REPORT OF THE COMMITTEE ON ZONING & PLANNING

Voting Members:
Esther Kia'āina, Chair; Tommy Waters, Vice-Chair;
Radiant Cordero, Val A. Okimoto, Andria Tupola

Committee Meeting Held
April 2, 2026

Honorable Tommy Waters
Chair, City Council
City and County of Honolulu

Mr. Chair:

Your Committee on Zoning & Planning, which considered Bill 21 (2026) entitled:

"A BILL FOR AN ORDINANCE RELATING TO TRANSIT-ORIENTED DEVELOPMENT,"

transmitted by Departmental Communication 110 (2026), dated February 20, 2026, from the Planning Commission ("Commission"), and which passed First Reading at the Council meeting on March 25, 2026, reports as follows:

The purpose of Bill 21 (2026) is to address transit-oriented development ("TOD") within the Neighborhood TOD Plan areas and the TOD Special District.

Amendments to the Land Use Ordinance proposed by the Council are processed by the Department of Planning and Permitting ("DPP") and the Commission. The Council proposed Bill 21 by adoption of Resolution 25-51. The DPP and the Commission recommend approval of the Bill.

For TOD projects, community benefits are meant to offset bonus height or density, or modifications to applicable development standards. Examples of community benefits include affordable housing, open space, parks, right-of-way improvements, financial contributions to existing community amenities or public uses, and facilities that enhance the pedestrian experience or multimodal transportation.

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The Bill would add gray water reuse systems as an example of a community benefit that a developer could propose. The total community benefits package provided must be commensurate with the height and density bonuses or other development standard flexibility sought by a project.

Under State law, gray water is defined as untreated wastewater that has not come into contact with toilet waste, and excludes wastewater from food preparation sinks or dishwashers. It includes used water from bathtubs, showers, and bathroom wash basins, and water from clothes washers and laundry tubs; provided that the water must not be contaminated with household hazardous waste. The reuse of gray water is limited to irrigation purposes.

The DPP reports that currently, gray water reuse systems are not required, and may be costly to install. Incentivizing the use of these systems as a community benefit for TOD projects may encourage landowners and developers to incorporate them into projects, and help reduce the impact of additional height and density on water infrastructure and resources.

The Bill also makes conforming amendments that make requirements for Planned Development-Transit projects the same as requirements for Interim Planned Development-Transit projects. These conforming amendments include community benefit requirements for projects with a hotel component, and a requirement to include a dollar amount value of the community benefits in the project's application.

The DPP Chief Planner testified in support of the Resolution, responded to questions from Councilmembers, and clarified that the Bill's conforming amendments are not policy changes. The DPP Acting TOD Administrator clarified that the Bill would amend the definition of community benefit, which is referred to in the Neighborhood TOD Plans, and no additional changes to the Neighborhood TOD Plans are needed.

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No verbal public testimony was received on the Bill.

Your Committee received written testimony in support of the Bill from the Board of Water Supply.

Your Committee believes that additional public testimony at the public hearing recommended herein to be scheduled on this Bill will provide further assistance to your Committee and to the Council in their deliberations on this Bill.

Your Committee on Zoning & Planning is in accord with the intent and purpose of Bill 21 (2026) and recommends that it pass Second Reading, be scheduled for public hearing, and be referred back to Committee. (Ayes: Cordero, Kia'āina, Okimoto, Tupola, Waters – 5; Noes: None.)

Respectfully submitted,

Esther Kia'āina

Committee Chair

HONOLULU CITY COUNCIL
Ke Kanihela o ke Kalana o Honolulu
CITY AND COUNTY OF HONOLULU

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