MAR 1 0 2017

## SENATE CONCURRENT 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

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

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

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

## S.C.R. NO. 86

WHEREAS, this provision was established without a clear explanation by the Honolulu City Council of the justification for the in-lieu cash contribution cap in light of the finding that affordable housing was the top priority of the community in which the project would be situated; and

WHEREAS, the Legislature further finds that pursuant to Act 130, Session Laws of Hawaii 2016, the Legislature established the public policy that the State must enhance Oahu's urban environment and improve the quality of life for residents by requiring the use of sound smart growth and transit-oriented development principles to revitalize neighborhoods and increase 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

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

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,

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

## S.C.R. NO. 86

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

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BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to the Mayor of the City and County of Honolulu, the Chair of the Honolulu City Council, the Director of Business, Economic Development, and Tourism, and the Executive Director of the Office of Planning.

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OFFERED BY:

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Hal Mand

Clarence V Freshike

Ame Thereads K.