

BILL018(26)

Testimony

MISC. COMM. 249

*HOUSING, HOMELESSNESS & PARKS (HHP)

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

Meeting Date: Jun 23, 2026 @ 02:30 PM

Support: 11

Oppose: 0

I wish to comment: 7

Name: Lance Luning	Email: kalaniluning@gmail.com	Zip: 96707
Representing: Self	Position: I wish to comment	Submitted: Jun 17, 2026 @ 02:13 PM
Testimony: HAWAII HAS HIGHEST HOUSING COST, BOTH RENT & OWNERSHIP. ANY BILLS THAT WOULD HELP "LOCAL RESIDENTS" ALLIEVEATE THESE COST SHOULD BE PRIORITY IN ANY "BUDGET BILL / REQUEST...ITS OUR TAX DOLLARS BEING DELIGATED.		
Name: Roxanne Bolden	Email: systemsadvocacy@alohailhawaii.org	Zip: 96782
Representing: Aloha Independent Living Hawaii	Position: Support	Submitted: Jun 17, 2026 @ 08:35 PM
Name: Angela Ruiz Lopez Angela Ruiz Lopez	Email: Angelfitz12@yahoo.com	Zip: 96823
Representing: Self	Position: Support	Submitted: Jun 17, 2026 @ 08:45 PM
Testimony: Fully in favor of thus! Keep families in Hawaii by providing pathways for ownership of 1st homes!		
Name: Joanne Moy	Email: snow2136@netzero.net	Zip: 96825
Representing: Self	Position: Support	Submitted: Jun 18, 2026 @ 10:05 PM
Testimony: Yes I think up to 20% loan for new homebuyers who are struggling could help stabilize homeownership. New loaners must have good financial credit and a stable job to work off the loan.		
Name: Spencer Lee	Email: spencer@jlalamoana.com	Zip: 96814
Representing: JL Capital	Position: I wish to comment	Submitted: Jun 19, 2026 @ 02:08 PM
Name: Ave Kwok	Email: avekwok@gmail.com	Zip: 96817
Representing: Self	Position: I wish to comment	Submitted: Jun 21, 2026 @ 01:28 AM

Name: Geena Thielen	Email: geena@ccs-hawaii.com	Zip: 96734
Representing: Self	Position: I wish to comment	Submitted: Jun 21, 2026 @ 10:48 AM
Name: Damien Waikoloa	Email: damien.waikoloa@gmail.com	Zip: 96822
Representing: Hawai'i YIMBY	Position: Support	Submitted: Jun 21, 2026 @ 12:00 PM
Name: Ted Kefalas	Email: tkefalas@grassrootinstitute.org	Zip: 96813
Representing: Grassroot Institute of Hawaii	Position: Support	Submitted: Jun 22, 2026 @ 06:43 AM
Name: Paul LAM	Email: paullam77@gmail.com	Zip: 96816
Representing: Lam Capital LLC	Position: I wish to comment	Submitted: Jun 22, 2026 @ 09:00 AM
Name: Bryan Mick	Email: bryan.mick@doh.hawaii.gov	Zip: 96734
Representing: Disability and Communication Access Board	Position: Support	Submitted: Jun 22, 2026 @ 10:01 AM
Name: Tony Mizuno	Email: tmizuno@asbhawaii.com	Zip: 96816
Representing: American Savings Bank	Position: I wish to comment	Submitted: Jun 22, 2026 @ 11:12 AM
Testimony: While we have financed multiple Bill 7 projects at ASB, it is far fewer than we expected. Despite all of the incentives already in place, the financial feasibility of building an affordable rental project is still incredibly daunting and challenging. As a result, the vast majority of owners do not move forward with planned Bill 7 projects. We strongly support the restoration of the proposed unit density formula (lot footage divided by 130), as it improves the financial viability of these projects, and will result in more units being developed and therefore made available to our local workforce.		
Name: Brian Fujiwara	Email: brian808@hawaii.rr.com	Zip: 96817

Representing: Self	Position: Support	Submitted: Jun 22, 2026 @ 12:14 PM
Name: Billy Pieper	Email: billy.pieper@gmail.com	Zip: 96744
Representing: Self	Position: Support	Submitted: Jun 22, 2026 @ 01:20 PM

Testimony:

Re: Bill 18 (2026), CD1 — Relating to Affordable Housing — STRONG SUPPORT

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

Honolulu continues to face a severe shortage of affordable rental housing. Rising construction costs, elevated interest rates, and challenging financial conditions have made it increasingly difficult to bring new affordable housing projects to market. I write in strong support of Bill 18 (2026), CD1, and respectfully urge the Committee to restore two critical provisions from the original bill before advancing it for passage.

1. Financial Assistance

I strongly support incorporating the pre-construction grant program originally proposed by Councilmembers Matt Weyer and Val Okimoto in Bill 4 into Bill 18. In addition, I recommend increasing post-construction grants to an amount equal to one-half of the preconstruction grant. With construction costs, financing rates, and land prices continuing to rise—often adding more than \$100 per square foot to project costs—this targeted financial assistance is essential to bridge feasibility gaps and unlock projects that would otherwise remain stalled.

Since the enactment of Chapter 32 in 2019, the City has provided less than \$3 million in construction grants, excluding fee exemptions, despite operating with an annual budget of approximately \$5 billion and identifying affordable housing as the City's top priority. This level of funding falls far short of the original intent, which contemplated an annual commitment of approximately \$10 million. Given the scale of the housing shortage and the escalating cost of development, the City's financial support must be significantly expanded if we are serious about accelerating the production of affordable housing.

2. Greater Density Allowances to Match Height Limits

Councilmember Andria Tupola's proposed height increases in Bill 18 are a highly positive step. However, increased height provides little practical benefit without a corresponding increase in allowable density.

The Problem: A building cannot realistically take advantage of additional height if it remains constrained by restrictive unit-to-land-area ratios.

The Solution: I respectfully request that the Council reinstate the density provisions that were removed from the latest draft of Bill 18. Specifically, I recommend allowing a density ratio of one dwelling unit per 120 square feet of land, an improvement over the current one-unit-per-200-square-foot requirement. This change is critical to project feasibility and will directly result in more affordable units being delivered to the market.

Thank you for your leadership, your consideration of these recommendations, and your continued commitment to expanding affordable housing opportunities for the people of Honolulu.

I mua,
Billy Pieper

Name: Martin Nguyen	Email: martin@centre-urban.com	Zip: 96815
Representing: Centre Urban Real Estate	Position: I wish to comment	Submitted: Jun 22, 2026 @ 10:52 PM
Name: Perry Arrasmith	Email: perry@hawaiisfuture.org	Zip: 96797
Representing: Housing Hawai'i's Future	Position: Support	Submitted: Jun 23, 2026 @ 09:06 AM
Name: Cathy Camp	Email: Cathy.Camp@cpb.bank	Zip: 96813
Representing: Self	Position: Support	Submitted: Jun 23, 2026 @ 09:43 AM

Testimony:

Chair, Vice Chair, and Members of the Committee:

I respectfully submit testimony in strong support of Bill 18.

Hawai'i faces an urgent housing affordability and supply challenge. Bill 18 is an important step toward increasing the production of homes by creating more workable pathways for redevelopment, adaptive reuse, and residential development in appropriate areas. The measure recognizes that Hawai'i cannot solve its housing shortage through

traditional development patterns alone; we must also enable underutilized properties and existing buildings to be repositioned to meet current community needs.

The bill can help unlock housing opportunities near jobs, services, transit, and established infrastructure. By facilitating redevelopment and reducing unnecessary barriers, Bill 18 has the potential to support a broader range of housing options, including attainable homes for local families, working residents, kūpuna, and young professionals seeking to remain in Hawaiʻi.

Importantly, increasing housing supply is not only a housing issue—it is an economic competitiveness issue. Employers across industries are challenged by workforce retention and recruitment when employees cannot find or afford housing near where they work. Expanding housing opportunities will strengthen communities, support local businesses, and help Hawaiʻi retain the talent necessary for a resilient economy.

Bill 18 provides a practical tool to encourage responsible investment in housing while making better use of land and infrastructure already within our urban core. I urge the Committee to pass Bill 18.

Thank you for the opportunity to testify.

Cathy Camp,
Executive Vice President Customer & Community Impact
Central Pacific Bank

Name: Raoul Magana	Email: Raoul.Magana@cpb.bank	Zip: 96813
Representing: Self	Position: Support	Submitted: Jun 23, 2026 @ 12:41 PM

Testimony:

RE: Bill 18 (2026) – Proposing Amendments to Bill18

Chair, Vice Chair, and Members of the Committee:

I am very grateful for the City Council's continued leadership in addressing one of Honolulu's most pressing challenges: the chronic undersupply of housing. Working within a Hawaii-based financial institution with deep roots in this community, I know the burden that housing scarcity places on our customers. As a commercial real estate lender, I am proud to finance affordable housing and community development projects across the state.

I want to express my support for Chapter 32 (Bill 7) and potential enhancements thereto. Effectively managing regulatory requirements is a critical step in making affordable housing projects viable. I encourage the Committee to consider pairing these regulatory reforms with targeted assistance programs to offset the prohibitive upfront development costs that often results in stalled housing projects. Regulatory reforms and direct financial support in concert significantly

improve project feasibility.

The current iteration of Bill 18 that has eliminated the density provisions from the earlier version, falls short of its potential to alleviate housing scarcity. Allowing more units per project is one of the most direct levers available to reduce the impact of high land, permitting, and infrastructure costs by improving per-unit economics. This dynamic is especially critical for affordable housing where rents and sale prices are capped by income restrictions.

We share a goal of delivering more high-quality, affordable housing units to our community. For these reasons, I respectfully urge the Committee to:

- Increase Density Allowances: While the additional height allowance is an excellent tool, it is functionally ineffective without a corresponding increase in allowable density per parcel;
- Incorporate Financial Assistance: Adopt the grant programs proposed by Councilmembers Weyer and Okimoto in Bill 4 to help offset prohibitive upfront costs.

Thank you for your commitment to expanding affordable housing for Honolulu residents and respectfully request that these comments be considered as Bill 18 moves forward. Mahalo for the opportunity to testify.

Respectfully submitted,

Raoul R. Magaña

Central Pacific Bank



www.AlohaILHawaii.org

MISSION

Aloha Independent Living Hawaii (AILH) dedicated to providing independent living programs and services for persons with disabilities in Hawaii.

We work together with the community and consumers to improve the quality of life through individual choices and access to services.

EXECUTIVE DIRECTOR

Roxanne U. Bolden

BOARD OF DIRECTORS

Chair / Sec

Valerie Yamada

Vice Chair

Zora Shove

Treasurer

Jonathan Yap

Member

Scott Suzuki
Sheila Castaneda
Jennifer Hartsock

Testimony of Aloha Independent Living Hawai'i Bill 18 (2026) — Relating to Affordable Housing

Re: Proposed CD1 (OCS2026-0383), submitted by Committee Chair Tupola, dated June 15, 2026
Committee on Housing, Homelessness & Parks
Hearing: Tuesday, June 23, 2026 · 2:30 p.m.

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

Thank you for the opportunity to testify. Aloha Independent Living Hawai'i is the federally designated statewide Center for Independent Living. We serve rural O'ahu — which lies within the City and County of Honolulu — and the neighbor islands. We work from the Independent Living philosophy: people with disabilities have the right to live in integrated, ordinary housing in their own communities. These comments address the Proposed CD1 dated June 15, 2026, now before the Committee.

We support the goal of Bill 18. O'ahu needs far more affordable rental housing, and people with disabilities are among those who need it most. We offer these comments because the Proposed CD1 removes the accessibility protections this Committee had already placed in the bill. Housing that disabled residents cannot enter, or cannot reach the upper floors of, is affordable only on paper.

The stakes are integration itself. The Technical Assistance Collaborative finds there is no housing market in the United States where a person living solely on Supplemental Security Income can afford a modest apartment without rental assistance. When accessible, affordable housing does not exist, people with disabilities are pushed into segregated institutions that cost an average of \$759 a day. That is the outcome the Supreme Court's Olmstead decision directs public systems to prevent. A City housing incentive should move people toward community living, not away from it.

The elevator rollback reverses a protection this Committee already adopted. On March 3, 2026, the Committee approved a CD1 requiring an



www.AlohaILHawaii.org

MISSION

Aloha Independent Living Hawaii (AILH) dedicated to providing independent living programs and services for persons with disabilities in Hawaii.

We work together with the community and consumers to improve the quality of life through individual choices and access to services.

EXECUTIVE DIRECTOR

Roxanne U. Bolden

BOARD OF DIRECTORS

Chair / Sec

Valerie Yamada

Vice Chair

Zora Shove

Treasurer

Jonathan Yap

Member

Scott Suzuki
Sheila Castaneda
Jennifer Hartsock

elevator in any building 30 feet and above — closely tracking the Disability and Communication Access Board’s recommendation. The Proposed CD1 now before you deletes that requirement, and deletes the separate provision that would have required elevators in buildings over 60 feet. The result is a program that invites affordable buildings up to 60 feet — roughly six stories — or the underlying zoning height, while allowing walk-ups in which most units are closed to wheelchair users, to many people with mobility and chronic-health conditions, and to kupuna. Under the Fair Housing Act, a building with no elevator must make only its ground-floor units adaptable. We ask the Committee to restore the elevator requirement it adopted on March 3.

This is not hypothetical. It is already true of the existing stock. Much of O’ahu’s current “affordable” rental inventory is walk-up apartments with no elevator. For a resident who uses a wheelchair or a walker — or who cannot manage stairs because of a heart or lung condition — an upper-floor unit is closed from the start. The Fair Housing Act lets a tenant make a reasonable modification, but in private rental housing the tenant pays for it, and no modification can add an elevator to a building that never had one. The Act’s construction-access standards reach only buildings first occupied after March 1991, and in walk-ups they cover only the ground floor. Bill 18 should not expand a program that produces more of this same inaccessible stock.

An accessible route into the building is essential, and one accessible parking space is a fair compromise. The March 3 CD1 required at least ten off-street parking spaces, including one reserved for persons with disabilities. The Proposed CD1 does not appear to include that provision. We understand that off-street parking is constrained in urban Honolulu, and that reducing it can help produce more units. But however parking is set, a resident must still be able to reach the building. A tenant must be able to get from the street, a loading area, or a drop-off into the building and its common spaces. Many disabled residents rely on modified vehicles, on caregivers who drive, or on paratransit that must load and unload safely. We



www.AlohaILHawaii.org

MISSION

Aloha Independent Living Hawaii (AILH) dedicated to providing independent living programs and services for persons with disabilities in Hawaii.

We work together with the community and consumers to improve the quality of life through individual choices and access to services.

EXECUTIVE DIRECTOR

Roxanne U. Bolden

BOARD OF DIRECTORS

Chair / Sec

Valerie Yamada

Vice Chair

Zora Shove

Treasurer

Jonathan Yap

Member

Scott Suzuki
Sheila Castaneda
Jennifer Hartsock

ask the Committee to require an accessible route into each building, and to reserve at least one accessible parking or passenger-loading space — a modest accommodation even where total parking is limited.

“Affordable” is a sliding label, and at the top of its range it does not reach our community. Bill 18 lets a project meet its requirement by renting to households at up to 100 percent of area median income. On the City’s own schedule, 100 percent AMI for one person is an income of \$106,400 a year and a one-bedroom rent of \$2,850 a month. A person on Supplemental Security Income receives \$994 a month in 2026. The average Social Security Disability Insurance benefit is about \$1,630. Both sit below even the City’s 30 percent “extremely low income” line — where the “affordable” one-bedroom rent of \$855 already takes most of an SSI check. The table below shows the full range:

Income band (1 person)	Annual income limit	City “affordable” 1-BR rent	Share of SSI (\$994/mo)	Share of avg. SSDI (\$1,630/mo)
30% AMI — extremely low	\$31,920	\$855/mo	86%	52%
50% AMI — very low	\$53,200	\$1,425/mo	143%	87%
80% AMI — low	\$85,120	\$2,280/mo	229%	140%
100% AMI — bill’s ceiling	\$106,400	\$2,850/mo	287%	175%

Source: City & County of Honolulu / HHFDC 2025 income and rent schedule; SSA 2026 benefit rates. Rents include utilities.

At 50 percent AMI and above, the City’s own “affordable” rent already exceeds an SSI recipient’s entire monthly income. At 80 percent it exceeds the average SSDI benefit. Housing priced to the upper bands is affordable on paper and out of reach in fact. We ask the Committee to anchor this program’s affordability to the income levels where disabled residents actually live.



www.AlohaILHawaii.org

MISSION

Aloha Independent Living Hawaii (AILH) dedicated to providing independent living programs and services for persons with disabilities in Hawaii.

We work together with the community and consumers to improve the quality of life through individual choices and access to services.

EXECUTIVE DIRECTOR

Roxanne U. Bolden

BOARD OF DIRECTORS

Chair / Sec

Valerie Yamada

Vice Chair

Zora Shove

Treasurer

Jonathan Yap

Member

Scott Suzuki
Sheila Castaneda
Jennifer Hartsock

Our recommendations are straightforward. Restore the elevator requirement for buildings 30 feet and above. Require an accessible route from the street, parking, or loading area into each building and its common spaces, and reserve at least one accessible parking or passenger-loading space. And ensure this program's affordability reaches extremely low- and very low-income households, who include most disabled renters. If this program is the start of a new wave of housing on O'ahu, accessibility should be built in from the first unit — not retrofitted, at the tenant's expense, after the fact.

Mahalo,

Roxanne Bolden

Executive Director



6/19/2026

Re: Bill 18 (2026), CD1 — Relating to Affordable Housing — STRONG SUPPORT

Aloha Council Members,

Honolulu continues to face a severe shortage of affordable rental housing. Rising construction costs, elevated interest rates, and challenging financial conditions have made it increasingly difficult to bring new affordable housing projects to market. On behalf of JL Capital, a real estate development and investment company focused on redeveloping the Ala Moana TOD corridor, I write in strong support of Bill 18 (2026), CD1, and respectfully urge the Committee to restore one critical provision from the original bill before advancing it for passage. JL Capital is currently developing two Chapter 32 projects in the Ala Moana TIZ that will deliver 101 affordable rental units serving households up to 80% AMI.

Specifically, I respectfully urge the Committee to consider:

1. Restoring the proposed unit density formula. The previous draft of Bill 18 revised the current formula by allowing a project to take the lot square footage and divide it by 130 (or $\div 120$ within 2,000 feet of an Urban High Service Bus Stop). This is the single most consequential change to allow more affordable units to be built in our community, and I respectfully urge the Committee to add it back into CD1, for three reasons.

First, the previous Bill 18 draft's proposal to divide lot size by 130 (120) would produce higher unit counts, making projects more financeable and increasing the likelihood that they can secure lender support. Lenders are struggling to provide loans on projects under the current rules. Statistically, the number of projects that have been successfully completed is low in comparison to projects that have been contemplated and attempted to secure financing. Many of the project owners are struggling to make sense of projects under Chapter 32 both during the pre-construction phase and post-completion. This is exacerbated by the significantly rising construction costs and high interest rates. Allowing projects to increase unit counts would give them a much higher success rate in securing financing and would move more projects from planning into construction.

Second, the proposed unit density formula would allow more units to be built within the same building envelope, without requiring additional height. In practice, most developers seek to remain below the 75-foot threshold because buildings over 75 feet trigger significantly higher construction costs associated with high-rise requirements. Allowing additional units within a project's existing envelope creates more housing while preserving financial feasibility. Most projects being contemplated under Chapter 32 today are on lots that are smaller. For larger-scale affordable housing projects, there are alternative avenues to maximize unit counts outside of Chapter 32.

Third, the current FAR $\times 4.0 / 800$ calculation can result in underutilized sites or larger unit configurations that do not maximize housing production. The proposed density formula would allow developers to deliver more appropriately sized units while making better use of land already designated for housing. Developers should retain flexibility to determine unit sizes that best meet market demand and community needs.

2. Preserving the building height provision in CD1. I strongly support the provision that allows construction up to 60 feet or the maximum building height of the underlying zoning district, whichever is greater. This removes an arbitrary ceiling that was preventing more units from being built on otherwise well-zoned parcels. A 60-foot cap where the zoning permits more

is wasted potential, and CD1 was right to retain this change.

Restoring the proposed unit density formula, while preserving the building height provision contained in Bill 18 (2026), CD1, would meaningfully improve the feasibility of affordable housing development in Honolulu's urban core. These changes will help more projects secure financing, move into construction, and ultimately deliver the affordable homes our community urgently needs.

I respectfully urge the Committee to amend Bill 18 (2026), CD1 to restore the unit density formula, and advance the measure favorably to the full Council for passage.

Thank you for the opportunity to provide this testimony and thank you for your continued leadership on affordable housing.

Respectfully,

Spencer Lee
SVP of Operations
JL Capital



MAUNAKEA MARKETPLACE

Local Retail, Global Taste

Aloha Council Members,

I respectfully urge the Committee to amend Bill 18 (2026), Proposed CD1 – ATUP2 by restoring the unit density calculation from earlier drafts before advancing the bill to second reading.

Oahu urgently needs more affordable housing. I currently operate a 38-unit affordable housing property in Chinatown. Since acquiring the property in 2023, it has remained fully occupied, and more than 97 individuals and families remain on our waiting list. The demand for affordable housing is clear and significant.

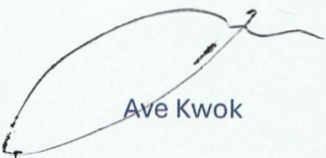
This demand is one of the reasons I purchased the Wo Fat building. Instead of continuing to operate it as a 23-unit hotel, I chose to convert it into affordable housing. I expect those units to be filled quickly because many residents are actively searching for affordable housing opportunities.

I strongly support restoring the density calculation based on lot size divided by 130, or 120 when a property is located within 2,000 feet of a bus stop. This provision allows more housing units on a site, improves financing opportunities, and helps make affordable housing projects financially feasible.

I also support allowing construction up to 60 feet or the maximum height permitted by the underlying zoning district, whichever is greater, to encourage additional housing production.

Thank you for your consideration and support of affordable housing on Oahu. We need more.

Best Regards,



Ave Kwok

Chairman, Maunakea Marketplace



June 23, 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 with COMMENTS ON Bill 18 Relating to Affordable Housing. My comments specifically address the proposed CD1-ATUP2 version of the Bill.

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. It has been my privilege to oversee the design, permitting and construction of 5 Bill 7 projects completed to date. We have an additional 4 in active construction currently as well as another 5 in various stages of design development or permitting. In that time I have come to learn the recipe for success under this program. Unfortunately, the ingredients in that recipe are growing in cost far faster than the rental income side can keep pace with.

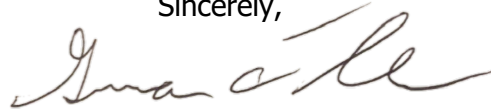
The latest version of Bill 18 takes some initial steps in a positive direction by eliminating the new elevator mandate, allowing greater height where supported by underlying zoning and opening up development on larger lots. Unfortunately, these steps are not sufficient by themselves to overcome the land and construction cost inflation, let alone acting as enticements to bring more Developers into the Bill 7 fold. The key to truly ensuring the success of the Bill 7 initiative is to address the following issues:

1. Improve implementation process. As covered in the most recent UHERO report the greatest shortcoming in the current program is implementation. Specifically the permit processing times at DPP. If 90 days is not achievable, expand it to 180 days, but put teeth into the language by requiring DPP to issue building permits and CO's if they can't meet the deadline.

2. Expand number of units allowed. Some earlier versions of the bill allowed 1 unit per 130 SF of land as opposed to the current 200. This means a 5,000 SF lot could support 38 units instead of 25.
3. Increase the pre and post construction grant amounts. To put this in perspective we have seen construction cost increases in excess of \$100/SF on some of our projects in less than 3 years. If these grants can't keep pace with inflation, they diminish in value. They were already too low to move the needle and that has only worsened with time.
4. Maintain rental rates at the 80% level, but allow individuals earning up to 120% of the AMI to rent units. This helps tenants with higher incomes access more affordable housing so they can dedicate resources towards other things including eventual home ownership. It also helps Developers by providing access to a broader pool of tenants.
5. Extend the sunset date. 2030 might seem like a long way off, but on the development timeline, it is right around the corner.

I believe Bill 7 can act as an important piece of the affordable housing puzzle. With the proper support and improvement, we can see this initiative expand and thrive. That being said my greatest concern remains being vigilant to avoid the unintended consequences of actually setting the program back. Some of the earlier versions of Bill 18 would have ultimately resulted in the demise of this program, just as it was showing signs of life.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Geena Thielen', with a stylized, flowing script.

Geena Thielen
President/RME



Hawai'i YIMBY

Honolulu, HI 96814

hawaiiyimby.org

info@hawaiiyimby.org

June 23, 2026

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

**RE: SUPPORT BILL 18 (26) PROPOSED CD1 ATUP2 - RELATING TO
AFFORDABLE HOUSING**

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

On behalf of Hawai'i YIMBY, we are writing **in support of Bill 18 (26)** and appreciate the author's continued efforts to improve the Chapter 32 Affordable Rental Housing Program, commonly known as the "Bill 7" program. We also thank the author for carefully evaluating prior versions of the bill and for removing provisions that raised concerns about unintended consequences or barriers to participation.

The Bill 7 program has become one of Honolulu's most important tools for encouraging the construction of affordable rental housing. As we continue to face a severe housing shortage, it is critical that we refine and strengthen programs that have demonstrated the ability to produce homes for local residents.

We support the proposed increase in the maximum lot area from 20,000 square feet to 40,000 square feet and the removal of the maximum building area limitation. Together, these changes will provide greater flexibility for affordable housing developers and expand the number of properties that may be suitable for redevelopment into affordable homes. In many urban areas, larger assembled parcels are necessary to achieve the scale needed to make affordable housing financially feasible. Allowing larger sites to participate



Hawai'i YIMBY

Honolulu, HI 96814

hawaiiyimby.org

info@hawaiiyimby.org

in the program and enabling more efficient use of available land can improve project feasibility and help maximize the amount of housing that can be delivered on suitable sites.

We also encourage continued consideration of an extension of the program's sunset date. The housing crisis we face today was decades in the making, and meaningful progress will require sustained commitment over many years. We often speak about housing production as though it can be solved through a short-term effort, but what began as a sprint has proven to be a marathon.

The Bill 7 development community is only now beginning to hit its stride. Affordable housing projects require years of planning, financing, design, permitting, and construction before homes are delivered. The policy certainty provided by a longer program horizon can help encourage additional participation and investment.

We continuously monitor and evaluate the progress of our affordable housing pipeline, and the data shows that progress is being made. However, building a generation's worth of housing that was never built due to short-sighted policies and NIMBY opposition will take time. **We should remain committed to improving programs that are producing results and give them the stability necessary to succeed.**

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 & Huey Kwik

Chapter Leads, Hawai'i YIMBY



June 23, 2026, 2:30 p.m.

Honolulu Hale

To: Honolulu City Council 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), CD1 — RELATING TO AFFORDABLE RENTAL HOUSING

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

The Grassroot Institute of Hawaii **supports the new proposed draft of [Bill 18 \(2026\), CD1](#)**, which would make changes to the Bill 7 affordable housing program.

Specifically, the [new draft bill](#) would allow Bill 7 projects to be built in business zoning districts; increase the 20,000-square-foot maximum lot area to 40,000 square feet; clarify that Bill 7 projects can be built to the height allowed by the underlying zoning district or 60 feet, whichever is taller; and repeal maximum square footage rules for different unit configurations.

The draft would also remove proposed additional requirements — mandatory parking spaces, elevators and residential manager apartments in some projects — that would have decreased homebuilders' flexibility and added costs for eventual tenants.

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

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

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.

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 the city’s 2025-2028 Strategic Housing Plan, which sets a goal to “Identify opportunities for maximizing urban land use through adjustments to density standards in the Land Use Ordinance,” and states that “Enhancing predictability for developers is also critical, with a focus on methods to streamline and standardize processes.”³

Likewise, this legislation supports the housing goals laid out in the city’s Primary Urban Center Development Plan.

Policy H-1.3 in that plan 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,” and policy H-2.1 aims to “Expand the supply of income-restricted affordable housing through requirements, incentives and public-private partnerships.”⁴

Grassroot does request that section six of the original draft of Bill 18 (2026) — which would allow more units to be built in projects close to high-service bus stops — be restored in this proposed draft.

That language would advance policy H-1.1 of the Primary Urban Center Development Plan, which is to “Enable and incentivize residential infill development in transit-accessible planned growth areas.”⁵

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.

⁴ [“Primary Urban Development Center Development Plan,”](#) Honolulu Department of Planning and Permitting, April 2025, p. 158.

⁵ Ibid, p. 158.



LAM CAPITAL LLC
AFFORDABLE HOUSING HAWAII

June 23, 2026

Honolulu City Council
Committee on Housing, Homelessness, and Parks
Honolulu Hale
530 S. King Street
Honolulu, HI 96813

RE: Testimony in Support of Bill 18 (2026), Relating to Chapter 32 Affordable Housing Incentives (With Requested Amendments)

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

Thank you for the opportunity to testify on Bill 18. Over the past several years, our team has successfully developed and constructed multiple Chapter 32 projects, and we currently have additional affordable housing developments in various stages of planning and construction. Based on our direct experience, Chapter 32 holds tremendous potential; however, stronger economic incentives are urgently needed if it is to become a meaningful engine for housing production in Honolulu.

The primary challenge facing affordable housing today is economic feasibility. Based on discussions with local lenders, only 10% to 20% of affordable housing proposals submitted by developers ultimately receive financing term sheets. Of those, fewer than half proceed to construction.

To help bridge this financial gap and stimulate the production of truly affordable housing, I respectfully urge the Council to incorporate the following provisions into Bill 18:

1. Financial Assistance

I strongly support incorporating the pre-construction grant program originally proposed by Councilmembers Matt Weyer and Val Okimoto in Bill 4 into Bill 18. In addition, I recommend increasing post-construction grants to an amount equal to one-half of the pre-construction grant. With construction costs, financing rates, and land prices continuing to rise—often adding more than \$100 per square foot to project costs—this targeted financial assistance is essential to bridge feasibility gaps and unlock projects that would otherwise remain stalled.

Since the enactment of Chapter 32 in 2019, the City has provided less than \$3 million in construction grants, excluding fee exemptions, despite operating with an annual budget of approximately \$5 billion and identifying affordable housing as the City's top priority. This level of funding falls far short of the original intent, which contemplated an annual commitment of approximately \$10 million. Given the scale of the housing shortage and

the escalating cost of development, the City's financial support must be significantly expanded if we are serious about accelerating the production of affordable housing.

2. Greater Density Allowances to Match Height Limits

Councilmember Andria Tupola's proposed height increases in Bill 18 are a highly positive step. However, increased height provides little practical benefit without a corresponding increase in allowable density.

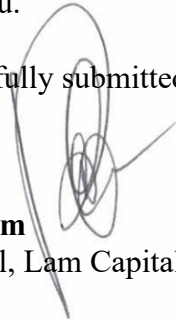
The Problem: A building cannot realistically take advantage of additional height if it remains constrained by restrictive unit-to-land-area ratios.

The Solution: I respectfully request that the Council reinstate the density provisions that were removed from the latest draft of Bill 18. Specifically, I recommend allowing a density ratio of one dwelling unit per 120 square feet of land, an improvement over the current one-unit-per-200-square-foot requirement. This change is critical to project feasibility and will directly result in more affordable units being delivered to the market.

Thank you for your leadership, your consideration of these recommendations, and your continued commitment to expanding affordable housing opportunities for the people of Honolulu.

Respectfully submitted,

Paul Lam
Principal, Lam Capital LLC

A handwritten signature in dark ink, appearing to read 'Paul Lam', is written over the printed name and title.



DISABILITY AND COMMUNICATION ACCESS BOARD

Ka 'Oihana Ho'oka'a'ike no ka Po'e Kīnānā

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

June 23, 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 especially severe for individuals with disabilities, who are twice as likely to live below the poverty level. Without meaningful action to address the shortage of affordable housing, people with disabilities face an increased risk of losing their independence or becoming homeless or institutionalized.

In multifamily residential projects subject to the Fair Housing Act (FHA) design and construction requirements, adaptable units must be provided to accommodate individuals 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 that are constructed under the City's Affordable Rental Housing Program. DCAB supports the requirement, as outlined in Bill 18 (2026) CD1 for all buildings exceeding thirty feet in height within the City's Affordable Rental Housing Program.

The proposed amendment represents a significant advancement in strengthening the City's Affordable Rental Housing Program while ensuring accessibility.

Thank you for the opportunity to testify.

Respectfully submitted,

KRISTINE PAGANO
Interim Executive Director

June 22, 2026

TO: Office of City Clerk
City & County of Honolulu
530 South King Street, Suite #100
Honolulu, HI 96813

RE: BILL 18 (2026), CD1 – RELATING TO AFFORDABLE HOUSING

Committee on Housing, Homelessness & Parks
Voting Members

Subject: Support for Bill 18 (2026), CD1 Relating to Affordable Housing.

Dear Chair Tupola, Vice Chair Tulba, and Voting Members,

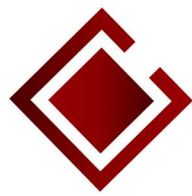
I am writing to express my strong **SUPPORT** for Bill 18 (2026) CD1 Relating to Affordable Housing. As an Architect involved in many projects especially Bill 7 affordable housing, I have first-hand experience on projects from the beginning in 2019 when it was first enacted. While Bill 18 (2026), CD1 includes many amendments to the development standards, deleting SECTION 6 will not increase the number of units needed to add to Honolulu's shortage of affordable housing. I respectfully ask the committee add back this section of amending the formula to calculate the maximum number of affordable rental housing units for each zoning lot.

Thank you for considering my input and I humbly request your support for Bill 19 (2025).

Sincerely,



Brian Fujiwara, AIA
BKF & Associates, LLC



June 22, 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 – ATUP2 relating to Affordable Housing under ROH Chapter 32 – otherwise known as “Bill 7”. Our firm is currently working on two kama‘āina workforce housing projects being developed under ROH Chapter 32 that 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. The proposed CD1-ATUP2 is also a significant improvement from the prior CD1. 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 various changes that could be made to better align development standards so that they are more consistent with each other. Below, we’ve provided our housing density equivalency analysis for the Committee’s consideration. The x-axis is lot size and y-axis is the corresponding development standard. The results in the tables are estimated yield expressed in housing units if we were just to use that respective development standard as the sole limitation, while using simplified assumptions. As a matter of best practice, one would generally want each development standard to be roughly consistent with each other in housing unit yield. Otherwise, increasing one development standard would be largely moot if another is not also adjusted. That is exactly the case with the proposal to increase the height limit without a corresponding increase to the maximum unit calculation.

Max Units - Lot Size / Ratio				
	5,000	10,000	20,000	40,000
200	25	50	100	200
150	33	67	133	267
120	42	83	167	333
100	50	100	200	400

Max Height (assuming ~10' per floor, 600 sf/unit, 80% efficiency)					
		5,000	10,000	20,000	40,000
50	5 Stories	23	51	108	221
60	6 Stories	28	62	130	266
70	7 Stories	32	72	151	310
80	8 Stories	37	82	173	354
90	9 Stories	41	92	194	398
100	10 Stories	46	102	216	442

As such, would be prudent to allow an **increase of the maximum unit ratio to at least 150**, from the current 200, **if the project is allowed to and elects to exceed the current 60’ height limit** per the underlying zoning. This would allow higher-density projects in areas that already allow higher density to feasibly create more housing units under ROH Chapter 32.

TRANSIT ORIENTED DEVELOPMENT BONUS

Further, in addition to the density refinements noted above, Bill 18 has the potential to be an incredible catalyst towards the creation of workforce kama'āina housing near public transit and job centers. The creation of a new section specifically to the transit density bonus 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. This would allow even further housing yield on top of the density allocations noted earlier, particularly in areas where the City wants more housing.

As such, we would recommend the addition of the following language to Section 7:

§ 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 8:

SECTION 8. 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.~~

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 kama'āina – our family, friends, and neighbors - are moving away, some whom will never return to Hawai'i. We 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

June 23, 2026

TO: Chair Tupola and Members of the Housing, Homelessness, & Parks Committee

RE: Bill 18 (Proposed CD1), Relating to Affordable Housing

Dear Chair Tupola and Members of the Committee,

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 the proposed CD1 to Bill 18. 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've assessed the state of the Bil 7 program, and find that it has struggled to get off the ground since the passage of Ordinance 19-8.¹ As of April 2026, the program has only resulted in 189 units, despite an initial projection of five hundred new units on an annual basis. This reality underscores the difficulties facing those builders who want to increase the supply of rental units for residents in the City and County of Honolulu.

This proposed draft makes several amendments that increase flexibility for builders. It removes onerous requirements that drive up housing costs, and makes marked improvements to the previous CD1 entertained by the Committee in March.

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."

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 our April 2026 analysis of the program's status here: <https://www.hawaiisfuture.org/resources/the-state-of-bill-7>