
HOUSE 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
12

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
30

31 WHEREAS, a program whereby counties provide affordable
32 housing credits for affordable housing development constructed
33 pursuant to chapter 201H, Hawaii Revised Statutes, could help
34 further incentivize and spur the construction and development of
35 new affordable housing projects which will in turn increase the



1 supply of housing and potentially lower housing costs; now,
2 therefore,

3
4 BE IT RESOLVED by the House of Representatives of the
5 Thirty-second Legislature of the State of Hawaii, Regular
6 Session of 2023, that the counties are requested to issue
7 affordable housing credits to an eligible developer for
8 affordable housing units that are constructed pursuant to
9 chapter 201H, Hawaii Revised Statutes, until July 1, 2031;
10 provided that:

- 11
- 12 (1) Credits are requested to be issued for each single-
13 family residence, multi-family unit, other residential
14 unit, whether for purposes of sale, rental, or if
15 allowed under the county's affordable housing
16 programs, and vacant lot;
17
 - 18 (2) If low-income housing tax credits are used in
19 conjunction with the affordable housing developed
20 pursuant to chapter 201H, Hawaii Revised Statutes,
21 then affordable credits are requested not to be
22 issued;
23
 - 24 (3) The credits are requested to be transferable and
25 issued on a one-credit for one-unit basis, unless the
26 housing unit is eligible for additional credits as
27 provided by adopted county ordinances, rules, or any
28 memoranda of agreement between a county and HHFDC;
29
 - 30 (4) In the event that the affordable housing credits are
31 transferred to HHFDC, twenty-five percent of any
32 monetary proceeds from the transfer is requested to be
33 used by HHFDC to develop units for rental properties;
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 - 35 (5) The credits are requested to be applied county-wide
36 within the same county in which the credits were
37 earned to satisfy the affordable housing obligations
38 imposed by the county on market-priced residential and
39 non-residential developments;
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 - 41 (6) County-wide or project-specific requirements for
42 housing class, use, or type; or construction time for



1 affordable housing units is requested not to impair,
2 restrict, or condition the county's obligation to
3 apply the credits in full satisfaction of all county
4 requirements, whether by rule, ordinance, or
5 particular zoning conditions of a project; and
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7 (7) HHFDC is requested to enter into a memorandum of
8 agreement with the County of Kauai and the City and
9 County of Honolulu, respectively, to establish,
10 modify, or clarify the conditions for the issuance,
11 transfer, and redemption of the affordable housing
12 credits in accordance with any applicable county
13 affordable housing ordinances or rules; and
14

15 BE IT FURTHER RESOLVED that certified copies of this
16 Resolution be transmitted to the Governor, Director of the
17 Department of Taxation, Executive Director of the Hawaii Housing
18 Finance and Development Corporation, Mayor of the City and
19 County of Honolulu, Mayor of the County of Maui, Mayor of the
20 County of Hawaii, and Mayor of the County of Kauai.
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OFFERED BY:



MAR 10 2023

