

Unilateral Agreement Required Affordable Housing



As part of an ordinance for a zone change, a condition requiring affordable housing may be adopted under an executed unilateral agreement (UA) by the applicant. Under these agreements, developers of residential properties agree to deliver a certain percentage of the units in their developments to low and low-moderate income households at prices that those households can afford. Per City Council resolution [09-241 CD1](#), a minimum of 30 percent of the total residential units is required to be affordable to households earning no more than 80 percent, 120 percent, and 140 percent of Oahu median household income.

As permitted under the [City's Affordable Housing Agreement Rules](#), an applicant may propose to fulfill their obligation by building affordable for-sale or rental units, by conveying land to a qualified non-profit affordable housing provider, or by making an in-lieu cash payment to the City to support the City's affordable housing programs. All proposals are subject to the Director of the Department of Planning and Permitting approval.

Each year the Department issues new [guidelines](#) as to maximum sales prices and rents that can be charged for each size household and target income group. The prices are based on the U.S. Department of Housing and Urban Development's estimates of median household income for Oahu and the average of the current 30 year mortgage interest rate and the rate available the previous year. The rents for each unit size (1 bedroom, 2 bedroom, etc.) for low-income households are based on the U.S. Department of Housing and Urban Development Section 8 rent limits. The rents for other target income group households are based on 30 percent of maximum income allowed for the target income group households size adjusted for occupancy requirements. These guidelines are used by housing developers to qualify buyers and renters and to set prices and rents for the affordable units required under an executed unilateral agreement.