HOUSE OF REPRESENTATIVES TWENTY-NINTH LEGISLATURE, 2017 STATE OF HAWAII H.R. NO. **M** 

## HOUSE RESOLUTION

URGING THE CITY AND COUNTY OF HONOLULU TO REFRAIN FROM APPROVING INTERIM PLANNED DEVELOPMENT-TRANSIT PROJECTS THAT ALLOW CASH PAYMENTS IN LIEU OF AFFORDABLE HOUSING REQUIREMENTS.

WHEREAS, the Legislature finds that on October 5, 2016, the Honolulu City Council adopted Resolution 16-172, Committee Draft 1, Floor Draft 1, which approved a conceptual plan for an interim planned development-transit project permit for the development of the Manaolana Place hotel and residential condominium; and

WHEREAS, the project would include the demolition of five 8 low-rise buildings and the development of a four hundred-foot-9 high mixed use tower with one hundred nine multi-family dwelling 10 units, one hundred twenty-five hotel units, a hotel lobby, 11 residential activity and park areas, a ballroom, a pool, a 12 personal services area, four levels of parking with about two 13 hundred seventy-six parking spaces, retail and eating 14 establishments, a publically accessible corner plaza at street 15 level, and other ground-level pedestrian and right-of-way 16 improvements within one-half mile of the future transit station 17 in the Ala Moana neighborhood; and 18

20 WHEREAS, Resolution 16-172 was precedent-setting because it 21 was the first interim planned development-transit project permit 22 issued; and

24 WHEREAS, Resolution 16-172 provided the project developer 25 with the option of including at least twenty affordable rental 26 housing units or contributing a dollar amount equal to the value 27 of twenty affordable rental housing units, not to exceed 28 \$3,000,000, to the City and County of Honolulu housing 29 development special fund; and

31 WHEREAS, this provision was established without a clear 32 explanation by the Honolulu City Council of the justification



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## H.R. NO.33

1 for the in-lieu cash contribution cap in light of the finding 2 that affordable housing was the top priority of the community in 3 which the project would be situated; and

5 WHEREAS, the Legislature further finds that pursuant to Act 6 130, Session Laws of Hawaii 2016, the Legislature established 7 the public policy that the State must enhance Oahu's urban 8 environment and improve the quality of life for residents by 9 requiring the use of sound smart growth and transit-oriented 10 development principles to revitalize neighborhoods and increase 11 affordable housing inventory among other public benefits; and

WHEREAS, among other things, Act 130 designated the Office of Planning as the lead agency to coordinate and advance smart growth and transit-oriented development planning in the State, and established the interagency council for transit-oriented development within the Department of Business, Economic Development, and Tourism to coordinate effective and efficient transit-oriented development planning statewide; and

21 WHEREAS, although Act 130 was signed into law on June 29, 22 2016, and both the Office of Planning and the Department of 23 Business, Economic Development, and Tourism have taken steps to 24 implement the new law, Resolution 16-172 was adopted less than 25 four months after the enactment of Act 130; and 26

WHEREAS, the Legislature also finds that both the Office of Planning and the Department of Business, Economic Development, and Tourism have not had sufficient time to fully analyze the ramifications of the Manaolana Place Project on the existing inventory of affordable housing units or the impacts the project will have on the existing road, sewer, and other pertinent infrastructure; now, therefore,

35 BE IT RESOLVED by the House of Representatives of the 36 Twenty-ninth Legislature of the State of Hawaii, Regular Session 37 of 2017, that the City and County of Honolulu is urged to 38 refrain from approving interim planned development-transit 39 projects that allow cash payments in lieu of affordable housing 40 requirements; and



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## H.R. NO.33

BE IT FURTHER RESOLVED that the Chair of the Honolulu City Council is requested to submit a report to the Legislature at least twenty days prior to the convening of the Regular Session of 2018, that provides the rationale and justification for the cash payment in lieu of the affordable housing requirement provided in Resolution 16-172, Conference Draft 1, Floor Draft 1, adopted on October 5, 2016; and

9 BE IT FURTHER RESOLVED that certified copies of this
10 Resolution be transmitted to the Mayor of the City and County of
11 Honolulu, the Chair of the Honolulu City Council, the Director
12 of Business, Economic Development, and Tourism, and the
13 Executive Director of the Office of Planning.
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" al OFFERED BY:

FEB 2 8 2017

