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# A BILL FOR AN ACT

RELATING TO HOUSING.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that there exists in the  
2 State a critical need for the development and construction of  
3 affordable housing units. Act 127, Session Laws of Hawaii 2016,  
4 established a goal of developing at least 22,500 rental housing  
5 units ready for occupancy between 2017 and 2026. The  
6 legislature further finds that the transit-oriented development  
7 associated with the construction of a rail transit system in  
8 Honolulu has the potential to fulfill this housing goal.  
9 Because the State is the largest landowner of properties along  
10 the rail transit line, the State has the opportunity to utilize  
11 its resources to significantly increase the inventory of  
12 affordable housing units.

13           The legislature additionally finds that Act 130, Session  
14 Laws of Hawaii 2016, established an interagency council for  
15 transit-oriented development to create a strategic plan that,  
16 among other things, identifies financing and prioritizes state  
17 financing for the public infrastructure, facility, and service



1 investments required to support transit-oriented development,  
2 mixed use projects, and affordable and rental housing project  
3 plans. The legislature also finds that requiring an affordable  
4 housing component as part of development and redevelopment of  
5 state properties along the rail transit line will not only  
6 increase the affordable housing stock, but also support rail  
7 ridership goals by locating denser, mixed use developments along  
8 the rail transit line.

9 The purpose of this Act is to require the strategic plan  
10 developed by the Hawaii interagency council for transit-oriented  
11 development to require that affordable housing be included as  
12 part of the development or redevelopment plan for any state  
13 property located within one-half mile of the Honolulu rail  
14 transit system.

15 SECTION 2. Section 226-63, Hawaii Revised Statutes, is  
16 amended by amending subsection (c) to read as follows:

17 "(c) The strategic plan developed by the Hawaii  
18 interagency council for transit-oriented development shall:

19 (1) Coordinate with the counties on transit-oriented  
20 development;



- 1           (2) For each county, compile an inventory of state,  
2           county, and private sector transit-oriented  
3           development projects lacking infrastructure,  
4           identifying the type of infrastructure each project  
5           lacks, and the approximate timeframe when additional  
6           capacity is needed;
- 7           (3) Prioritize the development of transit-oriented  
8           development projects, including mixed use and  
9           affordable and rental housing projects, on state  
10          lands;
- 11          (4) Identify financing and prioritize state financing for  
12          the public infrastructure, facility, and service  
13          investments required to support transit-oriented  
14          development, mixed use, and affordable and rental  
15          housing project plans; [~~and~~]
- 16          (5) Encourage and promote partnerships between public and  
17          private entities to identify, renovate, and secure  
18          affordable housing options on state lands within  
19          county-designated transit-oriented development areas  
20          or within a one-half mile radius of public transit



1 stations, if a county has not designated transit-  
2 oriented development zones[-]; and

3 (6) Require that every development or redevelopment plan  
4 for any state property located within one-half mile of  
5 the Honolulu rail transit system include housing units  
6 with at least thirty per cent as follows:

7 (A) Five per cent reserved for residents with an  
8 income less than or equal to thirty per cent of  
9 the area median income;

10 (B) Ten per cent reserved for residents with an  
11 income greater than thirty per cent but less than  
12 or equal to sixty per cent of the area medium  
13 income; and

14 (C) Fifteen per cent reserved for residents with an  
15 income greater than sixty per cent but less than  
16 or equal to eighty per cent of the area medium  
17 income;

18 unless the council determines that housing is not  
19 feasible or desirable on a particular property;  
20 provided that a developer may build less than the  
21 required percentages of affordable housing under this



1           paragraph at one state parcel if the developer builds  
2           the remainder of the required housing at another state  
3           parcel within one-half mile of the rail line; provided  
4           further that properties owned or controlled by the  
5           Hawaii public housing authority or the department of  
6           Hawaiian home lands shall be exempt from the  
7           requirements of this paragraph."

8           SECTION 3. Statutory material to be repealed is bracketed  
9 and stricken. New statutory material is underscored.

10           SECTION 4. This Act shall take effect on December 16,  
11 2050.



**Report Title:**

Interagency Council for Transit-oriented Development;  
Development or Redevelopment Plans; State Lands; Affordable  
Housing

**Description:**

Requires the strategic plan developed by the Hawaii interagency council for transit-oriented development to require that affordable housing be included as part of the development or redevelopment plan for any state property located within one-half mile of the Honolulu rail transit system, unless the council determines that housing is not feasible or desirable on a particular property. Requires every development or redevelopment plan to include housing with thirty per cent reserved for graduated area medium incomes. Allows a developer to build less housing units than required at one state parcel if the developer builds additional housing at another state parcel within one-half mile of the rail line to offset the reduction. Effective 12/16/2050. (SD2)

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