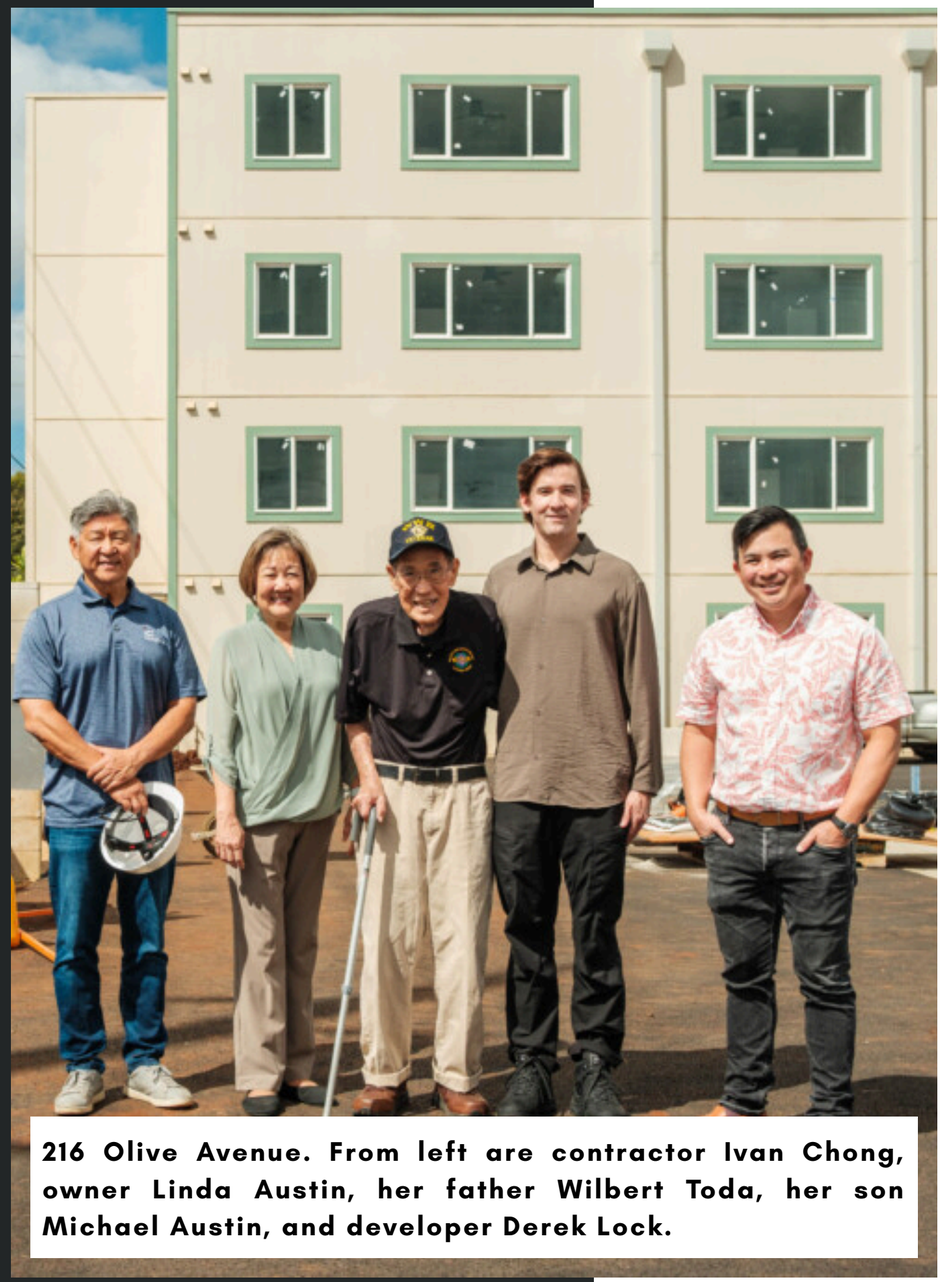
'26AUG25 AM 11:38 CITY CLERK

BILL 18 (2026), CD2

MODERNIZING ROH CHAPTER 32 TO SUPPORT MORE AFFORDABLE RENTAL HOUSING
WITHOUT SACRIFICING SAFETY, AFFORDABILITY, OR ACCOUNTABILITY.

HOUSING, HOMELESSNESS, AND PARKS COMMITTEE
TUESDAY, AUGUST 25, 2026 AT 2:30 P.M.

COUNCIL COM. 154(26)
HHP



216 Olive Avenue. From left are contractor Ivan Chong, owner Linda Austin, her father Wilbert Toda, her son Michael Austin, and developer Derek Lock.

PRESENTATION OVERVIEW

- Housing Production
- Occupied Projects
- Building On The Council's Work
- From Feedback To Proposed Draft
- Proposed Changes
- Current Requirements That Remain
- Continuing The Work on Bill 18 (2026)

HOUSING PRODUCTION

Seven years in, only 189 units have been completed — still far short of O‘ahu housing need.



6

Certificates of Occupancy



16

Building Permits Issued



35

Under Review



59

Total Projects

*DPP reports 59 total projects; the three project-status categories shown total 57.

189

Units Currently Built

1,752

Total Potential Units

OCCUPIED PROJECTS

The six completed Chapter 32 projects show how parking, elevators, and other features vary based on the site and project design.



1427 Ernest Street

- 26 units
- 3 stories
- No elevator
- No car parking



1751 Algaroba Street

- 25 units
- 3 stories
- No elevator
- No car parking



1226 Kinau Street

- 25 units
- 3 stories
- No elevator
- No car parking



311 Pu‘uhue Place

- 25 units
- 5 stories
- No elevator
- 9 on-site car parking



216–234 Olive Avenue

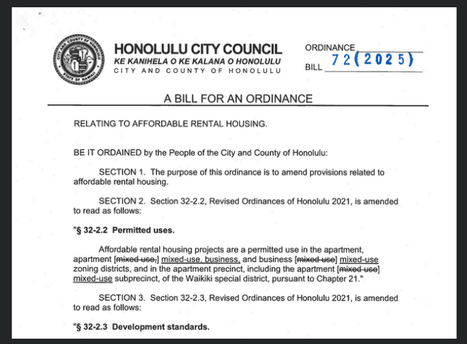
- 36 units
- 4 stories
- No elevator
- 36 on-site car parking; 2 ADA stalls



1060 Bishop Street

- 52 units
- 7 stories
- Dual Elevator Service
- Nearby/off-site parking available for added fee

BUILDING ON THE COUNCIL'S WORK



HONOLULU CITY COUNCIL
KE KANIHELA O KE KALANA O HONOLULU
CITY AND COUNTY OF HONOLULU

ORDINANCE
BILL 72 (2025)

A BILL FOR AN ORDINANCE

RELATING TO AFFORDABLE RENTAL HOUSING.

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

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

SECTION 2. Section 32-2.2, Revised Ordinances of Honolulu 2021, is amended to read as follows:

"**§ 32-2.2 Permitted uses.**

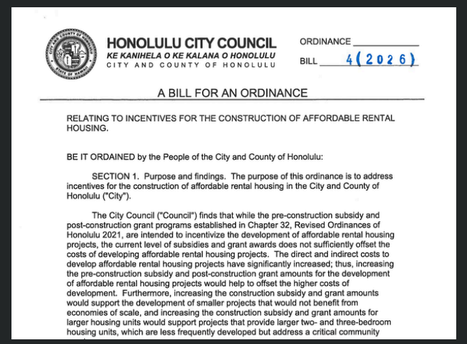
Affordable rental housing projects are a permitted use in the apartment, apartment ~~[mixed-use,]~~ mixed-use, business, and business ~~[mixed-use]~~ mixed-use zoning districts, and in the apartment precinct, including the apartment ~~[mixed-use]~~ mixed-use subprecinct, of the Waikiki special district,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

SECTION 3. Section 32-2.3, Revised Ordinances of Honolulu 2021, is amended to read as follows:

"**§ 32-2.3 Development standards.**

Bill 72 (2025)
Dos Santos-Tam

Expands density and removes outdated lot and unit-size limits.



HONOLULU CITY COUNCIL
KE KANIHELA O KE KALANA O HONOLULU
CITY AND COUNTY OF HONOLULU

ORDINANCE
BILL 4 (2026)

A BILL FOR AN ORDINANCE

RELATING TO INCENTIVES FOR THE CONSTRUCTION OF AFFORDABLE RENTAL HOUSING.

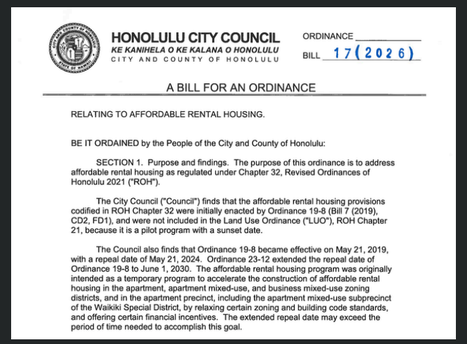
BE IT ORDAINED by the People of the City and County of Honolulu:

SECTION 1. Purpose and findings. The purpose of this ordinance is to address incentives for the construction of affordable rental housing in the City and County of Honolulu ("City").

The City Council ("Council") finds that while the pre-construction subsidy and post-construction grant programs established in Chapter 32, Revised Ordinances of Honolulu 2021, are intended to incentivize the development of affordable rental housing projects, the current level of subsidies and grant awards does not sufficiently offset the costs of developing affordable rental housing projects. The direct and indirect costs to develop affordable rental housing projects have significantly increased; thus, increasing the pre-construction subsidy and post-construction grant amounts for the development of affordable rental housing projects would help to offset the higher costs of development. Furthermore, increasing the construction subsidy and grant amounts would support the development of smaller projects that would not benefit from economies of scale, and increasing the construction subsidy and grant amounts for larger housing units would support projects that provide larger two- and three-bedroom housing units, which are less frequently developed but address a critical community

Bill 4 (2026)
Okimoto / Weyer

Addresses the grant program to help bridge the financing gap.



HONOLULU CITY COUNCIL
KE KANIHELA O KE KALANA O HONOLULU
CITY AND COUNTY OF HONOLULU

ORDINANCE
BILL 17 (2026)

A BILL FOR AN ORDINANCE

RELATING TO AFFORDABLE RENTAL HOUSING.

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

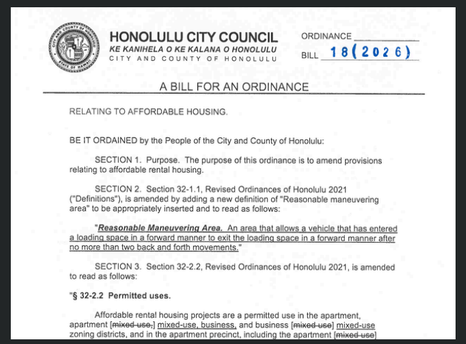
SECTION 1. Purpose and findings. The purpose of this ordinance is to address affordable rental housing as regulated under Chapter 32, Revised Ordinances of Honolulu 2021 ("ROH").

The City Council ("Council") finds that the affordable rental housing provisions codified in ROH Chapter 32 were initially enacted by Ordinance 19-8 (Bill 7 (2019), CD2, FD1), and were not included in the Land Use Ordinance ("LUO"), ROH Chapter 21, because it is a pilot program with a sunset date.

The Council also finds that Ordinance 19-8 became effective on May 21, 2019, with a repeal date of May 21, 2024. Ordinance 23-12 extended the repeal date of Ordinance 19-8 to June 1, 2030. The affordable rental housing program was originally intended as a temporary program to accelerate the construction of affordable rental housing in the apartment, apartment mixed-use, and business mixed-use zoning districts, and in the apartment precinct, including the apartment mixed-use subprecinct of the Waikiki Special District, by relaxing certain zoning and building code standards, and offering certain financial incentives. The extended repeal date may exceed the period of time needed to accomplish this goal.

Bill 17 (2026)
Nishimoto / Kia'āina

Responds to neighborhood concerns about zoning and compatibility.



HONOLULU CITY COUNCIL
KE KANIHELA O KE KALANA O HONOLULU
CITY AND COUNTY OF HONOLULU

ORDINANCE
BILL 18 (2026)

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]~~

Bill 18 (2026)
Tupola

Builds on ideas raised across prior Council proposals to balance housing production with neighborhood concerns.

FROM FEEDBACK TO PROPOSED DRAFT

Bill 18, CD2 is the result of listening to the people building and living in and around these projects, seeing the projects firsthand, reviewing the research, and working directly with DPP.

21 **MEETINGS, BRIEFINGS + SITE VISITS**

Including developer meetings, project visits, agency briefings, and community conversations from May 2024 through August 2026.



DEVELOPERS AND HOUSING ADVOCATES

- Met with Lam Capital, R&D Contractors, HNL Development, Ahe Group, Centre Urban Real Estate, PenseMetro, CCS Hawai'i, and JL Ala Moana
- Visited 7+ project sites, including Kinau, Kalihi, Pumehana, Young Street, Pensacola, Alapai, and University Avenue



TENANTS AND NEIGHBORING COMMUNITY

- Walked the Makiki neighborhood with residents and Neighborhood Board members
- Attended a tenant meet-and-greet



GOVERNMENT AGENCIES AND POLICY EXPERTS

- Met directly with DPP, DHLM, and UHERO

PROPOSED CHANGES

MAXIMUM LOT SIZE

Current Chapter 32	BILL 18 (2026), CD2	Rationale
20,000 sq. ft.	40,000 sq. ft.	Gives projects more room to accommodate parking, ADA access, loading, utilities, and other site needs.

PROPOSED CHANGES
MAXIMUM BUILDING HEIGHT

Current Chapter 32	BILL 18 (2026), CD2	Rationale
60 ft.	Outside special districts: 75 ft. or underlying zoning height, whichever is greater Within special districts: 60 ft. or the special-district height limit, whichever is less	Allows for more units and creates consistency in height with applicable zoning.

PROPOSED CHANGES
HEIGHT SETBACK

Current Chapter 32	BILL 18 (2026), CD2	Rationale
None	For buildings over 75 ft., the portion above 40 ft. must step back 1 ft. for every 10 ft., or fraction thereof, of additional height.	Reduces the impact of taller buildings on surrounding properties and streets.

PROPOSED CHANGES

MAXIMUM FAR

Current Chapter 32	BILL 18 (2026), CD2	Rationale
4.0	Primary Urban Center: 5.0 Elsewhere: 4.0	Gives projects in the urban core more floor area to add housing on the same site.

PROPOSED CHANGES

MAXIMUM NUMBER OF UNITS

Current Chapter 32	BILL 18 (2026), CD2	Rationale
Based on allowable FAR ÷ 800	Within 2,000 ft. of an urban high-service bus stop: Lot area ÷ 120 Elsewhere: Lot area ÷ 130	Ties unit count to lot size instead of FAR. Example 10k lot size (10,000 x 4.0) / 800 = 50 10,000 / 120 = 83 10,000 / 130 = 76

PROPOSED CHANGES
EFFICIENCY DWELLING UNITS

Current Chapter 32	BILL 18 (2026), CD2	Rationale
No specific efficiency dwelling unit standard	Allows efficiency dwelling units with at least 170 sq. ft. of habitable floor area, subject to applicable laws.	Gives specific verbiage for habitable unit size in Chapter 32.

PROPOSED CHANGES
MAXIMUM BUILDING AREA

Current Chapter 32	BILL 18 (2026), CD2	Rationale
80% building-area limit	Removes the 80% building-area limit; required yards and other development standards still apply.	Gives projects more flexibility to use the lot for housing and other site needs while still complying with required standards.

PROPOSED CHANGES

PARKING

Current Chapter 32	BILL 18 (2026), CD2	Rationale
No off-street parking requirement	More than 60 units + outside a TOD special district: Ground floor primarily devoted to parking and related accessory uses or active ground-floor activities.	Responds to community concerns by addressing already-limited neighborhood parking.

PROPOSED CHANGES
PROPERTY MANAGEMENT

Current Chapter 32	BILL 18 (2026), CD2	Rationale
No professional property management requirement	Requires professional property management and a 24-hour emergency contact; no live-in manager required.	Responds to community concerns about safety, property conditions, and the lack of a clear management contact.

PROPOSED CHANGES

FIRE + BUILDING SAFETY STANDARDS

Current Chapter 32	BILL 18 (2026), CD2	Rationale
Separate fire, sprinkler, fire-resistance, and construction-type standards	Removes several Chapter 32-specific construction and fire standards while retaining selected standards, including unrated-window flexibility.	Eliminates overlapping standards while retaining Chapter 32 provisions that remain necessary for these projects.

PROPOSED CHANGES

PRIMARY REQUIRED EXIT STAIR

Current Chapter 32	BILL 18 (2026), CD2	Rationale
36 inches	44 inches	Conforms with building code standards.

PROPOSED CHANGES

LOADING + REFUSE

Current Chapter 32	BILL 18 (2026), CD2	Rationale
No specific loading-space requirement; loading and refuse must be accommodated onsite.	≤7,500 sq. ft.: No dedicated loading space; loading and refuse accommodated onsite. For approved curbside refuse collection: a signed short-term loading/unloading space may substitute for a refuse-loading area.	Creates clearer standards based on lot size and how refuse is collected, while avoiding unnecessary loading requirements on smaller sites.



1751 Algaroba Street - Interior



1060 Bishop Street - Interior

Current Requirements That Remain

- Eligible zoning: A-1 and A-2 apartment districts, AMX-1 and AMX-2 apartment mixed-use districts, BMX-3 community business mixed-use district, Certain areas within the Waikīkī Special District
- Affordability: At least 80% of units ≤100% AMI
- Affordability period: At least 15 years
- Rental protections: Minimum 6-month lease; no subleasing
- Accessibility: Federal requirements apply
- Elevators: Required when triggered by applicable code or federal law
- Program sunset: June 1, 2030

CONTINUING THE WORK ON BILL 18 (2026)

Today's CD2 reflects the work completed to date, but additional amendments are still being developed before final committee action.

Before the September HHP hearing, we plan to further address:

- **Building height** — More precision for increased heights
- **Grandfather clause —** establish clear transition rules so projects already submitted, deemed complete, or permitted are not unintentionally made nonconforming by Bill 18
- **Building Standards —** review the standards proposed for removal and retain those that help keep Bill 7 projects feasible and cost-efficient

WE WELCOME YOUR FEEDBACK

BILL 18 IS STILL BEING REFINED BEFORE FINAL COMMITTEE ACTION.

PLEASE SEND ANY ADDITIONAL COMMENTS, CONCERNS, OR PROPOSED CHANGES TO: ATUPOLA@HONOLULU.GOV

FINAL HHP COMMITTEE HEARING ON BILL 18: SEPTEMBER 2026