'26MAR02 AM 9:27 CITY CLERK

DEPARTMENT OF HOUSING AND LAND MANAGEMENT
KA ʻOIHANA HOʻOLĀLĀ KŪKULU HALE A ME KA HOʻOKELE ʻĀINA
CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET, FLOOR 3 • HONOLULU, HAWAIʻI 96813
PHONE: (808) 768-4277 • FAX: (808) 768-4296 • WEBSITE: www.honolulu.gov/dhlm

RICK BLANGIARDI
MAYOR
MEIA

KEVIN D. AUGER
DIRECTOR
PO'O

CATHERINE A. TASCHNER
DEPUTY DIRECTOR
HOPE PO'O

February 26, 2026

The Honorable Andria Tupola, Chair
and Members
Committee on Housing, Homelessness & Parks
Honolulu City Council
530 South King Street, Room 202
Honolulu, Hawaiʻi 96813

Dear Chair Tupola and Councilmembers:

SUBJECT: Comments on Bill 18 (2026), Relating to Affordable Housing

The Department of Housing and Land Management (DHLM) appreciates the Council's work on the Chapter 32 Affordable Rental Housing program and the effort reflected in Bill 18 (2026) to navigate diverse perspectives on proposed reforms. DHLM submits this testimony to provide background on ongoing efforts that we hope will inform and support the Council's future deliberations.

Chapter 32 represents one of the few effective pathways for advancing new rental housing, reducing regulatory barriers and enabling infill development. As the first generation of projects has progressed through the development pipeline, the City now has a valuable opportunity to assess how the program is functioning in practice, learn from implementation experience, and thoughtfully refine the framework to better achieve its intended goals.

In 2025, as part of implementing the DHLM 2025–2028 Strategic Plan, DHLM contracted with the University of Hawaiʻi Economic Research Organization (UHERO) to conduct a rigorous, data-driven review of the City's housing regulatory frameworks. This work includes evaluation of Chapter 32 through analysis of development feasibility, comparative policy approaches, and potential regulatory adjustments. At DHLM's request, UHERO has expedited its Chapter 32 analysis and has committed to providing draft findings and recommendations by March 20, 2026.

In parallel, DHLM's Housing Policy Division — fully staffed as of February 2, 2026 — has been conducting its own analysis, including a review of project outcomes; coordination with other City departments; and engagement with a broad range of

stakeholders, including neighborhood representatives, developers, lenders, housing advocates, researchers, and implementation staff.

We recognize the Council's interest in moving quickly to address concerns that have emerged as projects advance. At the same time, we believe that durable and effective reforms will benefit from being grounded in comprehensive analysis and informed by robust implementation data and experience. Following receipt of UHERO's analysis on March 20, DHLM intends to share the findings with Council and, in the weeks that follow, integrate UHERO's work with our internal analysis and stakeholder input to formulate recommendations for Council consideration.

DHLM is committed to working closely with Council throughout its deliberations on Bill 18 and welcomes ongoing collaboration and feedback. Mahalo for the Council's continued leadership in advancing housing solutions for O'ahu. If you have any questions, please feel free to contact Gavin Thornton, Director of Housing Policy, at (808) 768-4277.

Sincerely,

Kevin D. Auger
Director

APPROVED:

Michael D. Formby, Managing Director
Office of the Managing Director