

Reserved Housing Mauka Area Plan

June 19, 2007



Legislative Mandate – HRS 206E

“Residential development may require a mixture of densities, building types, and configurations in accordance with appropriate urban design guidelines; integration both vertically and horizontally of residents of varying incomes, ages, and family groups; and an increased supply of housing for residents of low-or moderate-income may be required as a condition of redevelopment in residential use. Residential development shall provide necessary community facilities, such as open space, parks, community meeting places, child care centers, and other services, within and adjacent to residential development.”



Process

- ρ Meetings of Authority housing subcommittee
- ρ June 2006 focus group meeting
(25 community leaders, professionals, developers)
- ρ Stakeholder Interviews
- ρ Research other jurisdictions
- ρ Community input tonight



Process (Cont.)

- ρ Draft Reserved Housing Program that becomes part of the Mauka Area Plan
- ρ Start SEIS for Mauka Area Plan that will include Reserved Housing Program
- ρ Hold Public Hearing on Mauka Area Plan & Rules including the Reserved Housing Program
- ρ Approve new Mauka Area Plan and Rules including the Reserved Housing Program



HCDA's Target: Workforce or Gap-Group Housing

Reserved Housing

Term based on requirement to “reserve” units in residential development for particular income levels.

Term differentiates workforce or gap group housing (100-140% AMI), from “affordable housing” usually targeted at lower price levels.



Considerations

p Policy

- n Redevelopment of Kakaako/Legislative Mandate

p Economics

- n Reserved Housing is built by private developers, not by HCDA
- n Reserved Housing adds to complexity & cost of development
- n Need to balance project economics with Reserved Housing requirements

p Social & Market Issues

- n Inclusionary Housing



Key Components of Proposed Reserved Housing (RH) Program

- ρ Applies to any residential project on a 20,000 square foot site (or larger)
- ρ 20% of residential floor area within the project must be priced at RH levels
- ρ RH units rented/sold at prices affordable for 100% to 140% of area median income (AMI)
- ρ RH units must be compatible in appearance with the rest of the project



Key Components of Proposed Reserved Housing Program (Cont.)

- ⌘ Buyers/tenants must qualify under income, asset and residency restrictions
- ⌘ HCDA can buy back units for 10 years
- ⌘ HCDA and buyer share equity of any unit sold at market price
- ⌘ Rentals must stay at affordable rates for 15 years
- ⌘ Off-site RH or Cash-in-Lieu in special circumstances
- ⌘ Licensed Life Care facilities will be exempt from RH



Proposed Incentives for Reserved Housing

- ρ Reduced parking requirement (1 stall/RH unit)
- ρ No permit or public facilities fees for RH units
- ρ Expedited permit process
- ρ Design flexibility
- ρ Reduced unit sizes and finishes allowed
- ρ RH floor area not counted in FAR
- ρ Height and density bonuses possible if RH increased beyond requirements



Your thoughts?

Mahalo for your input.

