

**CITY AND COUNTY OF HONOLULU
DEPARTMENT OF PLANNING AND PERMITTING**

**OBTAINING EXEMPTIONS FOR AFFORDABLE HOUSING PROJECTS
Pursuant to Chapter 201H, Hawaii Revised Statutes**

PHASE I - PRE-CONSULTATION REQUIREMENTS

Prior to having a project reviewed by DPP for a determination of eligibility, the developer must complete the following:

- A. Obtain control of the project site.
- B. Develop a preliminary project concept (estimated total number of units, rental vs. sales, single-family detached vs. multi-family, mix of affordable vs. market units and period of affordability, etc.) and site plan.
- C. Ascertain market demand for proposed development.
- D. Conduct site analyses and feasibility studies.
- E. Confirm the requirement for preparing and filing a Finding of No Significant Impact or Environmental Impact Statement for the project in compliance with Chapter 343, Hawaii Revised Statutes.
- F. Obtain City DPP (Wastewater Branch) approval to connect to the municipal sewer system. In the case of alternative treatment systems, obtain the State Department of Health's (DOH) approval of the wastewater disposal method for the proposed project.
- G. Initiate consultations with affected community groups, including Neighborhood Boards and City Councilmember.
- H. Identify potential sources of project financing.
- I. Confirm that the proposed project is not located in a flood plain or tsunami hazard area. If it is, proposed mitigation measures should be identified.

PHASE II - DETERMINATION OF ELIGIBILITY

The purpose of this phase is to determine whether the project is eligible under Chapter 201H and to identify major concerns relating to development of the project.

A. Preliminary Application

The developer/applicant must complete the *Application for Determination of Eligibility, Chapter 201H, HRS Exemption* and submit the following materials to DPP with the application:

1. Evidence of control of the project site (or right to develop site);
2. Preliminary subdivision map, if applicable;
3. Preliminary site plan (drawn to an appropriate scale);
4. Preliminary list of proposed exemptions;
5. Approval from DPP (Wastewater Branch) to connect to the municipal sewer system or from the DOH for alternative treatment systems;
6. Preliminary commitment letters to finance the project;
7. Experience and financial statements of the developer/applicant;
8. Pre-development studies, including site analyses, feasibility studies and market analysis;
9. Development schedule; and
10. Environmental impact statement, finding of no significant impact or environmental assessment pursuant to Chapter 343, HRS.

B. Development Notification

DPP will notify the developer in writing of project eligibility.

PHASE III - FORMAL PROJECT REVIEW AND PROCESSING

- A. If there are no major concerns, the developer will be requested to complete and submit the *Application for Obtaining Chapter 201H, HRS Exemptions* along with all documentation, for DPP review and approval. The developer may be requested to submit additional information.
- B. Line Agencies' Review
1. After DPP accepts the *Application for Obtaining Chapter 201H, HRS Exemptions* for processing, the developer will be requested to provide 20 sets of plans and outline specifications to DPP.
 2. DPP will coordinate distribution of the plans and exemptions requested among agencies and request written comments from the agencies regarding the proposed project and requested exemptions.
 3. Agencies will review the plans and exemptions requested to ensure that the project and exemptions requested do not negatively affect public health and safety.
 4. It shall be the responsibility of the developer and/or the project's architect/engineer/consultant to work directly with agencies to address their concerns. Developer's architect/engineer may have to modify plans to address agency comments. (For example, the proposed site plan may need to be rearranged so as to enable private recreation space to be provided on-site).
 5. After all agency concerns are satisfied, DPP will prepare the 201H Exemption Request package requesting the City Council's approval of the requested exemptions. The package will typically include preliminary plans, outline specifications, a draft agreement between the City and developer insuring the project is built and operated as presented by the developer, and a draft resolution that itemizes each proposed exemption. The developer must provide 20 sets of plans which reflect all amendments agreed upon during the agencies' review projects for inclusion in the 201H Exemption Request package sent for the City Council's review.
- C. City Council Review
1. The City Council has 45 days from the date of its receipt of the 201H Exemption Request package to act on the resolution. The Council may require modifications to the project during the course of its deliberations.
 2. The 201H Exemptions Request Package is first reviewed by the Zoning Committee of the City Council. The developer or representative shall be present at all Zoning Committee meetings to make a presentation on the project and respond to any questions or concerns regarding the proposed project.

3. If approved by the Zoning Committee, a Committee Report recommending adoption of the 201H resolution is referred to the full Council for formal adoption. The developer or representative shall be present at the full Council meeting to respond to any questions or concerns regarding the proposed project.
4. City Council action on the exemption request may take one of the following forms;
 - a. The Council may vote to approve the exemption request.
 - b. The Council may vote to approve the exemption request with conditions, including a time limit on development.
 - c. The Council may vote to deny the exemption requests.
 - d. The Council may choose not to act upon the exemption requests. If no action is taken, the exemption requests are deemed to be approved after the 45-day Council review period lapses.

D. Project Development Phase

1. The developer completes final plans and specifications for the proposed project and obtains necessary permit approvals. Project plans must not deviate substantially from the plans approved by the City Council.
2. The approved resolution should be attached to the building permit application.

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ELIGIBILITY REQUIREMENTS FOR 201H PROJECTS

A. ELIGIBLE PROJECTS

Projects eligible to receive exemptions from development standards must:

1. Provide for economically integrated housing, by stipulation and design, where at least 50% of the units in the project are made affordable to low, moderate and gap group income households; for rental projects the units should be affordable for a period of not less than 25 years; and
2. Contain at least 50 dwelling units. Projects developed solely for persons with special living needs shall not be subject to this requirement. Projects developed solely for lower-income purchasers or renters by nonprofit housing organizations must contain at least 20 units, or obtain a waiver from the DPP.

B. AFFORDABILITY REQUIREMENTS

1. Sales prices or rental rates for a minimum of 50% of the total units in the project must be affordable to DPP's target groups. (See the attached schedule for the current income limits of the target groups.)
2. The total number of units in the proposed project are to be distributed as follows:
 - a. A minimum of 10% of the total number of units in the project must be affordable to lower-income households earning annual incomes which do not exceed 80% of the median income for the City and County of Honolulu, adjusted for family size.
 - b. A minimum of 20% of the total number of units must be affordable to moderate-income households earning annual incomes ranging between 81% and 120% of median income.
 - c. The remaining affordable units required may be affordable to gap group households earning annual incomes ranging between 121% and 140% of median income.
 - d. A maximum of 50% of the total units may be sold or rented at rates determined by the developer, including market rates.
3. Guideline for affordable rental rates: Sum of monthly rent and utility payments does not exceed 30% of a household's gross monthly income.
4. Guideline for affordable sales prices: The maximum mortgage amount (sales price minus a maximum down payment of 10%) that can be amortized over 30 years by a monthly payment of principal, interest, and related impounds (property tax, insurance and maintenance fees) that does not exceed 30% of a household's gross monthly income.
5. Guideline for affordable unit sizes: The sizes of the affordable housing units shall be comparable to the market units.

INCOME LIMITS
(Effective March 2007)

INCOME GROUP	% OF MEDIAN	HOUSEHOLD SIZE							
		1	2	3	4	5	6	7	8
"VERY VERY LOW"	30%	\$ 15,650	\$ 17,900	\$ 20,100	\$ 22,350	\$ 24,150	\$ 25,950	\$ 27,700	\$ 29,500
VERY LOW	50%	\$ 26,100	\$ 29,800	\$ 33,550	\$ 37,250	\$ 40,250	\$ 43,200	\$ 46,200	\$ 49,150
"LOW"	60%	\$ 31,275	\$ 35,775	\$ 40,225	\$ 44,700	\$ 48,250	\$ 51,850	\$ 55,425	\$ 58,975
LOWER	80%	\$ 41,700	\$ 47,700	\$ 53,650	\$ 59,600	\$ 64,350	\$ 69,150	\$ 73,900	\$ 78,650
MEDIAN	100%	\$ 52,125	\$ 59,625	\$ 67,063	\$ 74,500	\$ 80,438	\$ 86,438	\$ 92,375	\$ 98,313
GAP	120%	\$ 62,550	\$ 71,550	\$ 80,475	\$ 89,400	\$ 96,525	\$ 103,725	\$ 110,850	\$ 117,975
UPPER GAP	140%	\$ 72,975	\$ 83,475	\$ 93,875	\$ 104,300	\$ 112,600	\$ 121,000	\$ 129,325	\$ 137,625

FAIR MARKET RENTS
(for information only)

BEDROOMS	STUDIO	1-BDRM	2-BDRM	3-BDRM	4-BDRM
FAIR MARKET RENT (Certificate*) (As of 10/1/06)	\$888	\$1,058	\$ 1,279	\$1,865	\$2,196
PAYMENT STANDARD (Voucher only) (As of 1/01/06)	\$919	\$1,096	\$ 1,325	\$1,932	\$2,275
UTILITY ALLOWANCES (All electric) (1/01/07)	\$ 74	\$ 101	\$ 127	\$ 154	\$ 193
HOME Rents (2/97)					
FMR	\$756	\$904	\$1,064	\$1,438	\$1,556
50%	\$565	\$606	\$ 726	\$ 840	\$ 936
65%	\$715	\$767	\$ 923	\$1,057	\$1,261

* No more certificates after 10/98 (grandfathered)

OCCUPANCY GUIDELINES

UNIT SIZE	STUDIO	1-BDRM	2-BDRM	3-BDRM	4-BDRM
MINIMUM OCCUPANTS	1	1	2	3	4
MAXIMUM OCCUPANTS	2	3	5	7	9

**CITY AND COUNTY OF HONOLULU
DEPARTMENT OF PLANNING AND PERMITTING**

**APPLICATION FOR DETERMINATION OF ELIGIBILITY,
CHAPTER 201H, HRS EXEMPTIONS**

I. PROJECT NAME _____

II. DEVELOPER/APPLICANT INFORMATION:

A. Developer/Applicant _____

B. Address _____

C. Principal Contact Person _____

Telephone Number _____

D. Development Experience

Project	Units	Sale/Rental	Status

E. Development Team _____

III. SITE INFORMATION

A. Address _____

B. Tax Map Key _____

C. Land Area _____

D. Land Owner _____

E. General Description (shape, topography) _____

IV. PROPOSED PROJECT DESCRIPTION:

A. Preliminary Project Concept (intended occupants, and their income levels, sales or rental units) _____

B. Total No. of Units _____

C. Number of Affordable Units _____

D. Period of Affordability _____ Years

E. Description of Improvements (type of structure, height, unit types, number of parking and loading stalls) _____

F. Proposed Sale Prices/Rental Rates

	<80%	81%-121%	121%-140%	Market
Studio				
1-Bedroom				
2-Bedroom				
3-Bedroom				
4-Bedroom				
Other				

- G. Estimated Development Cost: _____
- Land _____
- Pre-Development Studies _____
- Architectural and Engineering Fees _____
- Site Improvements _____
- Building Construction _____
- Sales/Marketing Expenses _____
- Other _____
- Total Development Cost: _____
- H. Source(s) of Financing: _____
- _____

V. LAND USE INFORMATION

- A. State Land Use Designation _____
- B. Zoning (LUO) _____
- C. Special District (if applicable) _____
- D. Height Limit _____
- E. Street Setbacks _____
- F. Historic Properties(if applicable) _____
- G. Special Management Area _____
- H. Flood Zone (attach map) _____
- I. Tsunami Inundation Zone _____
- J. Existing Use(s) _____
- K. Surrounding Use(s) _____

L. Major Environmental Concerns _____

VI. INFRASTRUCTURE

A. Sewer _____
B. Water _____
C. Access _____
D. Drainage _____

VII. COMMUNITY INPUT

A. Neighborhood Board No. _____ Date: _____
B. Other Community Groups/Members _____

VIII. ENVIRONMENTAL REVIEW

Chapter 343, Hawaii Revised Statutes

_____ Environmental Impact Statement Required
_____ Finding of No Significant Impact
_____ Environmental Assessment
_____ Not applicable

If the project is not subject to Chapter 343, HRS, the applicant must assess the impacts of the proposed project in accordance with the guidelines for Preparing Environmental Assessments, Chapter 4 and Appendix H, of the Guidebook for the Hawaii State Environmental Review Process, Office of Environmental Quality Control.

IX. OTHER PERMITS/APPROVALS REQUIRED (please list)

X. MAJOR EXEMPTIONS REQUESTED (please list)

Attachments

- Developer/Applicant qualifications and financial statements
- Nonprofit documents (if applicable)
- Location map
- Site plan
- Subdivision plan
- Site control documentation
- Flood Insurance Rate Map
- Wastewater approval
- Neighborhood Board minutes
- Environmental review document
- Preliminary financing commitments
- Development schedule
- Preliminary studies

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**CITY AND COUNTY OF HONOLULU
DEPARTMENT OF PLANNING AND PERMITTING**

APPLICATION FOR OBTAINING CHAPTER 201H, HRS EXEMPTIONS

I. PROJECT NAME _____

A. Tax Map Key _____

B. Landowner _____

II. DEVELOPER/APPLICANT INFORMATION

A. Name _____

B. Address _____

C. Principal Contact Person _____

Telephone Number _____

D. Development Team _____

III. PROJECT DESCRIPTION

A. Proposed Project Concept _____

B. No. of Units/Size

	No. of Units	Size (Sq. Ft.)	% Affordable
Studio			
1-Bedroom			
2-Bedrooms			
3-Bedrooms			
Other (please specify)			
Total Units			

C. Period of Affordability _____ years

D. Description of Improvements (type of structures, height, number of parking and loading stalls, recreational space, amenities) _____

IV. APPROVALS

A. Neighborhood Board No. _____ on _____.

B. Status of Other Permits/Approvals Required

V. OTHER STUDIES

Attach other studies which may have been prepared for the project, such as market assessment, soil/foundation study, traffic assessment, grading plan.

VI. EXEMPTIONS (detailed list of all exemptions required and citations)

Attachments:

Documentation of Community Approval
Environmental Review Document
OEQC Bulletin
Site Plan
Landscape Plan
Typical Floor Plan
Building Elevations
Grading Plan
Outline Specifications
Detailed List of Exemptions
Development Budget (if revised)
Development Schedule (if revised)
Other Studies

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