



Building a Brighter Future

HAWAII COMMUNITY DEVELOPMENT AUTHORITY

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HAWAII COMMUNITY DEVELOPMENT AUTHORITY

“We Bring Community Development to Fruition”

The Hawaii Community Development Authority is a public entity created by the Hawaii State Legislature in 1976 to establish community development plans in community development districts; determine community development programs; and cooperate with private enterprise and the various components of federal, state, and county governments to bring community development plans to fruition. The Authority's work should result in economic and social opportunities and aim to meet the highest needs and aspirations of Hawaii's people.

What does HCDA do?

The Authority is granted various powers by the legislature.



These include the power to regulate zoning, planning, and use; assess and collect fees from landowners for the planning, design, and construction of public facilities; acquire and condemn property; and develop real property.

HCDA Reserved Housing

Mandatory Program

- All new projects in Kakaako and other HCDA districts are required to designate at least 20% of units as Reserved Housing
- Available to those making less than 140% Area Median Income (AMI)

Requirements

1. Owner Occupancy during Regulated Term
2. Shared Equity due to HCDA upon first sale
3. HCDA First Option to Purchase during Regulated Term





HCDA Reserved Housing

Differences from HHFDC

- HCDA does not allow pre-payment of shared equity
 - Shared equity can only be paid when the unit is sold or title is transferred
- HCDA does not allow third mortgages (e.g., HELOC) on any Reserved Housing Unit, regardless of the regulated term
- Refinancing must be pre-approved by the HCDA and a subordination document must be executed (4-6 weeks)
 - Refinancing Limit = Original loan amount, provided it does not exceed 80% of original purchase price





HCDA Workforce Housing

Voluntary Program

- Developer receives 100% density bonus if they designate at least 75% of units in new projects as Workforce Housing

801 South Street is currently the only Workforce Housing project in Kakaako





HCDA Workforce Housing

2011 Rules

- 801 South Street follows the 2011 Mauka Area Rules
- Under the 2011 Rules, Workforce Housing did not have any additional requirements after purchase
- No shared equity, no buyback, no regulated terms
- Essentially “Market” units after initial sale





HCDA Workforce Housing

2018 Rules

- HCDA adopted new Reserved Housing Rules in 2018 that are applicable to all new developments (except vested Master Plans)
- The new rules instituted the same restrictions for Workforce Housing and Reserved Housing

New Requirements (same as Reserved)

1. Owner Occupancy during Regulated Term
2. Shared Equity due to HCDA upon first sale
3. HCDA First Option to Purchase during Regulated Term

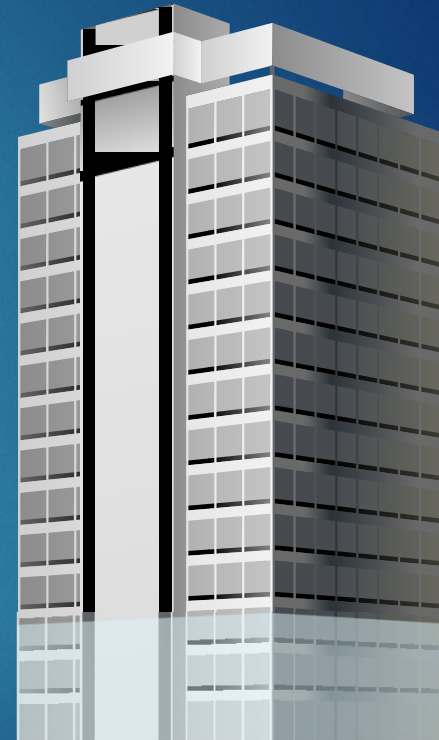




HCDA Reserved Housing

Selling After Regulated Term Expires

1. Submit letter to HCDA notifying of intent to sell and expiration of regulated term
2. Provide necessary documentation to HCDA
 - A. Unit Deed
 - B. Unilateral Declaration of Restrictive Covenants
 - C. Purchase Contract/ Counteroffer
 - D. Preliminary Title Report
 - E. Estimated Closing Disclosure (lists shared equity due to HCDA)
 - F. Estimated Seller's Statement (lists shared equity due to HCDA)
 - G. Draft Release of Unilateral Declaration of Restrictive Covenants
3. Allow 4-6 weeks for legal review and execution



12 Kakaako Housing Projects Completed 2015 - 2019



Symphony
Honolulu



400
Keawe



Flats at
Puunui



801 South
Street A



801 South
Street B



The
Collection



Waiea



Keauhou
Lane



Keauhou
Place



Anaha



A'eo



Ke Kilohana



4 Projects Under Construction



Nohona Hale



Artspace Lofts



Aalii



Hale Kewalo

3 Projects Pending



Gateway



803 Waimanu



Koula

Summary of Kakaako Projects

	Affordable Units	Market Rate Units	Combined
13 Reserved & Workforce Projects	2,023	1,934	
6 Rental Projects	1,047		
3 Senior Projects	489	93	
14 Market Rate Projects		4,865	
TOTAL	3,559	6,892	10,451
Pending Projects	609	1,418	2,917

MAHALO



HCDA Website:

<http://dbedt.hawaii.gov/hcda/>

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