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# HOUSE CONCURRENT RESOLUTION

REQUESTING THE COUNTIES TO TEMPORARILY ISSUE AFFORDABLE HOUSING CREDITS FOR AFFORDABLE HOUSING UNITS THAT ARE CONSTRUCTED PURSUANT TO CHAPTER 201H, HAWAII REVISED STATUTES.

1           WHEREAS, skyrocketing property values coupled with Hawaii's  
2 persistently low housing inventory have contributed to the  
3 State's current affordable housing crisis;  
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5           WHEREAS, a 2019 study commissioned by the Department of  
6 Business, Economic Development, and Tourism found that the State  
7 will require an additional 50,156 homes by the year 2025, with  
8 the City and County of Honolulu requiring 22,168 new units,  
9 Hawaii County requiring 13,303 new units, Maui County requiring  
10 10,404 new units, and Kauai County requiring 4,281 new housing  
11 units; and  
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13           WHEREAS, construction loan interest rates have also seen  
14 recent dramatic increases, which have severely impaired the  
15 ability to construct affordable housing in the State; and  
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17           WHEREAS, despite the lack of housing supply available to  
18 meet the current and even greater projected future needs of the  
19 State, there has been a lack of progress at the county level to  
20 enact policies that will stimulate housing production; and  
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22           WHEREAS, under section 45-15.1, Hawaii Revised Statutes,  
23 any county shall have and may exercise the same powers, subject  
24 to applicable limitations, as those granted the Hawaii Housing  
25 Finance and Development Corporation (HHFDC) pursuant to chapter  
26 201H, Hawaii Revised Statutes, insofar as those powers may be  
27 reasonably construed to be exercisable by a county for the  
28 purpose of developing, constructing, and providing low- and  
29 moderate-income housing; and  
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31           WHEREAS, a program whereby counties provide affordable  
32 housing credits for affordable housing development constructed



1 pursuant to chapter 201H, Hawaii Revised Statutes, could help  
2 further incentivize and spur the construction and development of  
3 new affordable housing projects which will in turn increase the  
4 supply of housing and potentially lower housing costs; now,  
5 therefore,  
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7 BE IT RESOLVED by the House of Representatives of the  
8 Thirty-second Legislature of the State of Hawaii, Regular  
9 Session of 2023, the Senate concurring, that the counties are  
10 requested to issue affordable housing credits to an eligible  
11 developer for affordable housing units that are constructed  
12 pursuant to chapter 201H, Hawaii Revised Statutes, until July 1,  
13 2031; provided that:  
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- 15 (1) Credits are requested to be issued for each single-  
16 family residence, multi-family unit, other residential  
17 unit, whether for purposes of sale, rental, or if  
18 allowed under the county's affordable housing  
19 programs, and vacant lot;  
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- 21 (2) If low-income housing tax credits are used in  
22 conjunction with the affordable housing developed  
23 pursuant to chapter 201H, Hawaii Revised Statutes,  
24 then affordable credits are requested not to be  
25 issued;  
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- 27 (3) The credits are requested to be transferable and  
28 issued on a one-credit for one-unit basis, unless the  
29 housing unit is eligible for additional credits as  
30 provided by adopted county ordinances, rules, or any  
31 memoranda of agreement between a county and HHFDC;  
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- 33 (4) In the event that the affordable housing credits are  
34 transferred to HHFDC, twenty-five percent of any  
35 monetary proceeds from the transfer is requested to be  
36 used by HHFDC to develop units for rental properties;  
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- 38 (5) The credits are requested to be applied county-wide  
39 within the same county in which the credits were  
40 earned to satisfy the affordable housing obligations  
41 imposed by the county on market-priced residential and  
42 non-residential developments;



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- (6) County-wide or project-specific requirements for housing class, use, or type; or construction time for affordable housing units is requested not to impair, restrict, or condition the county's obligation to apply the credits in full satisfaction of all county requirements, whether by rule, ordinance, or particular zoning conditions of a project; and
- (7) HHFDC is requested to enter into a memorandum of agreement with the County of Kauai and the City and County of Honolulu, respectively, to establish, modify, or clarify the conditions for the issuance, transfer, and redemption of the affordable housing credits in accordance with any applicable county affordable housing ordinances or rules; and

BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to the Governor, Director of the Department of Taxation, Executive Director of the Hawaii Housing Finance and Development Corporation, Mayor of the City and County of Honolulu, Mayor of the County of Maui, Mayor of the County of Hawaii, and Mayor of the County of Kauai.

OFFERED BY:  \_\_\_\_\_

MAR 10 2023

