

CITY AND COUNTY OF HONOLULU  
DEPARTMENT OF PLANNING AND PERMITTING

**201H HOUSING PROGRAM PROCESS AND APPLICATION**

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## SUMMARY OF THE 201H PROCESS

### A. Eligibility Requirements

Chapter 201H, Hawaii Revised Statutes (HRS), allows the Department of Planning and Permitting (DPP) to develop or assist in the development of housing projects which are exempt from certain statutes, ordinances, charter provisions, and rules of any governmental agency relating to planning, zoning, construction standards for subdivisions, development and improvement of land, and the construction of units thereon, provided that:

- The project primarily or exclusively includes affordable housing units;
- The project meets minimum requirements of health and safety; and
- The project does not contravene any safety standards, tariffs, or rates and fees approved by the public utilities commission for public utilities or Board of Water Supply.

The 201H expedited processing program provides for greater design flexibility and cost savings for affordable housing projects. The DPP establishes its affordability threshold for projects as those projects that primarily are affordable to households with incomes at or below 120 percent of area median income for the City and County of Honolulu ("AMI"), adjusted for family size.

Projects eligible to receive exemptions from development standards and fees must:

1. Provide for economically integrated housing, by stipulation and design, where at least 51 percent of the units (sales or rental) in the project are made affordable to low- and moderate-income households; and
2. Contain at least 30 dwelling units. The total number of units in the proposed project are to be distributed as follows:
  - i. A minimum of 20 percent of the total number of units in the project must be affordable to low-income households earning annual incomes that do not exceed 80 percent AMI.
  - ii. A minimum of 31 percent of the total number of units must be affordable to moderate-income households earning annual incomes ranging between 81 percent and 120 percent AMI, or lower AMI.
  - iii. A maximum of 49 percent of the total units may be sold or rented at rates determined by the Applicant, including market rates.

The variously-priced units may not be segregated and must be randomly dispersed (individually or in clusters) throughout the project horizontally, and if applicable, vertically, to the maximum extent feasible.

Projects developed solely for persons with special living needs shall not be subject to this minimum dwelling unit requirement. Projects developed solely for

low- and moderate-income purchasers or renters must contain at least 15 units, or obtain a waiver from the DPP; and

3. Maintain affordability for a period of not less than 30 years.

## **B. Phase I – Pre-Consultation**

The Applicant must meet with DPP staff before submitting a 201H application. Prior to this Phase I Pre-Consultation meeting, the Applicant must have:

1. Obtained control of the project site.
2. Developed a preliminary project concept (estimated total number of units, rental vs. sales, single-family detached vs. multi-family, mix of affordable vs. market units, period of affordability, etc.).
3. Conducted site analyses and feasibility studies.
4. Confirmed the requirement, if any, for preparing and filing (a) an Environmental Assessment (EA) with Finding of No Significant Impact (FONSI), or (b) an Environmental Impact Statement (EIS), for the project in compliance with Chapter 343, HRS.
5. Confirmed whether the proposed project is located in a flood plain or tsunami hazard area.
6. Explored the capacity for connection to the municipal sewer system or, in the case of alternative treatment systems, initiated discussions with the State Department of Health (DOH).
7. Initiated consultations with affected community groups.
8. Determined whether Land Use Commission approval is necessary and, if approval is necessary, how and when approval will be secured.

## **C. Phase II – Determination of Eligibility**

The purpose of Phase II is to determine whether the project is eligible under the City's 201H Program.

1. Submission Requirements

The Applicant must submit the following form and materials:

- a. 201H Determination of Eligibility Form.
- b. Evidence of site control for the project, e.g., deed, lease, agreement of sale, option agreement, or comparable document.
- c. Environmental Assessment: (i) EA with FONSI or (ii) EIS, pursuant to Chapter 343, HRS, as necessary. If the project is eligible for exemption

pursuant to Hawaii Administrative Rules (HAR Section 11-200.1-15(c), submit a determination of exemption from the appropriate agency.

If requesting a determination of exemption from the DPP based on HAR Section 11-200.1-15(c)(10), which exempts new construction of affordable housing, in your request letter, demonstrate how the project meets the following:

- i. Has the use of state or county lands or funds or is within Waikiki as the sole triggers for compliance with Chapter 343, HRS;
- ii. As proposed conforms with the existing state urban land use classification;
- iii. As proposed is consistent with the existing county zoning classification that allows housing; and
- iv. As proposed does not require variances for shoreline setbacks or siting in an environmentally sensitive area as stated in HAR Section 11-200.1-13(b)(11), such as a flood plain, tsunami zone, sea level rise exposure area, beach, erosion-prone area, geologically hazardous land, estuary, fresh water, or coastal waters.

## 2. Applicant Notification

DPP will notify the Applicant in writing within 10 days of receipt of the Request for Determination whether the project is eligible for processing pursuant to the City's program.

## **D. Phase III – Application Review and Processing**

Phase III begins when the Applicant submits the application.

### 1. Submission Requirements

If the project is eligible for processing under the City's program and the Applicant wishes to move forward with the application, the Applicant should complete and submit the 201H Application.

### 2. Applicant Notification

DPP will notify the Applicant in writing within 10 days of receipt of the application whether the project is complete and accepted for processing. Once accepted, the DPP shall have 90 days to complete its review and forward a recommendation to the City Council.

### 3. Agencies' Review

DPP will transmit the complete application to other agencies and organizations, as appropriate, for review and comment. Agencies will review the application to ensure that the project and exemptions requested do not negatively affect public health and safety. The Applicant will work directly with agencies to address

outstanding concerns. The Applicant's architect/engineer may have to modify plans to address agency comments. Final agency comments should be received within 30 days of DPP issuing a notice of application acceptance. If comments are not received, DPP will assume the agency has no comments.

#### 4. City Council Review

Within 90 days of issuing a notice of application acceptance, the DPP will prepare a report and submit its recommendation to the City Council. The package to Council will typically include a report that summarizes the proposed plans and a draft resolution that itemizes each proposed exemption and conditions of approval. The DPP may recommend approval, approval with conditions, or denial to the City Council.

The 201H Application is first reviewed by a committee of the City Council. The Applicant or representative shall attend the committee meeting to present the project and respond to any questions or concerns. The committee will then forward its recommendation to the full Council. The Applicant or representative shall be present at the full Council meeting to respond to any questions or concerns.

The City Council has 45 days from the date of its receipt of the DPP's recommendation to act on the proposed resolution. The Council may require modifications to the project during the course of its deliberations. The City Council may:

- Vote to approve the resolution.
- Vote to approve the resolution with conditions.
- Vote to deny the resolution.
- Choose to not act upon the resolution. If no action is taken, the resolution is deemed to be adopted after the 45-day Council review period lapses.

#### 5. Project Development Phase

After the City Council and Land Use Commission (if necessary) approvals are obtained, the DPP and Applicant will execute the development agreement that ensures the project is built and operated as presented by the Applicant,

The Applicant must file the approved executed development agreement with the Bureau of Conveyances and/or Assistant Registrar of the Land Court of the State of Hawaii, as appropriate. Proof of such filing shall be in a form of a copy certified by the appropriate agency submitted to the DPP.

The approved resolution must be attached to subsequent building permit applications.

CITY AND COUNTY OF HONOLULU  
DEPARTMENT OF PLANNING AND PERMITTING (DPP)

**201H Program Determination of Eligibility Form**

<b>Applicant Name and Contact Information</b>	
<b>Project Name, Address, and Tax Map Key</b>	

**1. Housing Affordability**

**i. Target Households and Affordable Units**

<b>Affordable Units</b>		
Restricted at % of AMI*	Number of units	Percent of total units
_____ of AMI	_____ units	_____
_____ of AMI	_____ units	_____
_____ of AMI	_____ units	_____
Special Housing Needs**	_____ units	_____
<b>Total Affordable Units</b>	<b>_____ units</b>	
Market Rate Units	_____ units	_____
<b>Total Number of Units</b>	<b>_____ units</b>	_____

\*AMI = Area Median Income per current HUD standards

\*\* Describe the Special Housing Need of the tenants below, if applicable

**ii. Length of Affordability Commitment**

Length of affordability restrictions: \_\_\_\_\_ Years

**2. Site Control Status**

<input type="checkbox"/>	Own site - fee simple	
<input type="checkbox"/>	Executed ground lease	Expires on:
<input type="checkbox"/>	Option to purchase	Expires on:
<input type="checkbox"/>	Option to lease	Expires on:
<input type="checkbox"/>	Other	Describe:
		Expires on:

Submit evidence of site control for the project, e.g., deed, lease, agreement of sale, option agreement, or comparable document.

**3. Environmental Disclosure**

The project must comply with Chapter 343, HRS. If an Environmental Assessment (EA) or Environmental Impact Statement (EIS) has been published or will be published, identify the date of publication in the Office of Environmental Quality Control (OEQC) bulletin. Identify the accepting agency. Submit a copy of the most recent (a) EA with FONSI, (b) EIS, or (c) exemption determination.

<b>Accepting Agency:</b>		
Check if applicable		<b>Date of publication or estimated completion date.</b>
<input type="checkbox"/>	No EA or EIS is required	(specify reason)
<input type="checkbox"/>	EA status and finding	
<input type="checkbox"/>	EIS status	
<input type="checkbox"/>	NEPA compliance status	

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**201H Program Application Instructions**

*This document is intended to assist in preparing a complete application.*

Attach a cover letter to the application. Number responses to each application item and each page. A table of contents and list of attachments is highly recommended. Check to ensure the application is complete and all attachments are included before submitting. If you have any questions about completing the application, contact the DPP.

1. Submit a completed Land Use Permits Division Master Application Form.
2. Resubmit the materials provided for the Determination of Eligibility. Provide a statement confirming that the information submitted either remains correct or identify how it has changed and why.
3. Provide a project narrative that includes:
  - a. The State Land Use Classification and City and County Zoning District for the site.
  - b. How the project is consistent with the goals and policies of the Sustainable Communities or Development Plan in which the project is geographically located. Reference the applicable goals and objectives from the Plan, as appropriate.
  - c. Describe the current and historic site conditions. Describe the degree to which existing structures, if any, will be renovated or demolished.
  - d. Indicate the flood zone designation for the site from the Federal Emergency Management Agency current Flood Insurance Rate Map(s). Indicate whether the property is in a tsunami evacuation zone. Identify the mitigating measures that will be taken to ensure the safety of residents, as applicable.
  - e. Indicate whether the proposed project will relocate any tenants, and if so, the assistance that will be provided. Provide a relocation plan, if necessary.
  - f. Describe each proposed building; the type of construction being proposed; the dwelling unit mix including the types of units by bedroom size, the total number of each type of unit and floor area for each type; the square feet attributable to common areas in the buildings; the square feet of non-residential spaces on the site, if any; project amenities; and, proximity to services and employment.
  - g. Identify the number of resident, guest, and handicapped parking spaces, bicycle stalls, loading stalls, and how the site will be accessed by vehicles, pedestrians, and people on bicycles.
  - h. Describe the existing water, sewer, drainage, roads, and electrical improvements and what additional improvements and other permits and/or approvals are needed to accommodate the project. Explain the status of those permits and/or approvals.

- i. Describe the topography and soils and what mitigation is needed, if any, to accommodate new structures, access, and stormwater management.
4. List the proposed exemptions and reference the applicable ordinance sections; their approximate dollar value, as applicable; the degree to which they deviate from development standards of the underlying City and County zoning, as applicable; and justification for each exemption sought.
5. Submit a letter from DPP's Wastewater Branch confirming the capacity to connect to the municipal sewer system or from the DOH documenting approval for an alternative treatment system.
6. Submit a letter confirming availability of water from the Board of Water Supply, or describe how water will otherwise be made available.
7. Submit a letter from the local electricity provider confirming the availability of electricity.
8. Provide the project development schedule.
9. Provide a project management plan, including a sales and/or rental plan that ensures affordability to the target population.
10. Submit a vicinity map and land use map from the appropriate Development or Sustainable Communities Plan.
11. Submit two sets of fully dimensioned drawings and/or plans drawn to scale and prepared by a licensed professional. For document imaging purposes, one set of drawings shall be a maximum size of 11" x 17" and the second should not exceed 24" x 36". DPP staff may request additional copies after acceptance of the application. The plans shall include:
  - a. Property lines, lot areas, all existing and proposed easements with dimensions, and the purpose of easements.
  - b. Location of all existing and proposed improvements. Indicate if existing structures are to remain, be altered, or be removed.
  - c. The dimensions of proposed and existing buildings, and all setbacks from property lines.
  - d. Existing contours at vertical intervals of 5 feet where the slope is greater than 10 percent, and not more than 2 feet where the slope is less than 10 percent. Proposed grading must be shown with contours and spot elevations.
  - e. Preliminary floor plans and floor area calculations, showing all dimensions used in calculating proposed floor area and building area. Indicate the elements used in the calculation and include the tabulation of total proposed floor area and total allowable floor area.

- f. Exterior building elevations and sections with dimensions and existing/proposed finish grades, including all building heights and envelopes measured from these grades. Provide the dimensions between structures.
  - g. Open space plans and area calculations, showing all dimensions and elements used in calculating these areas, including the total proposed and total required open space. (If bonus areas are used, provide calculations and indicate the applicable areas on the plans.) The open space plan should also specify 1) areas devoted to public, semi-public, and private open space, including parks, plazas, and playgrounds; 2) an integrated circulation system indicating proposed movement of vehicles, goods, pedestrians, and bicyclists within the project area and adjacent areas, including streets and driveways, sidewalks and pedestrian ways, bicycle lanes, bicycle tracks, and multi-use paths.
  - h. Off-street parking and loading plans and calculations with dimensions of all stalls, aisles, driveways and setbacks from property lines and proposed structures, showing the total number of proposed parking and loading stalls.
  - i. Preliminary landscaping and screening plans, with enough specificity such that compliance with the requirements of the Land Use Ordinance can be determined.
12. Provide a breakdown of the development costs for the project. Indicate the total dollar amount in the form of cash (or equivalents), land, or “in kind” contributions that your organization will directly contribute to the project. “In kind” contributions may include, but are not limited to, donated construction materials or professional services (i.e., pro bono work by architects, engineers, attorneys, etc.). If land is part of your equity contribution, provide an estimate of the land value and how that number was derived i.e., if the land value is from an appraisal, include a copy of the appraisal. If your organization is not contributing any cash, land, or “in kind” goods and services to the project, please provide an explanation.
- a. Identify the sources of all financing.
  - b. Specify whether any operating subsidies have been awarded or are being contemplated.
13. Describe the Applicant’s experience developing or managing affordable housing.
14. If the affordable housing units are for rent, provide proposed rental rates and provide an estimate of monthly utility costs.
15. Document efforts associated with community outreach and comments received.
16. Provide a traffic impact assessment or study, if required by DPP’s Traffic Review Branch.
17. Provide the status of the Land Use Commission application, as necessary, and any correspondence that documents that status.
18. Provide a draft development agreement (optional, may also be submitted after the City Council votes on the Project).