



CITY COUNCIL

CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII 96813-3077

COMMITTEE ON ZONING AND HOUSING

Voting Members:

Kymerly Marcos Pine, Chair
Ikaika Anderson, Vice Chair
Brandon Elefante
Ann H. Kobayashi
Joey Manahan

AGENDA

REGULAR MEETING
COMMITTEE MEETING ROOM
THURSDAY, JUNE 29, 2017
9:00 A.M.

SPEAKER REGISTRATION

Persons wishing to testify are requested to register by 9:00 a.m. as follows:

- a. On-Line at <http://www.honolulu.gov/ccl-testimony-form.html>;
- b. By faxing to 768-3827 your name, phone number and the agenda item;
- c. By filling out the registration form in person; or
- d. By calling 768-3817.

Persons who have not registered to testify will be given an opportunity to speak on an item following oral testimonies of the registered speakers.

Each speaker limited to a **one-minute** presentation.

WRITTEN TESTIMONY

Written testimony may be faxed to 768-3827 or transmitted via the internet at <http://www.honolulu.gov/ccl-testimony-form.html> for distribution at the meeting.

If submitted, written testimonies, including the testifier's address, e-mail address and phone number, may be posted by the City Clerk and available to the public on the City's DocuShare Website.

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Accommodations are available upon request to persons with disabilities, please call 768-3817 or send an email to ltam@honolulu.gov at least three days prior to the meeting date.

The meeting is viewable by: (1) internet live streaming through http://olelo.granicus.com/MediaPlayer.php?publish_id=92; (2) televised live broadcast on Olelo TV Channel 54; or (3) after the meeting, viewable at <http://www.honolulucitycouncil.tv/>. Copies of older meeting videos may be requested by calling the City Clerk's Office at 768-5822, charges may apply.

FOR APPROVAL

MINUTES OF THE MAY 25, 2017 REGULAR MEETING

FOR ACTION

1. **BILL 53 (2017) – RELATING TO NONCONFORMING STRUCTURES.** Amending certain provisions relating to nonconforming structures. (Transmitted by Communication D-360; Bill 53 passed first reading 6/7/17)
2. **BILL 54 (2017) – RELATING TO WIND MACHINES.** Amending the permitting requirements for wind machines. (Transmitted by Communication D-361; Bill 54 passed first reading 6/7/17)
3. **BILL 79 (2015), CD1 – LUO AMENDMENT RELATING TO THE LAND USE ORDINANCE.** Making miscellaneous amendments to the Land Use Ordinance. (Bill 79 passed second reading and public hearing held 11/2/16; recommitted back to Committee 4/26/17) (Current deadline for Council action: 10/7/17)

PROPOSED CD2 TO BILL 79 (2015), CD1 (Submitted by Councilmember Pine) – The CD2 (OCS2017-0669/6/23/2017 3:23 PM) makes the following amendments:

- A. Adds a new SECTION 11 of the bill to correct a citation in Section 21-3.140-1 (in subsection (c), cites Section 21-2.80 instead of Section 21-2.70), and renumbers subsequent bill SECTIONS.
- B. In renumbered SECTION 16 of the bill, revises Section 21-5.160(c) (by adding reference to the B-1 District) to read as follows:

"(c) Floor area ~~shall~~ will be limited to 2,500 square feet~~[-]~~ in the B-1, I-1, I-2 and apartment mixed use districts."
- C. Deletes renumbered SECTION 14 of the bill, which proposed to amend Section 21-4.110-1 ("Nonconforming use certificates for transient vacation units"), and renumbers subsequent bill SECTIONS.
- D. Deletes renumbered SECTION 15 of the bill, which proposed to amend Section 21-4.110-2 ("Nonconforming use certificates for bed and breakfast homes"), and renumbers subsequent bill SECTIONS.
- E. Deletes renumbered SECTION 20 of the bill, which proposed to amend Section 21-7.40 ("Specific district sign standards"), and renumbers subsequent bill SECTIONS.

- F. In renumbered SECTION 23 of the bill, reflects the current language of Section 21-9.100-5(d) pursuant to Ordinance 16-26.
 - G. Makes various technical and nonsubstantive amendments.
4. **BILL 62 (2017)** – **RELATING TO JOINT DEVELOPMENT**. Amending certain provisions relating to the joint development of two or more subdivision lots. (Transmitted by Communication [D-272](#); Bill 62 passed first reading 6/7/17)

PROPOSED CD1 TO BILL 62 (2017) (Submitted by Councilmember Ozawa) – The CD1 (OCS2017-0624/6/6/2017 11:16 AM) makes the following amendments:

- A. Deletes substantive amendments to Sec. 21-5.380 (a), (b), (c), and (d)
 - B. Creates a new Section 21-5.380A, titled "Joint development of two or adjacent subdivision lots – Waikiki special district or transit-oriented development special districts," which:
 - 1) Allows lots previously jointly developed to enter into a second joint development with other subdivision lots, with certain conditions.
 - 2) Treats the two joint developments as separate zoning lots with certain exceptions.
 - 3) Requires notification of the owners of the subdivision lots affected by the original joint development prior to submission of the application and upon its acceptance.
 - 4) Requires the development rights applicable to subdivision lots in both joint developments to be clearly listed in the second agreement.
 - 5) Creates a procedure and conditions for application to the DPP director to revoke a conditional use permit for a joint development.
 - C. Makes miscellaneous technical and nonsubstantive amendments.
5. **RESOLUTION 17-176** - **OHANA OLA O KAHUMANA PROJECT AT LUALUALEI, OAHU**. Authorizing exemptions from certain requirements relating to the addition of accessory uses and structures to the Ohana Ola O Kahumana Project at Lualualei, Oahu, Hawaii, Tax Map Key: 8-6-006:001. (Transmitted by Communication [D-453](#)) (Current deadline for Council action: 8/7/17).

6. **RESOLUTION 17-177 - KEAHUMOA PLACE AFFORDABLE HOUSING PROJECT AT KAPOLEI, OAHU.** Granting exemptions from certain requirements relating to the Keahumoa Place Affordable Housing Project at Kapolei, Oahu, Hawaii, Tax Map Key: 9-1-017:109. (Transmitted by Communication D-454) (Current deadline for Council action: 8/7/17).
7. **BILL 58 (2017) - ESTABLISHING AN AFFORDABLE HOUSING REQUIREMENT.** Increasing the production of affordable housing, encouraging dispersal of affordable housing throughout the City and County of Honolulu, and maintaining the units as affordable for a long period of time. (Transmitted by Communication D-376; Bill 58 passed first reading 6/7/17)

PROPOSED CD 1 TO BILL 58 (2017) (Submitted by Councilmember Pine) – The CD1 (OCS2017-0630/6/21/2017 11:05 AM) makes the following amendments:

- A. In SECTION 1 of the bill: (1) removes reference to payment of an in-lieu fee or the provision of improved land as a way to satisfy the affordable housing requirement; and (2) removes reference to the phasing in of the affordable housing requirement based on geographical area.
- B. In Section __-1.1 ("Purpose"), removes reference to payment of an in-lieu fee or the provision of improved land as a way to satisfy the affordable housing requirement.
- C. In Section __-1.2 ("Definitions"): (1) deletes the definitions of "city," "council," and "HRS;" (2) adds definitions of "declarant," "HUD," "legal obligation," "off-site," and "on-site;" and (3) clarifies the definition of "Rail transit station area."
- D. In Section __-1.3(a)(3) ("Applicability"), clarifies that the affordable housing requirement applies to the conversion of hotels, offices, or other uses into multifamily dwellings containing ten or more total dwelling units; or to conversion of rental dwelling units into for-sale dwelling units containing ten or more total dwelling units.
- E. In Section __-1.4(a) ("Affordable housing requirement"): (1) removes reference to the phasing in of the affordable housing requirement based on geographical area; (2) clarifies that if a combination of options is used, the declarant shall designate the proportionate share of the affordable housing requirement that each option will fulfill, and the sum of the proportionate shares must equal one; and (3) provides that fulfillment of the requirement may account for varying unit sizes, lower income ranges, rounding, or other factors, subject to the director's approval, as established in rules adopted pursuant to Section __-1.10.

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- F. In Table ___-1.4: (1) deletes options relating to payment of an in-lieu fee or the provision of improved land as a way to satisfy the affordable housing requirement; and (2) deletes the four-year phase-in of the affordable housing requirement and provides that the requirement takes effect on the effective date of the ordinance.
- G. Deletes original Section ___-1.4(c), relating to the payment of an in-lieu fee as a way to satisfy the affordable housing requirement.
- H. Deletes original Section ___-1.4(d), relating to the provision of improved land as a way to satisfy the affordable housing requirement.
- I. In Section ___-1.5 ("Period of affordability"), clarifies that affordable units created must remain affordable for not less than 30 years from the date when the unit is initially sold or initially rented to a qualified buyer or renter; and that when a for-sale affordable dwelling unit is resold and the real property title changes within the initial period of affordability, the unit must remain affordable for not less than 30 years from the resale recordation date.
- J. Deletes Section ___-1.6 relating to the affordable housing development account of the housing development special fund, and renumbers subsequent sections.
- K. In Section ___-1.7(a) ("Procedures"), provides that if the permit applicants are not the fee owners of the project site and any applicable off-site zoning lot used to satisfy the affordable housing requirement, the affordable housing agreement and the declaration of restrictive covenants must also be executed by all of the fee owners of those parcels.
- L. In Section ___-1.7(b) ("Procedures"), specifies that on an annual basis, the declarant shall submit a written status report to the director documenting the declarant's compliance with the affordable housing requirement. The status report must be submitted to the director by December 31 of each year until such time as the term of the declaration of restrictive covenants expires.
- M. Makes miscellaneous technical and nonsubstantive amendments for purposes of drafting conventions, grammar, clarity, and style.

8. **BILL 59 (2017) – REVISED ORDINANCES OF HONOLULU, 1990, RELATING TO AFFORDABLE HOUSING INCENTIVES.** Providing financial support for the creation and maintenance of affordable dwelling units that are provided through compliance with the Bill establishing an Affordable Housing Requirement (AHR) (Bill___(2017)), the Planned Development-Transit (PD-T) bill (Bill 74 (2015)), and Interim Planned Development-Transit (IPD-T) (Chapter 21, Section 9) permits, and for qualifying rental housing projects pursuant to HRS Section 201H-36(a)(5). (Transmitted by Communication [D-377](#); Bill 59 passed first reading 6/7/17)

PROPOSED CD1 TO BILL 59 (2017) (Submitted by Councilmember Elefante) – The CD1 (OCS2017-0643/6/20/2017 11:41 AM) makes the following amendments:

- A. In SECTION 1 of the bill: (1) clarifies the incentive providing that for projects that contain affordable units, real property taxes would be kept at the current assessment (tax holiday) during the project's construction period for up to three years or until construction is completed; and (2) provides that the waiver of park dedication requirements applies exclusively to affordable rental dwelling units (instead of to all affordable dwelling units).
- B. In SECTION 1 of the bill, clarifies that the incentives expire on June 30, 2026, instead of after 10 years.
- C. Deletes reference notations to pending bills within the text of the codified portions of the bill, and refers to planned development–transit permit pursuant to Section 21-9.100-10, and an interim planned development–transit permit pursuant to Section 21-9.100-5
- D. In Section 8-10.___(a), as set forth in SECTION 3 of the bill, clarifies that "qualifying construction work" means work to construct new buildings or portions thereof, or to construct additions or substantial rehabilitations, as defined in Section __-1.2, to existing buildings; provided that the new or existing building is located on land that is classified in accordance with Section 8-7.1 as residential, residential A, hotel and resort, or commercial.
- E. In Section 8-10.___(d), as set forth in SECTION 3 of the bill, clarifies that the real property tax will be based on the assessed value of the property for the tax year immediately preceding the tax year during which the building permit for demolition, if applicable, or a building permit for new buildings or portions thereof, additions, or substantial rehabilitations for the qualifying construction work was issued.

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- F. In Section 22-7.3, replaces references to the "effective date of this ordinance" with October 16, 1976, which is the actual effective date of the ordinance enacting the relevant language.
- G. In Section 22-7.3(h), replaces "appropriate state agency" with the "registrar of the bureau of conveyances or the assistant registrar of the land court, or both, as applicable."
- H. In Section 22-7.3(j): (1) deletes reference to "provided as a community benefit" when describing affordable dwelling units provided pursuant to a planned development–transit permit pursuant to Section 21-9.100-10, or an interim planned development–transit permit pursuant to Section 21-9.100-5; and (2) provides that the waiver of park dedication requirements applies exclusively to affordable rental dwelling units (instead of to all affordable dwelling units).
- I. In SECTION 7 of the bill, provides that the Revisor of Ordinances shall, pursuant to the Revisor's authority under ROH Section 1-16.3(b)(1), replace the phrase "effective date of this ordinance" or similar phrase used in the codified language of the ordinance with the actual date on which the ordinance takes effect. The Revisor of Ordinances shall also, pursuant to the Revisor's authority under ROH Section 1-16.3(b)(6), replace reference numbers to agree with newly numbered chapters or sections.
- J. Makes miscellaneous technical and nonsubstantive amendments for purposes of drafting conventions, grammar, clarity, and style.

Related communication:

CC-218 Councilmember Elefante, submitting proposed CD1 to Bill 59 (2017).

- 9. [BILL 63 \(2017\)](#) – **SPECIAL IMPROVEMENT DISTRICTS**. Allowing transportation management to be provided and financed by a special improvement district, to provide a higher level of maintenance and security services over the areas open to the public than would otherwise be available. (Bill 63 passed first reading 6/7/17)
- 10. [BILL 64 \(2017\)](#) – **WAIKIKI TRANSPORTATION MANAGEMENT ASSOCIATION SPECIAL IMPROVEMENT DISTRICT NO. 4**. Establishing a Waikiki Transportation Management Association special improvement district to provide for and finance supplemental services and improvements in and to Waikiki as authorized by Chapter 36, Revised Ordinances of Honolulu 1990 ("ROH"). (Bill 64 passed first reading 6/7/17)

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FOR DISCUSSION

INFORMATIONAL BRIEFING

11. **UPDATE BY THE DIRECTOR OF THE DEPARTMENT OF PLANNING AND PERMITTING REGARDING THE STATUS OF ALL PENDING LAND USE ORDINANCE (LUO) AMENDMENTS.**

KYMBERLY MARCOS PINE, Chair
Committee on Zoning and Housing