



Kakaako Housing

Enhancing Housing Opportunities



Shelter for You & Yours

A Basic Need, But Not An Entitlement!

Hawaii Community Development Authority



The Need for Shelter is Universal!

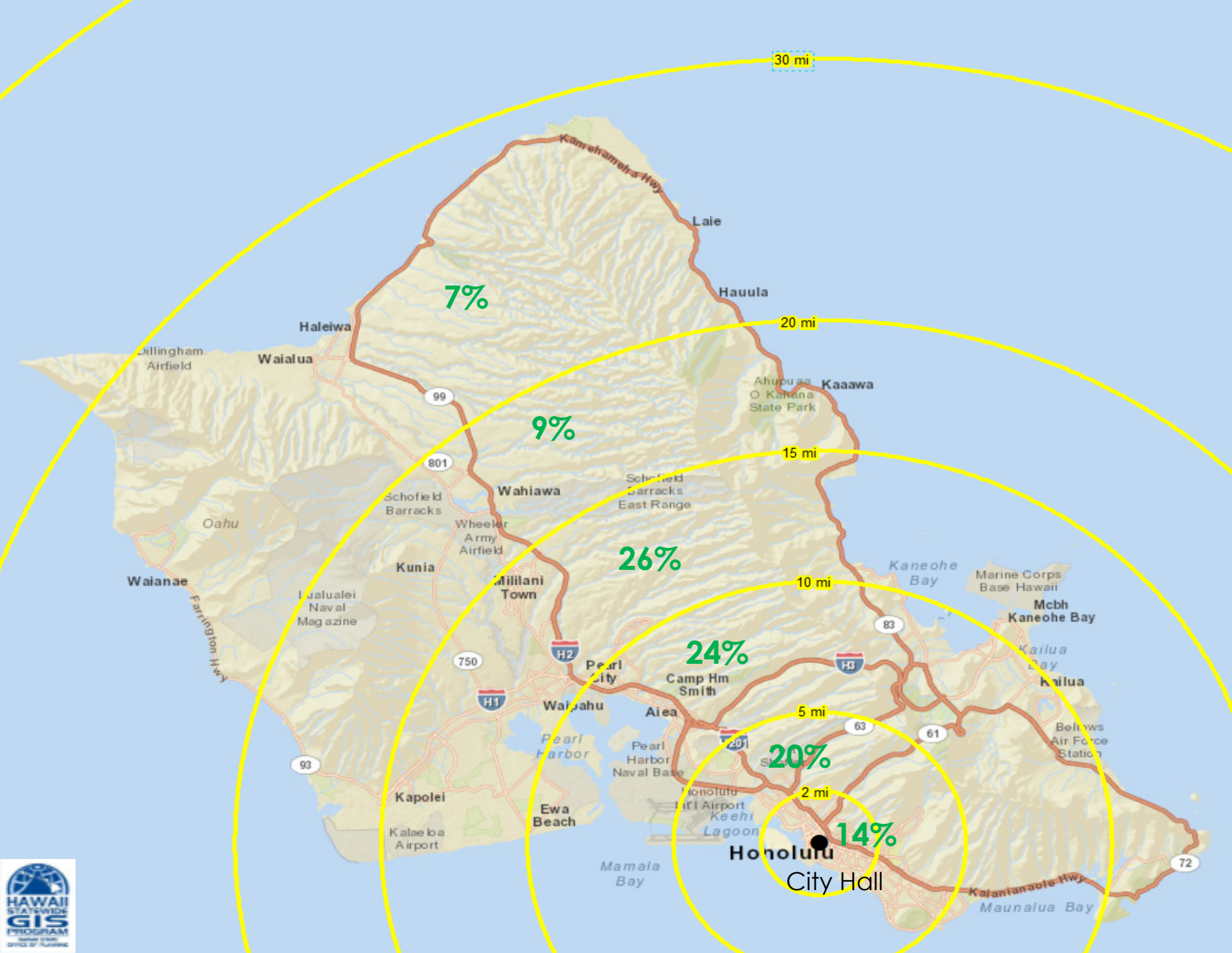
Regardless of Race or Religion

- **What Housing Do You Qualify to Buy or Rent?**
 - **Subject to Individual Credit History, Lending Rules and Availability of Money**
- **Where Do You Want to Live?**
 - **Town or Country?**
 - **Single Family Detached/Multi-Family/Condo?**
 - **Shared Housing? With Family?**
- **How Will Your Choice of Housing Affect Your Quality of Life?**
 - **Money Spent on Housing Cannot Otherwise Be Spent on Other Discretionary Items**
 - **Education, Health Care, Transportation**

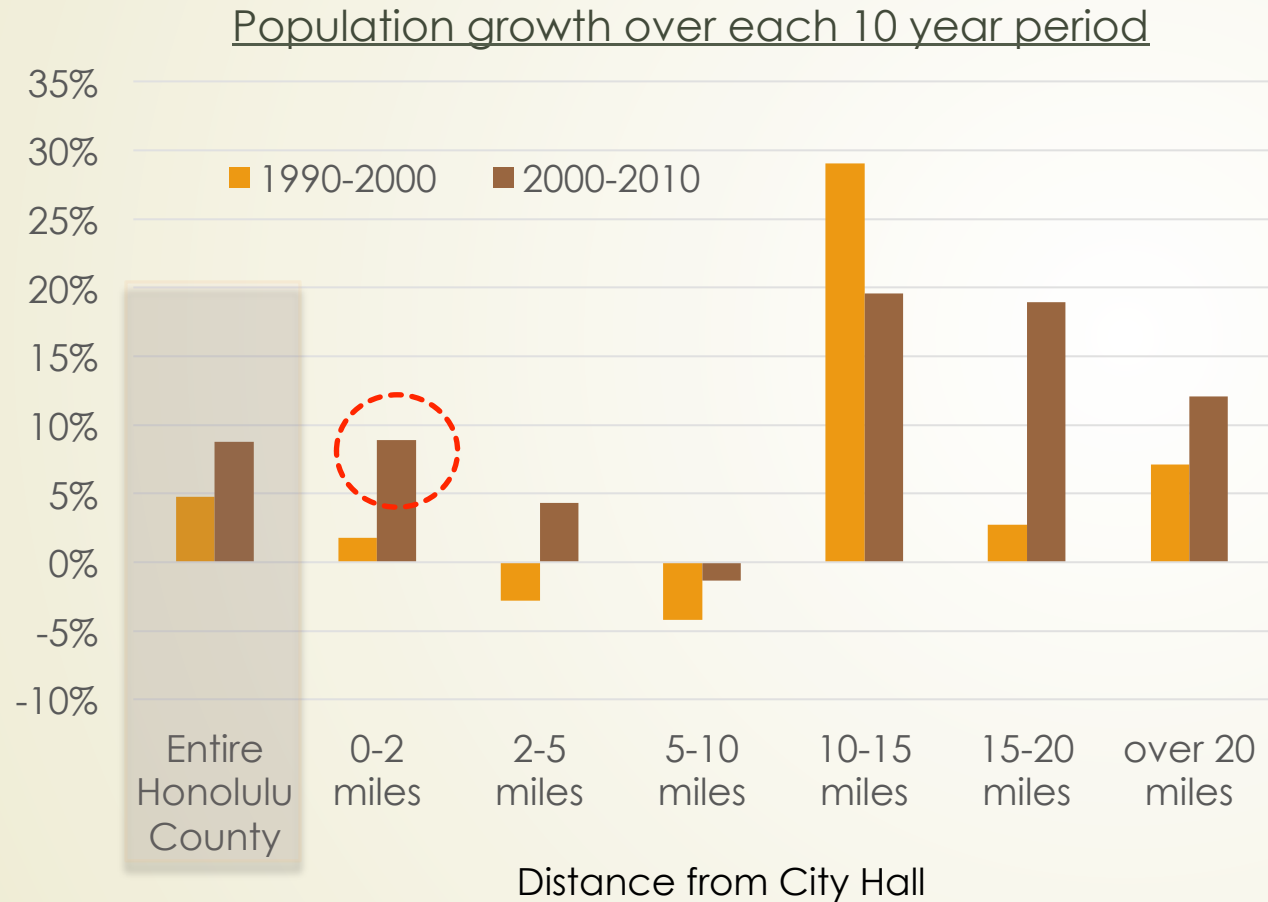
Where People Live in Honolulu? (2010)

Distance from City Hall*	Population share
0-2 mi	14%
2-5 mi	20%
5-10 mi	24%
10-15 mi	26%
15-20 mi	9%
Over 20 mi	7%

34% lived within 5 miles from the city hall



Population Shift in Honolulu -- Moving Back to Town?



1990-2000 Period

- Most population growth took place in the suburbs

2000-2010 Period

- The city core area (0-2 miles) gained over 10,000 population (8.9%) during this period.



Kakaako

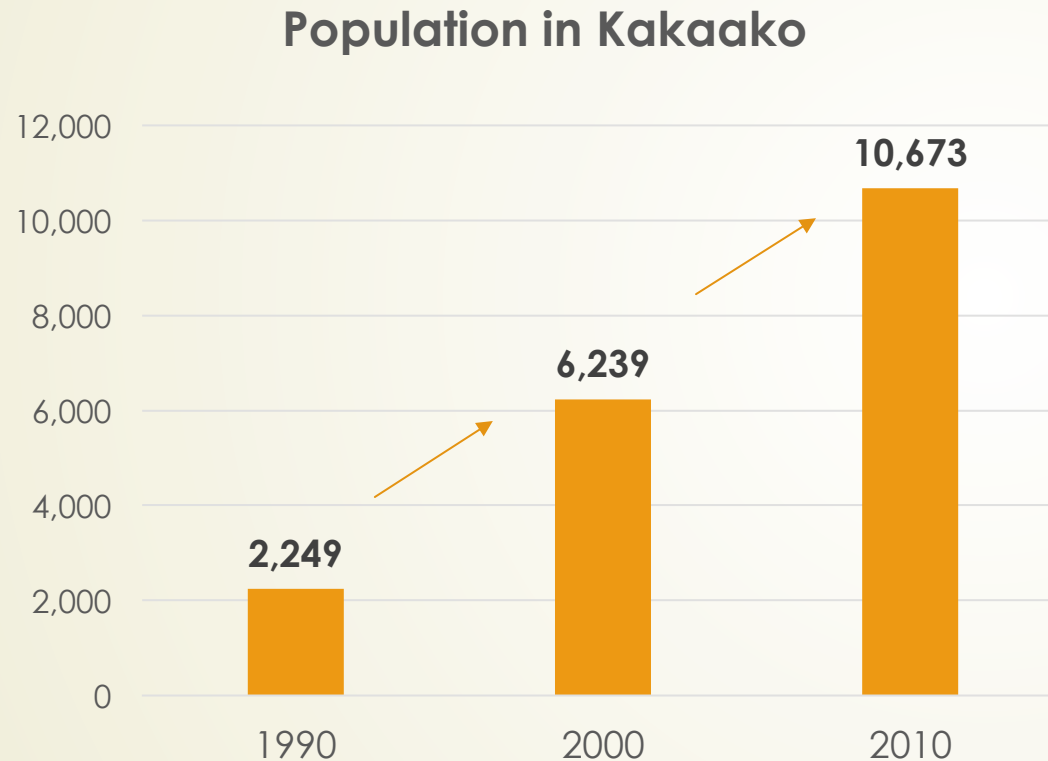
Is This a Place for YOU?



Who Lives & Works in Kakaako Now?

- **10,673 People Lived in the Kakaako in 2010**
(71% Increase from 2000)
- **More Adult-Oriented Community (less children)**
- **Larger Share of “Living alone households” (42%)**
- **Smaller Households and Families**

Population Change in Kakaako



*Based on 2010 census

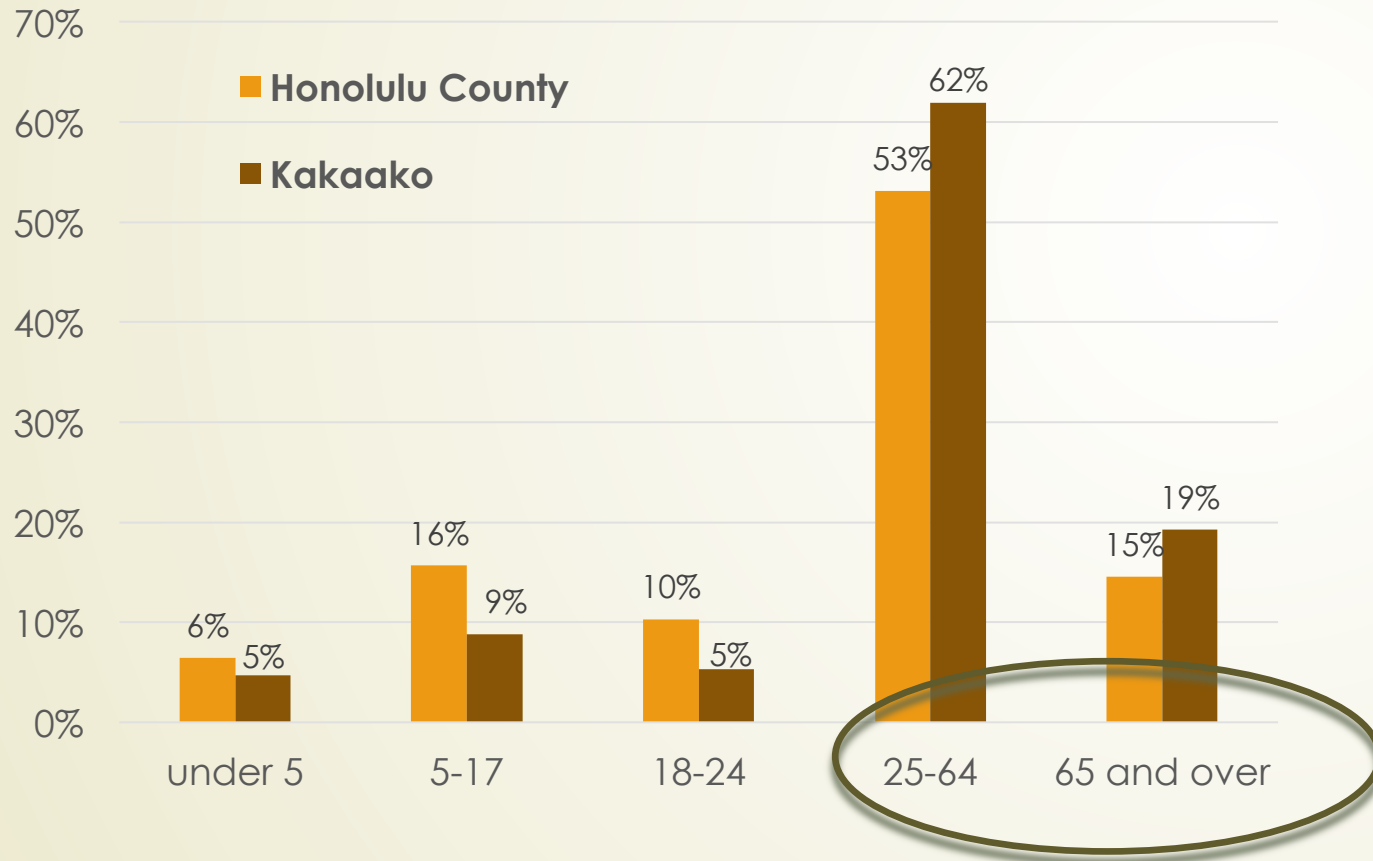
Population in the Kakaako area increased from 2,249 in 1990, to 6,239 in 2000 and to **10,673 in 2010.**

Period	Change	Change in %
1990-2000	3,990	177.4%
2000-2010	4,434	71.1%

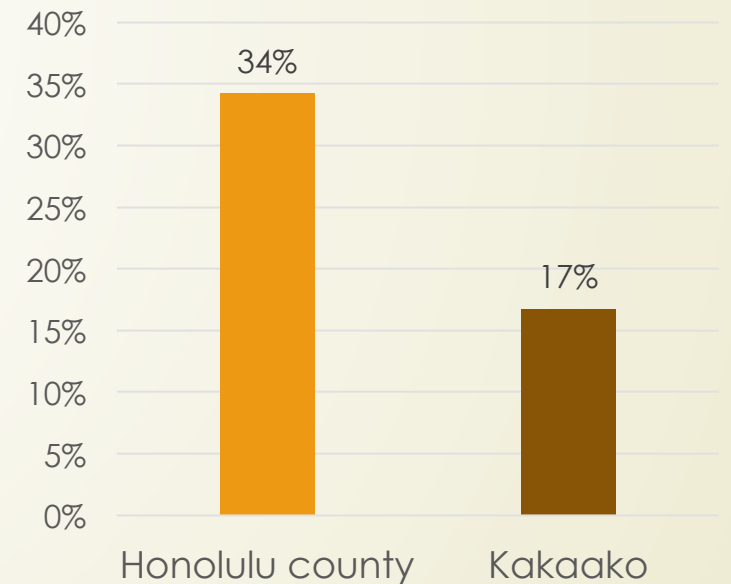
Kakaako Population in 2010	
Total Residents	10,673
In Households	10,034
In Group living facilities	639

More Adult-Oriented Community

Age Distribution

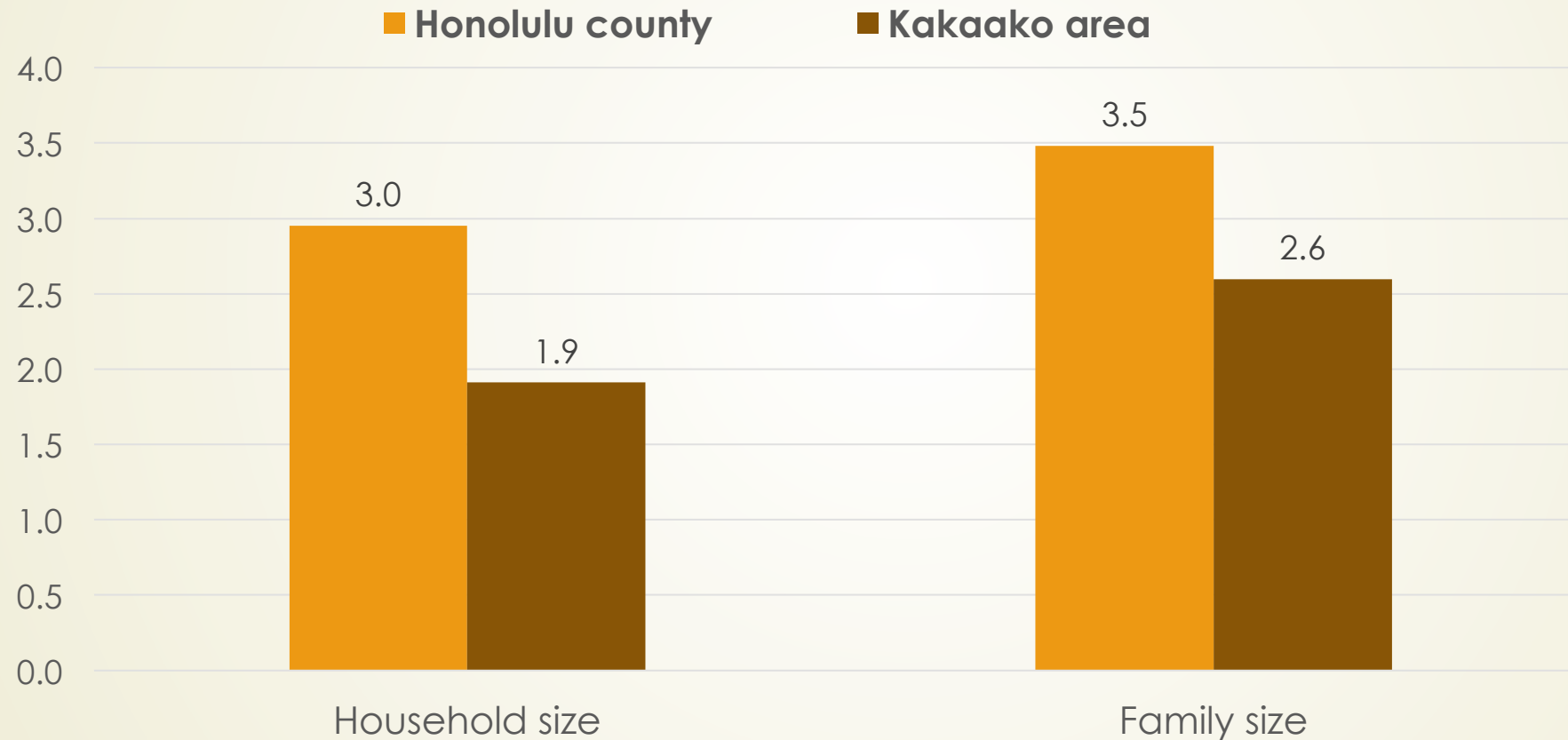


Households with at least one child (under 18)



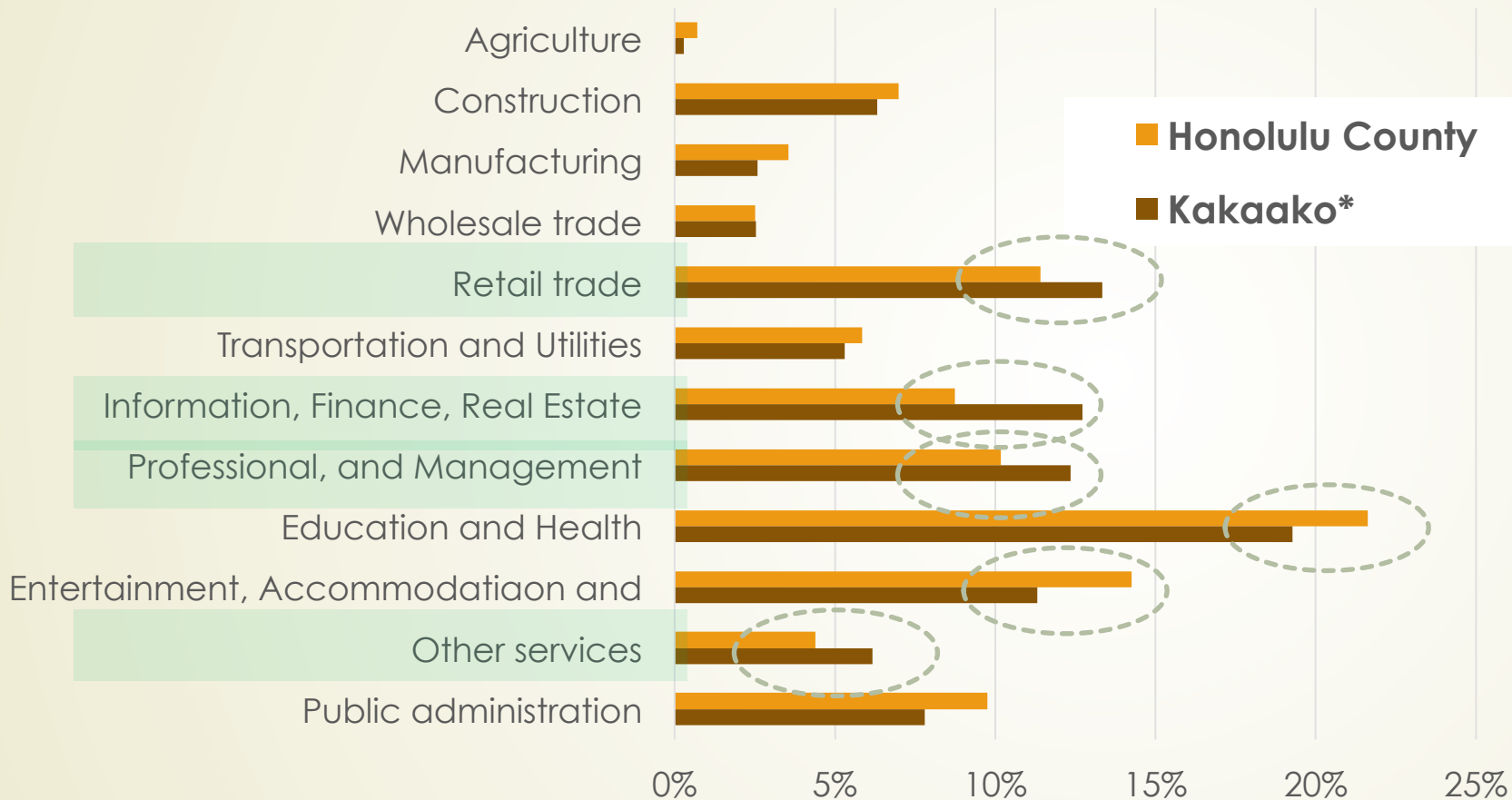
*Based on 2010 census

Average Household and Family Size are *Much Smaller*



*Based on 2010 census

Jobs of Kakaako Residents (by Industry)



People Who Live in Kakaako* Tend to Work more in

- **Education & Health**
- **Entertainment & Accommodation**
- **Retail Trade**
- **Information/Finance**
- **Professional and**
- **Other Service sectors.**

* Based on 2008-2012 American Community Survey (sample data)

* This statistics are for an extended Kakaako area including the Ala Moana area.

Businesses in Kakaako (by employee size)

By employee size	Businesses in 2012	
0-1 employee	457	36.3%
2-4	333	26.4%
5-9	173	13.7%
10-49	232	18.4%
50-99	31	2.5%
100 or more	34	2.7%
Total	1,260	100%

- **More than three quarters of them were small businesses with less than 10 employees.**
- **There were 34 large companies with more than 100 employees.**
- **Majority of the large companies (100 or more employees) were based in Kakaako, with many of their employees working in areas other than Kakaako.**

Businesses in Kakaako (by industry)

Industry	# of Business (2012)	
Other services	254	20.2%
Professional/technical services	171	13.6%
Retail trade	134	10.6%
Accommodation and Food	108	8.6%
Wholesale trade	100	7.9%
Health care and Social assistance	94	7.5%
Finance and Insurance	71	5.6%
Construction	62	4.9%
Real estate, rental and leasing	56	4.4%
All other industries	210	16.7%
Total	1,260	100%



Kakaako Qualified Income Housing Summary

*What is Being Done to Ensure that there are
Affordable Units in Kakaako?*



Occupation	Employment	Median Wage	Annual Salary
Retail Salesperson	24,370	\$10.92	\$25,610
Cashier	14,380	\$10.41	\$23,240
Waiter	13,800	\$10.81	\$28,930
General Managers	10,440	\$39.47	\$97,630
Registered Nurse	10,300	\$41.32	\$85,380
Hotel Maid	12,420	\$15.63	\$31,740
Secretaries	9,230	\$17.64	\$37,480
Retail Managers	7,340	\$19.87	\$47,300
Maintenance Workers	7,160	\$19.96	\$42,730
Laborers and Freight	7,110	\$13.26	\$30,700

Faces of the Area Median Income

60% AMI

Secretary



60% of the area median income
for a single person is
\$34,692

60% for a family of 4 is
\$49,560

100% AMI

Police Officer



Teacher



and 2 kids



100% of the area median income
for a family of 4 is
\$82,600

140% AMI

Nurse



Cashier



140% of the area median income
for a family of 2 is
\$92,512

140% for a family of 4 is
\$115,640

*"80% of the total households on Oahu make 140% AMI or less."
-State Research and Economic Analysis Division*

Income Qualifications

Unit Type

**Luxury
For Sale**

**Market
For Sale**

100%-140% AMI
≤ \$115,640

**Workforce
Reserved
Rental or For Sale**

81%-100% AMI
≤ \$82,600

Moderate Income
Rental or For Sale

51%-80% AMI
≤ \$66,080

**Low Income
Subsidized
Rental Housing**

31%-50% AMI
≤ \$41,300

**Very Low
Income
Subsidized
Rental Housing**

≤ 30% AMI
≤ \$24,780

Extremely Low Income

Section 8 Public Housing

Homeless





Current Qualified Income Projects

Different Types of Affordable Units

- **Reserved Housing For-Sale Units** (*built w/no government subsidy*)
 - Require Housing Developers on Lots >20,000 sf to Provide 20% of Their Floor Area for such Units at Their Cost to People Earning Between 100-140% AMI
 - **Workforce Housing** - In Exchange for Regulatory Relief & Bonus FAR Density Housing Priced Between 100-140% Can Be Built
- **Reserved Housing Rental Units** (*built w/no government subsidy*)
 - 15 Year Regulated Period
- **Government Subsidized & Developed Rental Units**
 - Low Income Housing Tax Credit Used
 - Requires 10% Units \leq (Public Housing) 30% AMI
 - Remainder of Units \leq 60% AMI



POTS - Innovations & Initiatives

- **Allow Developers to Construct More Units If Out of District**
 - Rycroft Terrace 162 units for 100 unit credit
- **Relax Parking Standards for TOD Units**
 - Typically 1 stall/unit required
- **FAR Density for Affordable Units Not Counted Towards Project Maximum**
- **Provide Flexibility in Zoning Requirements**
 - Regarding Setbacks, Other Design Specifications
- **Given Release From Public Facility Dedication Fees for Constructing Reserved Housing Units**
- **Zoning Builds Car Free Community, Active & Complete Streets, Jobs & Place**

HCDA Reserved Housing

Completed Projects	# of Units	AMI	Rental/Sale
Royal Capitol Plaza	28	64-140%	Sale
1133 Waimanu	282	97-117%	Sale
Keola Lai	63	104-130%	Sale
Pacifica	124	100-140%	Sale
680 Ala Moana	54	100%	Rental
Na Lei Hulu Kupuna	76	60%	Rental
Honuakaha	244	60%	Rental/Sale
Pohulani	262	80%	Rental
Kauhale Kakaako	267	80%	Rental
Kamakee Vista	225	80%	Rental
Rycroft Terrace	162	30-130%	Sale
Halekauwila Place	204	60%	Rental
Total Units	1991		



Project Summary

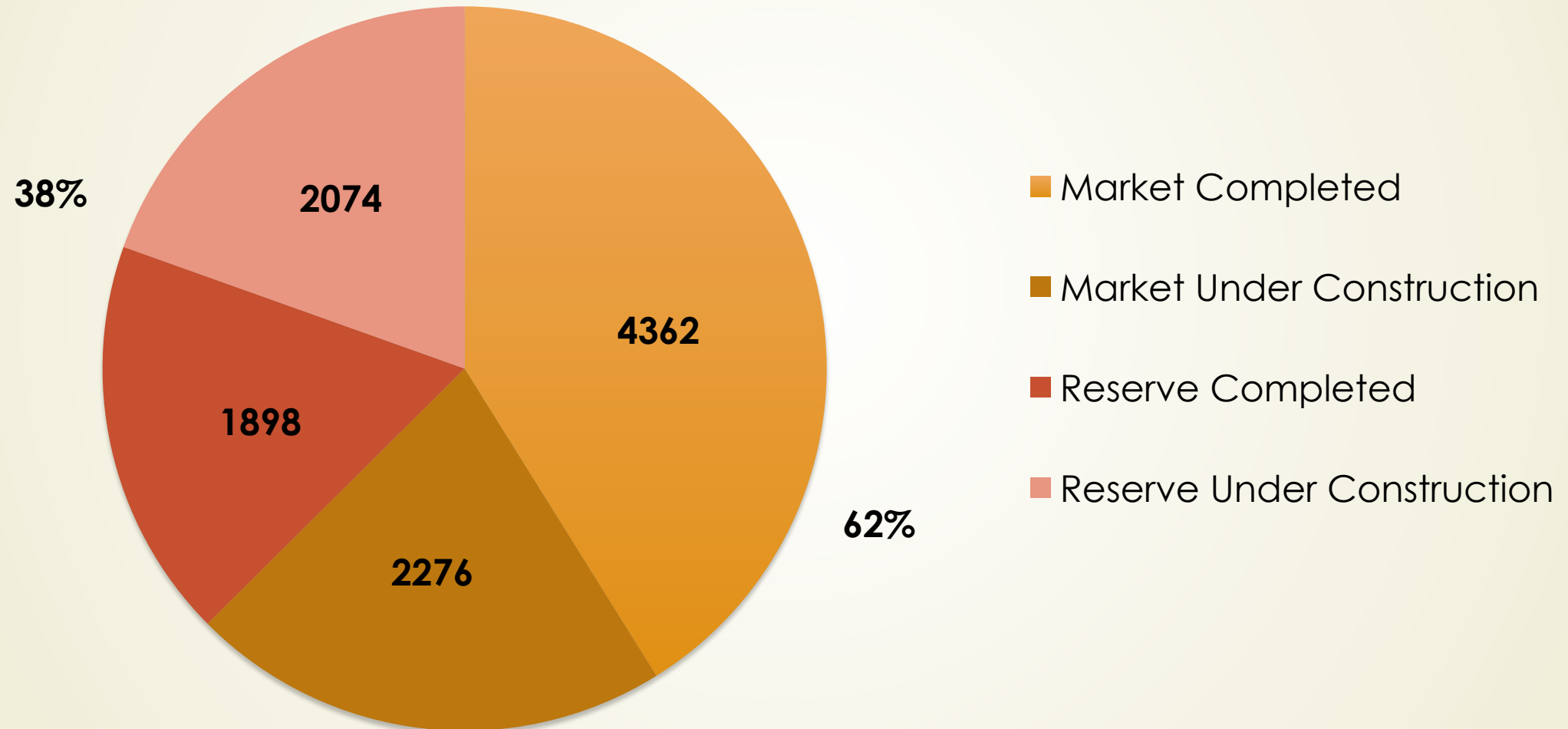
Projects Under Construction	Market	Reserve	Total
Waihonua	341	-	341
680 Ala Moana	-	54	54
801 South Street A	-	635	635
Symphony	288	100	388
The Collection	467	-	467
Waiea	318	-	318
Total Units	947	951	1898



Project Summary

Permitted Projects	Market	Reserve	Total
Waihonua 2	-	72	72
988 Halekauwila	49	375	424
Anaha	177	-	177
Keauhou Lane	338	294	632
KS Land Block B	75	108	183
801 South Street B	49	361	410
803 Waimanu	24	121	145
<i>Total Units</i>	712	1331	2043

HCDA Approved Housing in Kakaako





What More Can We Do?


Authority Committee on Reserved Housing



Financing New Low Income Rental Housing Construction

Action Techniques

- Have Congress Increase Its LIHTC Allocation to States
- Have Congress Increase its HOME Allocation to HI
- ID a Pool of Corporations w/Appetite for LIHTC
- ID LIHTC Projects & Costs
 - Have Legislature Issue Tax Exempt Bonds to Finance in Part These Development
- Have State ERS Provide Gap Financing for LIHTC Projects That Meet Return Requirement
- Work w/C&C to Establish Project Specific TIF Mechanism
- Require Developers of Commercial Space Employing Those at 60% AMI to Provide Units or Cash-in-Lieu



Policy Changes Targeting LIHTC Development

Action Techniques

- Amend HHFDC QAP to All LIHTC Rentals to Include Percentage for $\leq 30\%$ AMI **and $\leq 80\%$ AMI**
- Coordinate HCDA HAR w/HHFDC HAR to Ensure Consistency & Continuity
- Coordinate w/C&C to Allow Bicycle & Mechanized Parking to Substitute for Parking Requirement



Policy Changes Targeting HCDA Reserved Housing Moderate Income Units

Action Techniques

- Amend HCDA Rules to Allow Permitted Developments Flexibility to Produce Either Compliant Rental or For-Sale Units
- Amend HCDA Rules to Set For-Sale Reserved Housing at 80 to 140% AMI
- Amend HCDA Rules to Have Reserved Housing Rules to Kick In When Ten or More Residential Units are Constructed
- Amend HCDA Rules to Establish an Incentive for Reserved Housing Developers to Construct Larger Units



Preserve Existing & Future HCDA Reserved Housing Units

Action Techniques

- Amend HCDA Rules to Extend Buyback Period to 15 Years
- Work w/State ERS to Establish Incentive Pool of Funds to Buy Back Reserved Housing Units
- Amend HCDA Rules to Extend Regulatory Period for Rental Housing Units **from 15 to 30 Years**
- HCDA to Utilize AMI Indexing Technique for all Units Subject to Buy Back and Resale
- HCDA to Ensure Management Agents to Verify & Report Tenant Qualifications on an Annual Basis



Reduce Development Costs for LIHTC Developments

Action Techniques

- **Allow Qualified LIHTC Developments to Automatically Qualify for 201H Process**
- **HCDA & C&C to Update Rules to Unbundle Parking Requirements for LIHTC project in Transit Oriented Development Zones**
- **HCDA, DOE and C&C of Honolulu to Provide Exemptions from Impact Fees for Qualifying LIHTC Developments**
- **State & County to Provide Excise Tax and Property Tax Exemptions for Qualified Projects Until Completion/Occupancy of Projects**
- **State Legislature to Establish Tax Credit for LIHTC Developers Achieving LEED Silver or Better**