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A BILL FOR AN ACT

RELATING TO TRANSIT-ORIENTED DEVELOPMENT.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1.    The legislature finds that transit-oriented  
2 development can provide significant economic, social, and  
3 environmental benefits through the co-location of jobs,  
4 workforce housing, and economic opportunities in mixed-use  
5 communities at public transportation nodes.  The development of  
6 affordable housing and jobs in transit-centered communities  
7 requires a coordinated, institutionalized effort among county,  
8 state, and federal governments and the private and non-profit  
9 sectors.

10           The legislature further finds that the lack of workforce  
11 housing is a serious and immediate concern for many of the  
12 State's residents.  The high price of housing, low wage  
13 positions, and increasing rents are contributing factors to the  
14 State having one of the lowest rates of home ownership and one  
15 of the fastest growing homeless populations in the nation.

16           The legislature further finds that according to the  
17 department of business, economic development, and tourism's

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1 population and economic projections, the State's resident  
2 population is projected to increase from 1,363,621 in 2010 to  
3 1,708,900 in 2040, an average growth rate of 0.8 per cent per  
4 year. According to the 2011 Hawaii housing planning study, the  
5 State will need up to 50,000 additional housing units by 2016 to  
6 meet the demand generated by changing demographics and economic  
7 conditions. The demand for workforce housing units along with  
8 the anticipated increase in population, requires the State to  
9 take immediate and decisive action to prevent more families from  
10 being left behind without affordable housing.

11 The legislature further finds that transit-oriented  
12 development presents a unique opportunity to address  
13 simultaneously the issues of economic stimulation and affordable  
14 housing shortages. An increased supply of workforce units on  
15 state lands in transit-oriented development zones can provide  
16 low-income and moderate-income families with the opportunity to  
17 reside in vibrant communities and growing micro-economies. The  
18 development of workforce housing units on state lands around  
19 transit-centered communities will also encourage families to  
20 utilize public transportation, providing the transit system with  
21 increased ridership.

22 Properly addressing these issues requires a coordinated,  
23 institutionalized effort among federal, state, and county

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1 governments to create an effective and efficient statewide  
2 transit-oriented development plan.

3 The purpose of this Act is to establish the Hawaii  
4 interagency council for transit-oriented development to provide  
5 a coordinated, intergovernmental, and interagency approach to  
6 transit-oriented development planning statewide.

7 SECTION 2. Chapter 226, Hawaii Revised Statutes, is  
8 amended by adding to part II two new sections to be  
9 appropriately designated and to read as follows:

10 "§226-A Hawaii interagency council for transit-oriented  
11 development. (a) There is established the Hawaii interagency  
12 council for transit-oriented development, which shall be an  
13 advisory body exempt from section 26-34, to coordinate effective  
14 and efficient transit-oriented development planning statewide.  
15 The Hawaii interagency council for transit-oriented development  
16 shall be established within the department of business, economic  
17 development, and tourism for administrative purposes.

18 (b) The Hawaii interagency council for transit-oriented  
19 development shall:

20 (1) Serve as the transit-oriented development planning and  
21 policy development entity with representation from  
22 state and county government and the community;

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- 1        (2) Formulate and advise the governor on the  
2            implementation of a unified ten-year statewide plan to  
3            address transit-oriented development on state lands in  
4            each county;
- 5        (3) Facilitate the acquisition of funding and resources  
6            for state and county transit-oriented development  
7            programs on state lands;
- 8        (4) Monitor the preparation and conduct of plans and  
9            studies to facilitate implementation of state transit-  
10           oriented development plans prepared pursuant to this  
11           section, including but not limited to the preparation  
12           of site or master plans and implementation plans and  
13           studies;
- 14        (5) Review all capital improvement project requests to the  
15            legislature for projects on state and county lands  
16            within county-designated transit-oriented development  
17            areas or within a one-half-mile radius of public  
18            transit stations;
- 19        (6) Recommend policy, regulatory, and statutory changes,  
20            and identify resource strategies for the successful  
21            execution of the ten-year plan;
- 22        (7) Assemble accurate fiscal and demographic information  
23            to support policy development and track outcomes;

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1       (8) Consider collaborative transit-oriented development  
2       initiatives of other states that have demonstrated  
3       positive outcomes; and

4       (9) Report annually to the governor, the legislature, and  
5       the mayor of each county on the progress of its  
6       activities, including formulation and progress on the  
7       ten-year plan no later than twenty days prior to the  
8       convening of each regular session.

9       (c) The ten-year statewide plan developed by the Hawaii  
10      interagency council for transit-oriented development shall:

11      (1) Coordinate with the counties on transit-oriented  
12      development;

13      (2) Prioritize the development of transit-oriented  
14      development projects on state and county lands;

15      (3) Identify and prioritize financing for the public  
16      infrastructure, facility, and service investments  
17      required to support transit-oriented development  
18      plans; and

19      (4) Encourage and promote partnerships between public and  
20      private entities to identify, renovate, and secure  
21      affordable housing options on state and county lands  
22      within county-designated transit-oriented development

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1 areas or within a one-half-mile radius of public  
2 transit stations.

3 §226-B Hawaii interagency council for transit-oriented  
4 development membership. (a) The Hawaii interagency council for  
5 transit-oriented development shall be composed of the following  
6 members:

- 7 (1) Director of the office of planning, who shall serve as  
8 co-chair;
- 9 (2) Executive director of the Hawaii housing finance and  
10 development corporation, who shall serve as co-chair;
- 11 (3) Chairperson of the board of land and natural  
12 resources;
- 13 (4) Director of transportation;
- 14 (5) Comptroller;
- 15 (6) Director of health;
- 16 (7) Director of human services;
- 17 (8) Director of public safety;
- 18 (9) Chairperson of the Hawaiian homes commission;
- 19 (10) Chairperson of the board of trustees of the office of  
20 Hawaiian Affairs;
- 21 (11) President of the University of Hawaii;
- 22 (12) Superintendent of education;

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- 1        (13) Executive director of the Hawaii community development  
2                    authority;
- 3        (14) Executive director of the Hawaii public housing  
4                    authority;
- 5        (15) One member of the house of representatives to be  
6                    designated by the speaker of the house of  
7                    representatives; provided that the speaker of the  
8                    house of representatives may designate a second member  
9                    of the house of representatives to serve as an  
10                   alternate;
- 11       (16) One member of the senate to be designated by the  
12                   president of the senate; provided that the president  
13                   of the senate may designate a second member of the  
14                   senate to serve as an alternate;
- 15       (17) The mayor of each county;
- 16       (18) A representative of the Honolulu field office of the  
17                   United States Department of Housing and Urban  
18                   Development, who shall be requested to serve on an ex-  
19                   officio basis by the governor;
- 20       (19) A representative of the business community, to be  
21                   designated by the governor; and
- 22       (20) A representative of the community who is a housing  
23                   advocate, to be designated by the governor.

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1        (b) The nongovernmental members of the Hawaii interagency  
2 council for transit-oriented development shall serve without  
3 compensation but shall be reimbursed for expenses, including  
4 travel expenses, necessary for the performance of their duties.

5        (c) Except as provided in subsection (a) (15) and (16), if  
6 a member of the Hawaii interagency council for transit-oriented  
7 development is unable to attend a meeting, that member may  
8 appoint a designee to attend and to act on the member's behalf  
9 during the meeting."

10        SECTION 3. There is appropriated out of the general  
11 revenues of the State of Hawaii the sum of \$\_\_\_\_\_ or so much  
12 thereof as may be necessary for fiscal year 2016-2017 to carry  
13 out the purposes of this Act. One-half of the sum appropriated  
14 shall be expended by the office of planning and one-half of the  
15 sum appropriated shall be expended by the Hawaii housing finance  
16 and development corporation.

17        SECTION 4. New statutory material is underscored.

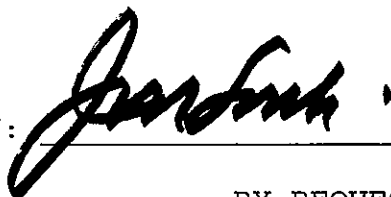
18        SECTION 5. This Act, upon its approval, shall take effect  
19 on July 1, 2016.

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INTRODUCED BY: \_\_\_\_\_



BY REQUEST

JAN 25 2016



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**Report Title:**

Transit-oriented Development; interagency Council; Appropriation

**Description:**

Establishes the Hawaii Interagency Council for Transit-Oriented Development within the Department of Business, Economic Development, and Tourism to institutionalize intergovernmental and interagency coordination on transit-oriented development planning statewide. Appropriates funds.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

## JUSTIFICATION SHEET

DEPARTMENT: Business, Economic Development, and Tourism

TITLE: A BILL FOR AN ACT RELATING TO TRANSIT-ORIENTED DEVELOPMENT.

PURPOSE: To establish the Interagency Council for Transit-Oriented Development to be attached to the Department of Business, Economic Development, and Tourism (DBEDT) for administrative purposes.

MEANS: Add two new sections to part II of chapter 226, Hawaii Revised Statutes.

JUSTIFICATION: According to the 2011 Hawaii Housing Planning Study, the State will need up to 50,000 additional housing units by 2016 to meet the demand generated by changing demographics and economic conditions. DBEDT's population and economic projections are that the State's resident population will increase from 1,363,621 in 2010 to 1,708,900 in 2040, an average growth rate of 0.8 percent per year.

The demand for workforce housing units, along with the anticipated increase in population, requires the State to take immediate and decisive action to prevent more families from being left behind without affordable housing.

Transit-oriented development presents a unique opportunity to address simultaneously the issues of economic stimulation and affordable housing shortages. An increased supply of workforce units on state lands in transit-oriented development zones can provide low-income and moderate-income families with the opportunity to reside in vibrant communities and growing micro-economies. The development of workforce housing units on state lands around transit-centered communities will also encourage

families to utilize public transportation, providing the transit system with increased ridership.

Properly addressing these issues requires a coordinated, institutionalized, effort among federal, state, and county governments to create an effective and efficient statewide transit-oriented development plan.

The general fund appropriation included in this measure has been made in accordance with the statutorily defined appropriation ceiling for the Executive Branch pursuant to section 37-92, Hawaii Revised Statutes. Including appropriations made up to and including the regular session of 2015, the Executive Branch appropriation ceiling for fiscal year 2016-17 has already been exceeded by \$14,892,787 or 0.2 percent. Funding requested in this measure will cover administrative costs, including travel expenses of Council members, and will result in the appropriation ceiling for the Executive Branch to now be exceeded in fiscal year 2016-17 by an additional \$30,000 or 0.000433 percent. This current declaration takes into account additional general fund appropriations authorized for fiscal year 2016-17 in this measure only, and does not include other general fund appropriations for fiscal year 2016-17 that may be authorized for the Executive Branch in other legislation submitted to the Legislature during the regular session of 2016.

Impact on the public: Will provide a coordinated, intergovernmental approach towards transit-oriented development statewide.

Impact on the department and other agencies:  
Will institutionalize an interagency and intergovernmental approach to help coordinate and streamline the development of state lands located near transit lines.

GENERAL FUND: \$30,000.

OTHER FUNDS: None.

PPBS PROGRAM DESIGNATION: BED 144 and BED 160.

OTHER AFFECTED AGENCIES: Department of Business, Economic Development, and Tourism, Office of Planning, Hawaii Housing Finance and Development Corporation, Department of Land and Natural Resources, Department of Transportation, Department of Accounting and General Services, Department of Health, Department of Human Services, Department of Public Safety, Department of Hawaiian Home Lands, Office of Hawaiian Affairs, University of Hawaii, Department of Education, Hawaii Community Development Authority, Hawaii Public Housing Authority, Legislature, Counties, and United States Department of Housing and Urban Development.

EFFECTIVE DATE: July 1, 2016.