupola, Vice Chair Tulba and Members of the Committee,

My name is Eduardo Hernandez and I am the Advocacy Director for the Hawaiʻi Bicycling League (HBL). We are a non-profit organization founded in 1975 with the mission of enabling more people to ride bicycles for health, recreation, and transportation. We strive to create communities across our islands that have safe, accessible, and inclusive environments for people to bike, walk, roll, and use public transit.

Hawaiʻi Bicycling League opposes elements of Bill 18, CD1. In particular, we are opposed to the requirements for minimum car parking requirements and the exclusion of bicycle parking requirements. These elements of the bill are not compatible with the significant need for affordable housing development, nor Section 6-1706 of the Revised Charter of the City & County of Honolulu.

For too long, land use policies and statutes have worked in concert with transportation planning in ways that prioritize private cars. This has created roads that are unsafe for walking and bicycling, which in turn has been a barrier for people to choose these options for transportation, recreation, and health. Further, in prioritizing private cars, we are contributing to an unsustainable rise in the cost of developing housing, and for families to be able to afford housing.

This Council should be working to de-prioritize private cars and parking to create opportunities for safer streets and more affordable housing for all. Affordable housing developers have confirmed that car parking mandates inhibit essential flexibility to increase housing options and also increase housing costs. This Council should be looking to instead increase secure off-street bicycle parking, expand bike share initiatives, and enhance Complete Streets statutes and policies. These linkages demonstrate a better way to consider land use policies, in ways that provide affordable and safer options for housing and transportation.

I urge you to reject the noted elements of Bill 18, CD1 (2026). Mahalo for the opportunity to share testimony on this important matter.

Mahalo for the opportunity to provide testimony.

Eduardo Hernandez
Advocacy Director
Hawaiʻi Bicycling League

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

March 2, 2026

TO: Chair Tupola and Members of the Committee
RE: Bill 18, Proposed CD1, Relating to Affordable Housing

Aloha Chair Tupola and Committee Members,

We offer comments on Bill 18, Proposed CD1. This proposed draft makes amendments to the development standards, building construction standards, and other requirements for affordable housing projects developed under ROH Chapter 32.

O'ahu presently experiences a shortage of 25,710 housing units. The Mayor's 2025-2028 Strategic Housing Plan finds that the "high costs of construction labor, materials, and land make it difficult to build new housing that is affordable to middle-income households."[1] We support any and all efforts to increase housing opportunities for residents. To that end, the 'Bill 7' program is critical.

There are several positive elements in the proposed draft, including an increased maximum lot area, an increase in the maximum building height, no maximum building area cap, and permitted development in business and mixed-use areas.

However, we express concern with the off-street parking requirement. Decades of modern analysis show that off-street parking mandates add very large amounts to the per-unit cost of new housing, conservatively in the tens of thousands of dollars per stall (the cost of an average stall in Honolulu is **$68,000**), and local analyses often estimate **$70k–$100k** per unit when parking is overbuilt.[2] Furthermore, Ordinance 20-41 has already removed arbitrary off-street parking minimums in many parcels where Bill 7 projects would be located.

We appreciate the spirit of Bill 18, as it marks a concerted effort to reform and improve the structure of the Chapter 32 affordable housing program. There is an opportunity for the City Council to use instruments such as Bill 18 to build a cohesive agenda to increase residential housing supply.

Aloha,

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

Perry Arrasmith
Director of Policy
Housing Hawai'i's Future
perry@hawaiisfuture.org

[1] See P. 16, https://www.honolulu.gov/dhlm/housing-plan/
[2] For figures, see https://tinyurl.com/mswb7hwr

CENTRE URBAN
REAL ESTATE

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

February 27, 2026

The Honorable Andria Tupola
Committee on Housing, Homelessness & Parks
Honolulu City Council
530 South King Street
Honolulu, Hawaii 96813

RE: PROVIDING COMMENTS REGARDING BILL 18 (2026) – RELATING TO AFFORDABLE RENTAL HOUSING

Aloha Chair Tupola, Vice-Chair Tulba, and Committee Members,

I am writing this testimony **PROVIDING COMMENTS** for Bill 18 (2026) proposed CD1 – ATUP1 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.

The introduction of Bill 18 is a major step and our team applauds the City Council's efforts in refining the ROH Chapter 32 program. 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. Increasing 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, there are significant concerns in the proposed CD1 as currently drafted that would move the program as a whole backwards and effectively removes small-lot development from the ROH Chapter 32 program. These concerns are:

- **Off-Street Parking –** A 10-stall minimum requirement plus a potential loading zone would effectively kill all projects on lots smaller than 10,000 square feet. For context, our 2533 Kāneloa Road project has ground floor parking on a 6,456 square foot parcel. We were only able to physically fit 6 stalls and a loading area, despite our lot being a corner lot with access from two sides. Vehicle turnaround and drive-aisle requirements take up more space than the parking stalls themselves. This is in addition to areas for necessary building systems, such as electrical room, pump room, trash room, etc. We recommend keeping parking requirements for Chapter 32 projects consistent with the zoning requirements for all other housing projects in Honolulu, which is not having a parking requirement.
- **Underlying Zoning Setbacks –** This proposed change would also effectively remove all small lots from the ROH Chapter 32 program, as many underlying zoning side yard setbacks are >10', with potential height setbacks. When you have an average 50' wide lot, but are required to do >10' on each side, it would result in a <30 foot wide building, which would be very impractical. We recommend keeping the current maximum building area language of "80% of the zoning lot" or removing the lot coverage requirement entirely.

TRANSIT ORIENTED DEVELOPMENT BONUS

However, if these items of concern are removed, Bill 18 has the potential to be an incredible catalyst towards the creation of workforce kamaʻāina housing, particularly for higher-density housing near public transit and job centers. The creation of a new section specifically to the transit density bonus, rather than keeping it solely within the "maximum number of units" section would be a prudent mechanic to create. Further, explicitly including the Waikiki Special District, TOD Special Districts, and adopted Neighborhood TOD Plans would incentivize development in these 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.

As such, we would recommend the addition of the following language to Section 8:

§ 32-2. Transit density bonus.

Zoning lots located within 2,000 feet of an urban high service transit stop at the time of application for a building permit to construct an affordable rental housing project, or within the Waikiki Special District, a TOD Special Direct, or adopted Neighborhood TOD Plan, are eligible to receive the following transit density bonus incentives:

(1) **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 120 and rounding up to the nearest whole number;

(2) **Maximum building height**. Three additional stories and up to 30 additional feet;

(3) **Maximum floor area ratio**. Percentage increase of up to 25%;

(4) **Minimum yards and setbacks**. 5 feet, or the minimum side, rear, and front yards required by the underlying zoning, whichever is less; and,

(5) **Maximum lot area.** No maximum lot area.

For purposes of this section, "urban high service 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.

REAL PROPERTY TAX EXEMPTION CLEAN-UP

We should also take the opportunity to clean up the definition of "Exemption Period" for the real property tax exemption under Section 8-10.33, such that the RPT exemption is equal to the affordability period of the project, in the case the affordability period exceeds the currently fixed 15 years. As the statute reads right now, the RPT exemption is a flat 15 years – full stop. A prudent revision would be such that the RPT exemption is the same period that the property remains affordable, but no less than 15 years. This is the case for all other affordable housing projects, except under ROH Chapter 32. Creating consistency here would be much appreciated.

We would recommend the addition of the following language as a new Section 10:

SECTION 10. Section 8-10.33, Revised Ordinances of Honolulu 2021, is amended to read as follows:

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~~**.

OVERALL PROPOSED AMENDMENTS

In addition to the items of concern and opportunity noted above, we have include our holistic suggested amendments that would significantly move the ROH Chapter 32 program along. Changes currently proposed in Bill 18 proposed CD1 are underlined and our additional revisions are **underlined and bolded** in the following attachment. These are not holistic but would represent a significant improvement as the legislation currently sits.

ROH Chapter 32, based on our 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 Committee 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

Attachments: Bill 18 (2026) proposed CD1 – ATUP1, Centre Urban proposed amendments

HONOLULU CITY COUNCIL

KE KANIHELA O KE KALANA O HONOLULU

CITY AND COUNTY OF HONOLULU

ORDINANCE _____

BILL **18 (2026), CD1**

PROPOSED

A BILL FOR AN ORDINANCE

RELATING TO AFFORDABLE HOUSING.

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

SECTION 1. Purpose. The purpose of this ordinance is to amend provisions relating to affordable rental housing.

SECTION 2. Section 32-1.1, Revised Ordinances of Honolulu 2021 ("Definitions"), is amended by adding a new definition of "Reasonable Maneuvering Area" to be appropriately inserted and to read as follows:

"***Reasonable Maneuvering Area.*** An area that allows a vehicle that has entered a loading space in a forward manner to exit the loading space in a forward manner after no more than two back and forth movements."

SECTION 3. Section 32-2.2, Revised Ordinances of Honolulu 2021, is amended to read as follows:

"**§ 32-2.2 Permitted uses.**

Affordable rental housing projects are a permitted use in the apartment, apartment [~~mixed use,~~] mixed-use, business, and business [~~mixed use~~] mixed-use zoning districts, and in the apartment precinct, including the apartment [~~mixed use~~] mixed-use subprecinct, of the Waikiki special district, pursuant to Chapter 21."

SECTION 4. Section 32-2.3, Revised Ordinances of Honolulu 2021, is amended to read as follows:

"**§ 32-2.3 Development standards.**

Affordable rental housing projects are subject to the following development standards and off-street parking and loading requirements, as illustrated in [~~Figures 32-2.6 and~~] Figure 32-2.7:

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Development Standard	**Requirement**
Maximum lot area	[~~20,000 square feet~~] ~~40,000 square feet~~ **One (1) acre**
Minimum front yard	10 feet, or the minimum front yard required by the underlying zoning, whichever is less; provided that a single yard may be designated as a front yard by the owner of a zoning lot bounded by more than one street
Minimum side and rear yards	5 feet, or the minimum side and rear yards required by the underlying zoning, whichever is less
Maximum building area	[**80% of the zoning lot**] ~~None; provided that the setbacks required by the underlying zoning will apply~~
Maximum building height	60 feet or the maximum building height of the underlying zoning, **TOD Special District, or adopted Neighborhood TOD Plan,** whichever is greater
Maximum density	4.0 FAR
Height setbacks	None
Off-street parking	[**None**] ~~At least 10 spaces, including one space reserved for persons with disabilities, as defined in §5-29.1~~
Bicycle parking	None
Elevator requirement	Elevators are required for buildings ~~30~~ **50** feet in height and above, but are not required for buildings below ~~30~~ **50** feet, unless required by applicable federal accessibility laws

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Development Standard	**Requirement**
Off-street loading	For a zoning lot 7,500 square feet or less: None[~~,~~]; provided that loading and garbage storage must be accommodated on site. For a zoning lot exceeding 7,500 square feet: Loading space with minimum horizontal dimensions of 16 feet in length and 7 feet 6 inches in width, with a minimum vertical clearance of 10 feet, and a reasonable maneuvering area, or subject to the approval of the department of planning and permitting traffic review branch; provided that garbage storage must be accommodated on site.
Yard encroachments	Parking, including bicycle parking, is allowed in the side and rear yards. One loading space may encroach a maximum of 5 feet into the front yard. Required fire exit stairwells and fire corridors may encroach into the front yard by a maximum of 5 feet.

"

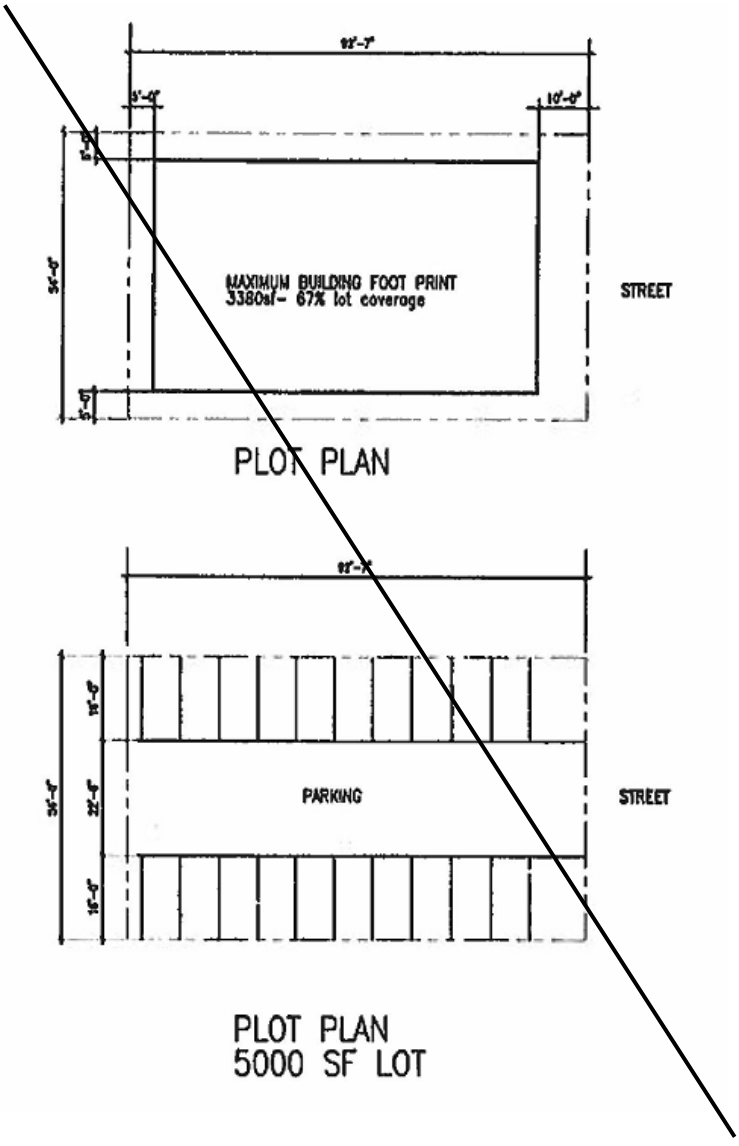
SECTION 5. Section 32-2.6, Revised Ordinances of Honolulu 2021, is repealed.

["~~§ 32-2.6 Examples of maximum building area and yards.~~

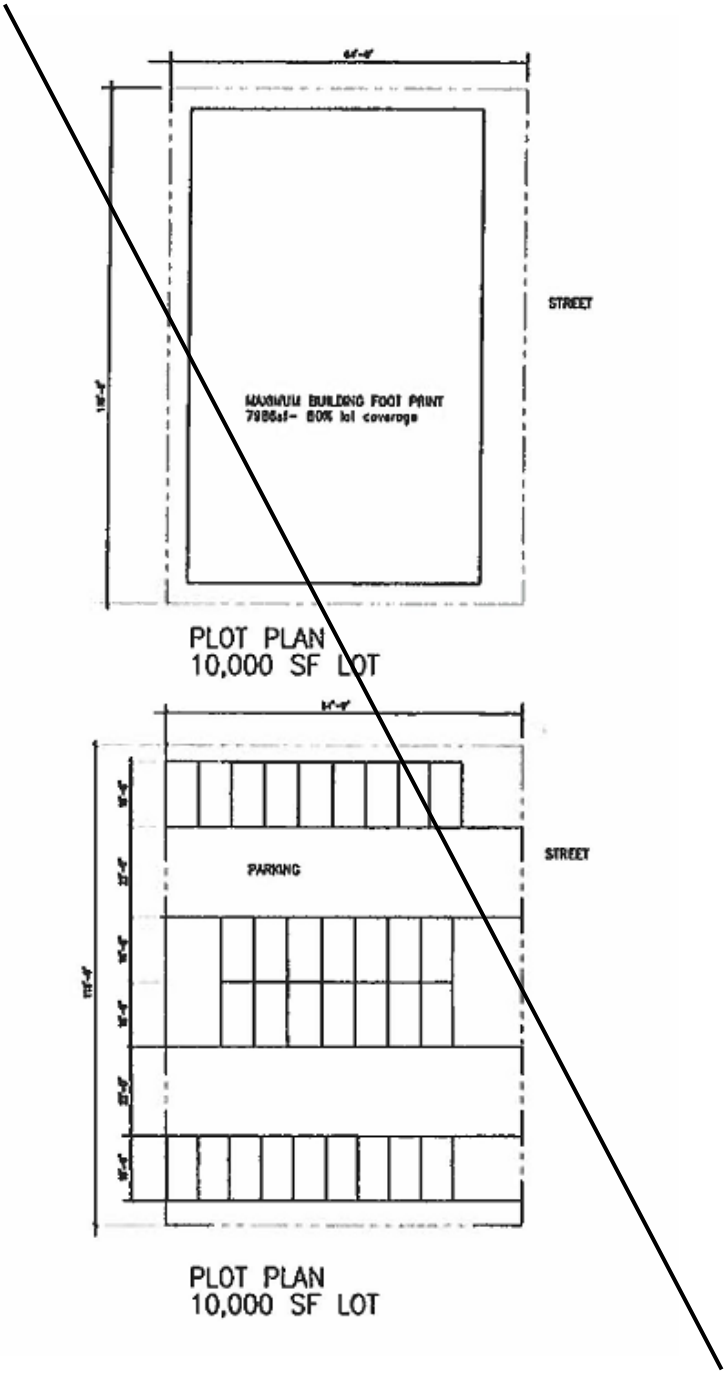
~~The following figures illustrate possible configurations of maximum building area and required yards; however, they do not necessarily reflect acceptable parking configurations or compliance with all other development standards:~~

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~~Figure 32-2.6~~
~~5,000 SQUARE FOOT LOT~~

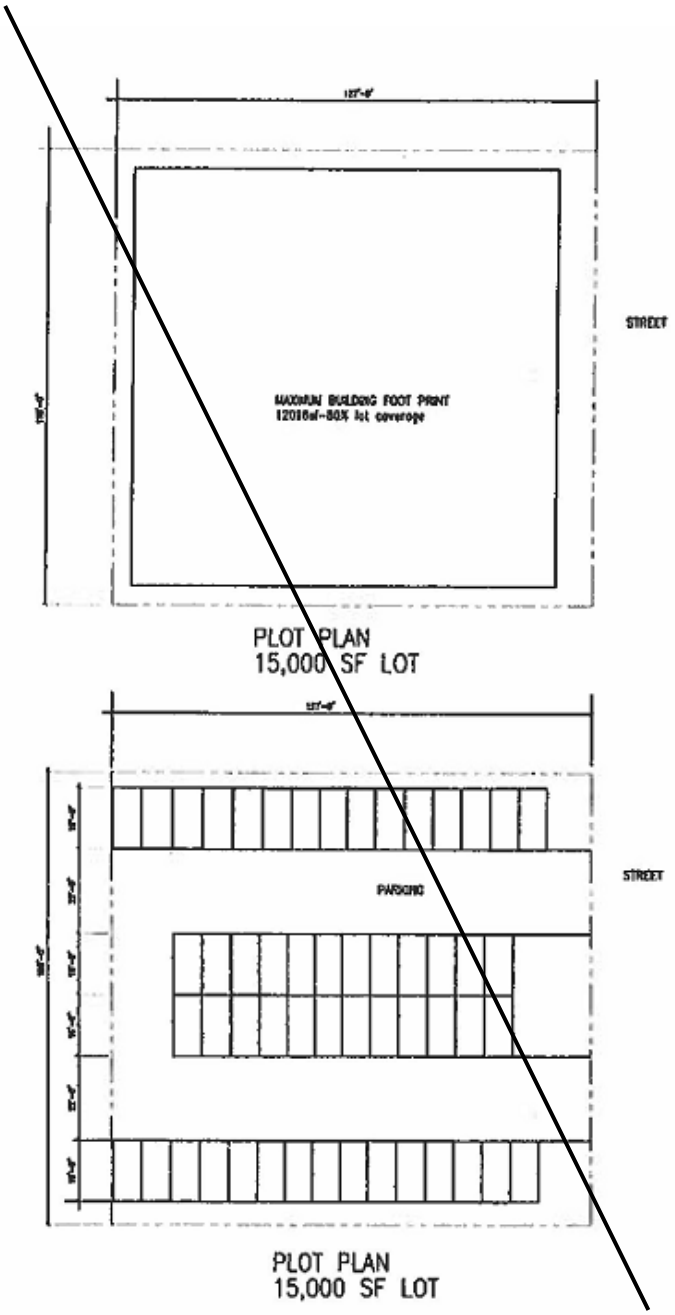


~~**Figure 32-2.6**~~
~~**10,000 SQUARE FOOT LOT**~~



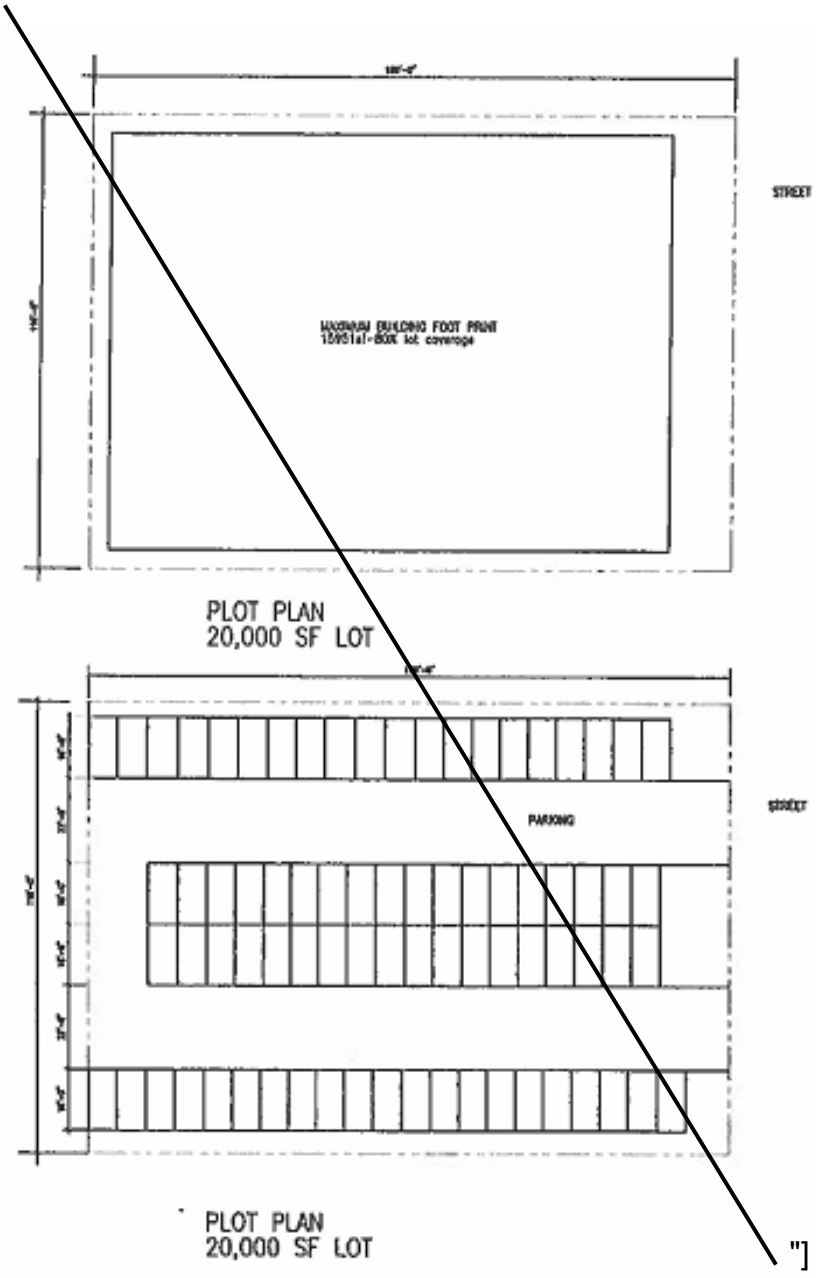
A BILL FOR AN ORDINANCE

~~**Figure 32-2.6**~~
~~**15,000 SQUARE FOOT LOT**~~



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~~**Figure 32-2.6**~~
~~**20,000 SQUARE FOOT LOT**~~



"]

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SECTION 6. Section 32-2.8, Revised Ordinances of Honolulu 2021, is amended to read as follows:

"**§ 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 [~~equivalent of the maximum allowable FAR for that zoning lot, excluding any public open space bonus FAR, by a factor of 800, and rounding down to the nearest whole number.~~] 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 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 purposes of this section, "urban high service bus stop" means any 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~~."

SECTION 7. Section 32-2.9, Revised Ordinances of Honolulu 2021, is repealed.

["~~§ 32-2.9 Maximum size of units.~~

~~The maximum size of an affordable rental housing unit in an affordable rental housing project is as follows:~~

~~Number of Bedrooms and Bathrooms~~	~~Maximum Floor Area (square feet)~~
~~Studio with 1 bathroom~~	~~500~~
~~One bedroom with 1 bathroom~~	~~650~~
~~One bedroom with 1.5 bathrooms~~	~~700~~
~~One bedroom with 2 bathrooms~~	~~750~~
~~Two bedrooms with 1 bathroom~~	~~800~~
~~Two bedrooms with 1.5 bathrooms~~	~~900~~
~~Two bedrooms with 2 bathrooms~~	~~1,000~~
~~Three bedrooms with 1.5 bathrooms~~	~~1,100~~
~~Three bedrooms with 2 bathrooms~~	~~1,200~~

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~~Number of Bedrooms and Bathrooms~~	~~Maximum Floor Area (square feet)~~
~~Three bedrooms with 2.5 bathrooms~~	~~1,250~~
~~Four bedrooms with 2 bathrooms~~	~~1,300~~
~~Four bedrooms with 2.5 bathrooms~~	~~1,350~~

"]

SECTION 8. Chapter 32, Article 2, Revised Ordinances of Honolulu 2021 ("Permitted Uses, Development Standards, and Other Requirements"), is amended by adding four new sections to be appropriately designated by the Revisor of Ordinances and to read as follows:

"**§ 32-2.__ Development requirements.**

If a zoning lot is to be developed as affordable rental housing pursuant to this chapter, then every existing and proposed structure on the zoning lot must comply with the requirements of this chapter.

§ 32-2.__ Landscaping.

Side and rear yards need not be landscaped; provided that a solid fence with a minimum height of 4 feet and a maximum height of 6 feet is built along the property line enclosing the side or rear yard, as applicable.

§ 32-2.__ Resident manager unit.

Affordable rental housing projects may include a unit to be used as housing for an on-premise resident manager or an office for a property management company to manage tenant issues and be responsible for the maintenance of the building and rental units. If a unit for a resident manager or property management company is included, the unit must be maintained for the duration of the affordability period of the project. The unit for the resident manager or property management company may not be counted towards the affordable rental housing unit requirement.

§ 32-2.__ Multi-unit dwelling standards in business districts.

In the B-1 and B-2 zoning districts, nonresidential uses of multi-unit dwellings must be limited to the ground floor, with residential uses located on consecutive floors above."

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§ 32-2.__ Transit density bonus.

Zoning lots located within 2,000 feet of an urban high service transit stop at the time of application for a building permit to construct an affordable rental housing project, or within the Waikiki Special District, a TOD Special District, or adopted Neighborhood TOD Plan, are eligible to receive the following transit density bonus incentives:

(1) 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 120 and rounding up to the nearest whole number;

(2) Maximum building height. Three additional stories and up to 30 additional feet;

(3) Maximum floor area ratio. Percentage increase of up to 25%;

(4) Minimum yards and setbacks. 5 feet, or the minimum side, rear, and front yards required by the underlying zoning, whichever is less; and,

(5) Maximum lot area. No maximum lot area.

For purposes of this section, "urban high service 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."

SECTION 9. Section 32-3.2, Revised Ordinances of Honolulu 2021, as amended by Ordinance 25-46, is amended to read as follows:

"**§ 32-3.2 Standards.**

(a) *Building heights and areas.* The building height permitted by Table 32-A will be increased in accordance with Section 504 of the building code. The building area of a one-story building must not exceed the limitations set forth in Table 32-A, except as provided in Section 506 of the building code.

A BILL FOR AN ORDINANCE

TABLE 32-A					
TYPE OF CONSTRUCTION	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				
	IB	IIA	IIIA	HT	VA
	MAXIMUM HEIGHT (feet)				
	[~~60~~]	[~~60~~]	[~~60~~]	[~~60~~]	50
	60 or the maximum height for the underlying zoning district, **TOD Special District, or adopted Neighborhood TOD Plan**, whichever is greater				
Height/Area	Maximum Height (stories) and Maximum Area (sq. ft.)				
H	~~7~~ **10**	~~7~~ **10**	~~7~~ **10**	7	5
A	**[80% of land area]** ~~None; provided that the setbacks required by the underlying zoning will apply~~	**[80% of land area]** ~~None; provided that the setbacks required by the underlying zoning will apply~~	**[80% of land area]** ~~None; provided that the setbacks required by the underlying zoning will apply~~	**[80% of land area]** ~~None; provided that the setbacks required by the underlying zoning will apply~~	**[80% of land area]** ~~None; provided that the setbacks required by the underlying zoning will apply~~

(b) *Type of construction.* The minimum type of construction must comply with Chapter 6 of the building code and Table 32-A.

(c) *Standards for buildings up to 60 feet in height.* The following standards apply to affordable rental housing projects with a building height of 60 feet and below:

[~~(c)~~] (1) *Fire-resistance rated construction and requirements.* The following requirements apply [~~to affordable rental housing projects~~]:

[~~(1)~~] (A) Where an exterior wall is less than 10 feet from the property line, one-hour fire-rated exterior walls with no greater than 25 percent openings per wall surface; provided that windows in the openings may be unrated;

[~~(2)~~] (B) One-hour fire-rated corridor walls for double loaded corridors and demising walls between units;

[~~(3)~~] (C) Twenty-minute fire-rated entry doors to units with automatic closure mechanisms;

[~~(4)~~] (D) Unrated interior walls within each unit;

[~~(5)~~] (E) One-hour fire-rated floors and roof, or heavy timber floors and roof;

[~~(6)~~] (F) Two-hour fire-rated walls between units and building stairs or passenger elevators;

[~~(7)~~] (G) Two-hour fire-rated walls and 90-minute fire-rated door in the booster pump room [~~described in subsection (d)(5)~~]; and

[~~(8)~~] (H) All domestic water and fire sprinkler piping must be made of noncombustible material; provided that alternate fire-rating piping material may be used in an affordable rental housing project when: the affordable rental housing project is not constructed of heavy timber construction; the affordable rental housing project does not use a single water supply and distribution system for domestic water and fire sprinkler systems; and use of the alternate fire-rating piping material complies with Chapter 16 and Chapter 20 fire sprinkler requirements.

[~~(d)~~] (2) *Fire protection system.* The installation of automatic sprinkler systems for protection against fire hazards must be designed and installed in compliance with [~~section~~] Section 903 of the building code; or, for residential occupancies of seven or fewer stories in buildings not exceeding 60 feet in height above grade, an automatic sprinkler system must be provided as follows:

[~~(1)~~] (A) A common sprinkler/domestic main must be installed throughout the building;

[~~(2)~~] (B) Vertical risers must be provided with a secured shutoff valve locked in the open position. All required outages must be provided with a fire watch;

[~~(3)~~] (C) All sprinkler heads must be installed prior to the last plumbing fixture served within the unit. All sprinkler piping serving a sprinkler head must be kept to a minimum and no greater than 16 inches in length;

[~~(4)~~] (D) The discharge density must be 0.05 gallons per minute per square-foot with a maximum of four sprinkler heads within each compartment;

[~~(5)~~] (E) A booster pump must be provided to accommodate the domestic water and greatest hydraulic demanding sprinklers within a unit. The booster pump must provide a minimum of 40 pounds per square inch at the top of the riser;

[~~(6)~~] (F) A manual wet stand pipe must be precharged from a domestic water supply tap. The stand pipe must be located in an exterior open stairwell with two-hour rated walls;

[~~(7)~~] (G) For exterior walls that are between 5 and 10 feet from the property line with a wall opening greater than a 10 percent, there must be a sprinkler head at all wall openings to provide a water curtain when the sprinkler head is activated;

[~~(8)~~] (H) For buildings over 40 feet in height with type VA construction, a National Fire Protection Association 13 sprinkler system is required; and

[~~(9)~~] (I) A mechanical engineer licensed in the State of Hawaii [] must prepare the plans for the automatic sprinkler system required by this section.

[~~(c)~~] (3) *Means of egress.* Exterior corridors and balconies that are open with guards of a minimum one-hour fire-rated construction, or composed of other noncombustible fascia surfaces may be constructed up to 5 feet from the property line.

[~~(f)~~] (4) *Fire escape stairs.* The following requirements apply:

[~~(1)~~] (A) All fire stair exits may be open; provided that the walls adjoining any unit are two-hour fire-rated walls.

[~~(2)~~] (B) Except as provided in [~~subdivision (3),~~] paragraph (C), at least one fire exit stairwell must be a minimum width of [~~36~~] 44 inches, and if no elevator is provided, a second fire exit stairwell with a minimum width of 36 inches must be provided.

[~~(3)~~] (C) Buildings with 35 or fewer units may have a single fire exit stairwell that is a minimum width of 48 inches and constructed of non-combustible material or heavy timber construction; provided that the total length of the building must not exceed 100 feet. The stairwell must exit to the ground floor.

[~~(4)~~] (D) The fire chief may, at the fire chief's discretion, approve of alternative fire exits in lieu of a second fire exit stairwell, including a drop ladder system or a narrower second fire exit stairwell.

[~~(g)~~] (5) *Exterior glass.* Exterior glass in an affordable rental housing project will be exempt from the requirements of Chapter 16B (the Building Energy Conservation Code).

[~~(h)~~] (6) *Accessibility.* Design of building and facilities must comply with the federal Fair Housing Act, 42 USC §§ 3601 et seq. Elevators are required for buildings 30 feet in height and above but are not required for buildings below 30 feet unless mandated by Section 1007.2.1 of the building code, or required by applicable federal accessibility laws. Elevators may be provided in affordable rental housing projects, even though not required.

[~~(i)~~] (7) *Fire and smoke alarm systems.* Smoke detectors with audio alarms that are electronically powered must be installed in all bedrooms. An alarm pull box that is electronically connected to set off an audio alarm must be installed on each floor.

(d) *Corner lots*. If a zoning lot fronts two or more key streets, the applicant may designate one of the streets or corners for purposes of front and side yard setbacks and building placement.

(e) *Adherence to development standards*. All structures on a lot developed under this chapter must adhere to the development standards herein."

SECTION 10. Section 8-10.33, Revised Ordinances of Honolulu 2021, is amended to read as follows:

"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~~."

SECTION ~~10~~ **11**. SECTION 10 of Ordinance 19-8, as amended by Ordinance 23-12, is amended to read as follows:

"SECTION 10. This ordinance takes effect upon its approval and will be repealed [~~seven~~] seventeen years after the date on which Bill 8 (2023), or any amended version thereof, has been enacted into law and taken effect; provided that:

(1) Any real property tax exemption authorized pursuant to Section 8-10.33(b)(4) in SECTION 6 of this ordinance, and pursuant to SECTION 8-10.34(b)(4) in SECTION 7 of this ordinance, will apply to tax years beginning July 1, 2020;

(2) The amendments made in SECTIONS 3, 4, 5, 6, and 7 of this ordinance do not affect the repeal date of Ordinance 18-1; and

(3) No later than May 21, 2022, the Director of Planning and Permitting shall submit to the City Council a report on the number of affordable rental housing units developed under this ordinance, and a recommendation regarding the repeal, modification, or extension of this ordinance."

SECTION ~~11~~ **12**. Ordinance material to be repealed is bracketed and stricken. New material is underscored. When revising, compiling, or printing this ordinance for inclusion in the Revised Ordinances of Honolulu, the Revisor of Ordinances need not include the brackets, the material that has been bracketed and stricken, or the underscoring.

A BILL FOR AN ORDINANCE

SECTION ~~12~~ **13**. This ordinance takes effect upon its approval and will be repealed on the repeal date of Ordinance 19-8, as further amended by Ordinance 23-12.

INTRODUCED BY:

Andria Tupola

DATE OF INTRODUCTION:

February 11, 2026
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:
Real Property; Affordable Rental Housing; Development Standards; Building Construction Standards; Bill 7 (2019)

Description:
Amends various development standards, building construction standards, and other requirements for affordable rental housing projects developed under ROH Chapter 32.

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

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March 3, 2026

Honolulu City Council
Committee on Housing, Homelessness & Parks
530 South King St.
Honolulu, HI 96813

RE: SUPPORT WITH CONCERNS BILL 18 (26) PROPOSED CD1 - RELATING TO AFFORDABLE HOUSING

Aloha Chair Tupola, Vice Chair Tulba, and Committee Members,

On behalf of Hawai'i YIMBY, we submit testimony in **support of the intent** behind Bill 18(26) CD1; however, we **maintain strong concerns** regarding certain aspects of the bill. While efforts to improve the City's affordable rental housing program are always welcome, **balancing affordability, accessibility, and the financial feasibility of building more homes** must be carefully and methodically considered.

We support:

- Extending the ordinance repeal date.
- Increasing the Maximum Lot Area; however, we prefer the earlier amendment that would completely remove the Maximum Lot Area requirement.
- Maintaining the height allowance of 60 feet or the underlying zoning, whichever is greater. Continued discussion is warranted to find the right balance of height and density that results in a meaningful net increase in homes built.
- The amended Maximum Number of Units calculation that provides a bonus for proximity to high-service transit. However, given physical and regulatory constraints, this bonus may not ultimately result in more homes being built. We

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defer to homebuilders for their subject-matter expertise regarding its practical efficacy, particularly where other development standards may be the limiting factor.

- For consistency with Transit-Oriented Development (TOD) standards, we recommend defining proximity as one-half mile from a high-frequency bus stop and including all Skyline stations.

Our concerns:

- **Off-street parking requirements should remain at "none."** Numerous local studies have documented how parking minimums affect housing affordability.[1] **Blanket parking minimums, at any level, risk making housing unaffordable.** Even a requirement of 10 spaces could undermine the feasibility of lower-unit-count multifamily projects, as parking costs must be distributed across fewer units. We need flexibility to build multifamily homes that fit the size and scale of their surrounding neighborhoods, rather than requiring every project to maximize unit count and building height simply to absorb excessive parking costs.
- **Comprehensive elevator reform should be studied and discussed further before imposing a blanket requirement for elevators in buildings 30 feet or taller.** Elevators are critical to ensuring accessibility in multi-story buildings, particularly for disabled and elderly residents. However, both installation and ongoing maintenance costs can significantly affect project feasibility and overall affordability. A growing national coalition[2] of disability, senior, and housing advocacy organizations is actively working on elevator policy reform aimed at expanding accessibility while preserving housing affordability. We offer to help

[1] Ulupono Initiative, PBR Hawaii, & Rider Levett Bucknall. (2020, August). *The costs of parking in Hawai'i* (Report). Ulupono Initiative. https://ulupono.com/media/ivcfs2pu/the-cost-of-parking-in-hawaii-report-2020-08.pdf
Seitz, A., Gilliam, T., & Heim, A. (2025, October). *Stalled: How parking mandates drive up housing costs* (Report). Hawai'i Appleseed Center for Law & Economic Justice. https://static1.squarespace.com/static/601374ae84e51e430a1829d8/t/68f15c7cbf563d6a7080bf8f/1760648316670/Stalled_FINAL.pdf
Housing Hawai'i's Future. (2024, November 21). *Policy Brief #1: Minimum Parking Requirements*. Retrieved from https://www.hawaiisfuture.org/resources/policy-brief-1-minimum-parking-requirements

[2] Coalition for Elevator Reform - https://elevatorreform.org

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facilitate communication with this coalition and to work collaboratively on comprehensive elevator reform in Honolulu.

We respectfully request that the Committee consider our concerns regarding the current version of the bill and continue refining this measure with the shared goal of enabling the construction of more affordable homes in Honolulu.

Hawai‘i YIMBY *(Yes In My Backyard)* is a volunteer-led grassroots advocacy organization dedicated to supporting bold and effective solutions for Hawai‘i’s devastating housing crisis. Our members are deeply concerned about Hawai‘i’s chronic and worsening housing shortage, which has caused home prices to rise much faster than incomes and pushes thousands of kama‘āina out to the mainland or into homelessness every single year.

Mahalo for the opportunity to testify on this bill.

Mahalo,

Damien Waikoloa

Chapter Lead, Hawai‘i YIMBY

Edgardo Díaz Vega

Chapter Lead, Hawai‘i YIMBY

Huey Kwik

Chapter Lead, Hawai‘i YIMBY

GRASSROOT INSTITUTE OF HAWAII

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Removing barriers to Hawaii's prosperity

March 3, 2026, 2:30 p.m.
Honolulu Hale

To: Honolulu City Council's Committee on Housing, Homelessness and Parks
Andria Tupola, Chair
Augie Tulba, Vice Chair

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

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

Aloha Chair Tupola, Vice Chair Tulba and other members of the Committee,

The Grassroot Institute of Hawaii **supports** — and **offers amendments** 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]

Likewise, the legislation supports the Primary Urban Development Center Development Plan's housing goals.

Its policy H-1.1 aims to "Enable and incentivize residential infill development in transit-accessible planned growth areas," and its policy H-1.3 aims to "Encourage a greater variety of housing types, including low or middle-density multifamily housing, ADUs and ohana units, mid-rise apartment buildings and shared housing models."[4]

Chair Tupola has proposed an amendment to Bill 18 (2026) that would change the height limit to be "60 feet or the maximum building height for the underlying zoning district, whichever is greater."

Maintaining the existing 60-foot allowance while still enabling larger projects in areas already designated for higher-intensity development would provide flexibility without undermining current Bill 7 projects.

However, the proposed amendment would also require that every Bill 7 project include at least 10 off-street parking stalls, which could make some Bill 7 projects financially infeasible.

A 2020 study commissioned by the Ulupono Initiative found that podium parking for affordable and mixed-income rentals in urban Honolulu — which is built above ground but under housing units — costs as much as $55,000 per space, while surface-level parking can cost $22,500 per space.[5] A separate 2019 estimate put the cost of underground parking at $48,000 per space.[6]

Since 2020, construction costs have increased almost 20% for highrise buildings, as measured by the Hawaii Department of Business, Economic Development and Tourism.[7] Applied to Ulupono's parking costs, this means each podium parking space could easily cost $65,000.

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[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.
[4] "Primary Urban Development Center Development Plan," Honolulu Department of Planning and Permitting, April 2025, p. 158.
[5] "The Costs of Parking in Hawai'i," prepared by PBR & Associates for the Ulupono Initiative, August 2020, p. 3.
[6] Kathleen Rooney and Donald Shoup, "There's No Such Thing As Free Parking," Civil Beat, Dec. 9, 2019.
[7] Honolulu Construction Cost Index for highrise buildings shows that such costs increased by 19% over the past five years, from 267.1 in the first quarter of 2020 to 318.1 in the first quarter of 2025. See: "Quarterly Statistical & Economic Report," Hawaii Department of Business, Economic Development and Tourism, 2nd Quarter 2025, Table E-7, p. 108.

The Committee should also leave out the proposed 40,000-square-foot maximum lot size and the requirement that all buildings taller than 30 feet contain elevators. Both of these amendments would also increase project costs that could make them impossible to finance.

Under the current program, elevators are not always required in Bill 7 projects, but can be if the project meets certain criteria in the city building code.[8] Otherwise, Bill 7 projects must follow the usual building codes applicable to all multifamily housing projects.

Grassroot's recommendations related to these amendments are aimed at ensuring that the Bill 7 program succeeds in producing more abundant housing.

Thank you for the opportunity to testify.

Ted Kefalas
Director of Strategic Campaigns
Grassroot Institute of Hawaii

[8] § 32-3.2 Standards., Revised Ordinances of Honolulu, accessed March 3, 2026.

March 2, 2026

Honolulu City Council
530 South King Street
Honolulu, Hawai'i 96813

RE: **Bill 18 (2026) – Relating to Affordable Housing**
TESTIMONY TO PROVIDE COMMENTS WITH RECOMMENDED AMENDMENTS

Chair Waters and Members of the Honolulu City Council,

My name is Phillip Camp. I am a lifelong member of Hawai'i's design and construction community and Principal of hi•arch•y llp, a local architectural firm that has been directly engaged in the delivery of affordable housing throughout the State for nearly two decades.

I was Architect of Record for Hawai'i's first LEED Platinum affordable housing project on O'ahu, the 209-unit Keauhou Lane in Kakaako and the first LEED Platinum affordable housing project delivering 44 units on Kauai with our Kolopua Workforce Housing project. I was also local architect for the Phase 1 & Phase 2 Hale Moena Towers that delivered over 290 units of affordable housing to Kapolei and the local architect for the 222 units of affordable housing in the 20 story Kokua Hale tower at the corner of Alakea and Beretania in Honolulu.

During COVID, when cost escalation threatened affordable housing feasibility statewide, I worked with Les Kempers at GPRM to develop the precast delivery model that helped restore cost certainty to Bill 7 projects. At that time, precast had never been considered in the Bill 7 housing market. That model has since proven instrumental in reducing schedule risk, improving durability, and helping projects pencil in volatile economic conditions.

Simultaneously, I assisted Bank of Hawai'i, American Savings Bank, Central Pacific Bank, and others as they rolled out Bill 7 financing platforms to encourage utilization of the ordinance during a period of economic instability. That coordination between design, construction, and lending sectors helped move projects forward when they otherwise may have stalled.

I offer this context to make clear: I have been deeply involved in the implementation of Bill 7 and affordable housing in general. I understand what enables feasibility as well as what will directly impact the delivery of needed affordable housing units.

I submit these comments for **Bill 18,** with several recommended amendments to ensure it continues to accelerate affordable housing production rather than constrain it.

1. Preserve Height & Setback Flexibility: Use a "Greater Of" Standard

Reverting to base zoning height and setback standards would materially hamper project feasibility. Affordable housing projects operate on razor-thin margins. The development flexibility provided under

Bill 7 has been one of the primary reasons that the Bill 7 projects we have looked at and/or are working on were even remotely feasible. If zoning standards are to be referenced, the ordinance should be structured as the **"greater of" either/or**:

- The base Bill 7 development standards, **or**
- The underlying zoning standards

…whichever provides greater flexibility.

This maintains guardrails while preserving feasibility. Without this approach, projects may lose units, lose efficiency, and ultimately lose financial viability. If required to revert to baseline zoning, many Bill 7 projects would not be viable.

2. Eliminate the 20,000 Square Foot Lot Cap

I comment on eliminating the 20,000 square foot lot cap.

Larger parcels are often uniquely suited to delivering meaningful unit counts, structured parking, efficient building footprints, and durable construction systems such as precast. Economies of scale are essential in affordable housing. Excluding larger sites limits our ability to reduce per-unit cost and maximize production. While the intent of the 20,000 s.f. cap was envisioned to stimulate smaller lot developments, there are many lots over that threshold that would be great candidates for the density and affordability that Bill 7 offers.

3. Comment on Expansion into B-Zoned Districts

I comment on expanding Bill 18 applicability into B-zoned districts.

Many B-zoned parcels are well-located, underutilized, and adjacent to infrastructure and services. Allowing affordable housing within these districts increases opportunity without requiring new infrastructure investment. It is a logical evolution of housing policy in an urban island context.

Strategically activating B-zoned parcels can help distribute affordable housing more evenly throughout our communities rather than concentrating it solely in apartment-zoned districts.

4. Comment on Density Benefits in TOD Locations

I comment on the proposed density benefits within Transit-Oriented Development (TOD) areas.

TOD areas are precisely where increased density makes sense and where residents can rely less on automobiles and more on transit.

Affordable housing and transit should be mutually reinforcing policy goals. Providing meaningful density incentives within TOD zones supports both.

5. The Most Important Action: Enforce the 90-Day Permit Requirement

Before any additional tweaks are made to height, density, lot size, or zoning expansion, there is one action that would accelerate affordable housing delivery more than all amendments combined:

Enforce the 90-day permit release timeline already written into the bill.

If qualifying affordable housing permits were consistently issued within 90 days, we would:

- Reduce carrying costs
- Improve lender confidence
- Reduce financing risk premiums
- Increase feasibility
- Accelerate delivery of units to market

Strict adherence to the 90-day permit mandate would move affordable housing forward faster than changes to height, setbacks, lot caps, or density bonuses combined.

Closing

I respectfully urge the Council to:

1. Advance Bill 18 with a "greater of" standard for development controls;
2. Eliminate the 20,000 square foot lot cap;
3. Expand into B-zoned districts;
4. Preserve and strengthen density incentives in TOD locations; and
5. Prioritize full enforcement of the 90-day permit release requirement.

Our housing crisis will not be solved by narrowing flexibility. It will be solved by aligning entitlement, permitting, financing, and construction so projects can move efficiently from concept to completion.

Mahalo for your continued leadership on this critical issue. If you have any questions or concerns, please feel free to email me at pcamp@hiarchy.net to discuss.

Respectfully submitted,



Phillip J. Camp, AIA, LEED AP, WELL AP, CEM
Principal, hi•arch•y llp

HONOLULU CITY COUNCIL
Committee on Housing, Homelessness, and Parks
HONOLULU HALE
2:30 PM

March 3, 2026

Subject: Bill 18 - Relating to Affordable Housing

Chair Tupola, Vice Chair Tulba, 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.