HOUSE CONCURRENT RESOLUTION

REQUESTING THE COUNTIES TO CONSIDER PROVIDING INCENTIVES, SUCH AS WAIVING INFRASTRUCTURE CAPACITY COSTS AND PERMITTING FEES, FOR DEVELOPERS TO DEVELOP HOUSING FOR HOUSEHOLDS EARNING LESS THAN EIGHTY PERCENT OF THE AREA MEDIAN INCOME.

WHEREAS, there is an immediate and critical need to increase the availability of affordable housing in the State; and

WHEREAS, the State has an extremely high cost of living, and housing is one of the most challenging issues that local residents face; and

WHEREAS, according to the Honolulu Board of REALTORS, the median sales price for August 2016 for a single family home was \$747,500 and \$398,000 for a condominium; and

WHEREAS, at these prices, it is nearly impossible for the average local resident to afford such a home; and

WHEREAS, according to the 2011 Hawaii Housing Planning Study, as many as 50,000 new housing units need to be built between 2012 and 2016 to meet new demand generated by changing demographic and economic conditions; and

WHEREAS, of these needed housing units, more than 6,000 would need to be ownership units and 13,000 would need to be rental units for households earning less than 80 percent of the area median income (AMI); and

WHEREAS, there have been instances when the lack of infrastructure capacity, or the high costs of improving the infrastructure capacity, have delayed development projects that could have added to the housing stock for low-income households; and

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WHEREAS, because of the many challenges in developing affordable housing, one of the ways to encourage developers to build projects for low-income households is to provide incentives in areas such as infrastructure capacity costs and permitting fees; now, therefore,

BE IT RESOLVED by the House of Representatives of the Twenty-ninth Legislature of the State of Hawaii, Regular Session of 2017, the Senate concurring, that each county council is requested to consider providing incentives, such as waiving infrastructure capacity costs and permitting fees, for developers to develop housing for households earning less than 80 percent AMI; and

BE IT FURTHER RESOLVED that each county council is encouraged to develop a sliding scale of incentives based on the affordability of the housing units in the housing project and to consider how that sliding scale would encourage developers to develop more housing projects for households earning less than 80 percent AMI and households earning 80 to 140 percent AMI; and

BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to the councilmembers of the City and County of Honolulu, County of Hawaii, County of Kauai, and County of Maui.

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OFFERED BY: Gran Tolky

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John Mark. Hall

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