

DEPT. COMM. NO. 86

**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

DAVID Y. IGE
GOVERNOR

LUIS P. SALAVERIA
DIRECTOR

MARY ALICE EVANS
DEPUTY DIRECTOR

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804
Web site: www.hawaii.gov/dbedt

Telephone: (808) 586-2355
Fax: (808) 586-2377

December 15, 2016

The Honorable Ronald D. Kouchi,
President and Members
of the Senate
Twenty-Ninth State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

The Honorable Joseph M. Souki,
Speaker and Members of the
House of Representatives
Twenty-Ninth State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

Dear President Kouchi, Speaker Souki, and Members of the Legislature:

For your information and consideration, I am transmitting a copy of the Hawaii Interagency Council for Transit-Oriented Development Annual Report, as required by Act 130, Session Laws of Hawaii 2016. In accordance with Section 93-16, Hawaii Revised Statutes, I am also informing you that the report may be viewed electronically at: <http://dbedt.hawaii.gov/overview/annual-reports-reports-to-the-legislature/>.

Sincerely,


Luis P. Salaveria

Enclosure

c: Legislative Reference Bureau
Leo R. Asuncion, Office of Planning
Craig K. Hirai, Hawaii Housing Finance and Development Corporation

Hawaii Interagency Council for Transit-Oriented Development

REPORT TO THE TWENTY-NINTH LEGISLATURE
REGULAR SESSION OF 2017



Prepared pursuant to Act 130, Session Laws of Hawaii 2016 by
Office of Planning
and
Hawaii Housing Finance and Development Corporation
Department of Business, Economic Development and Tourism
State of Hawaii

December 2016

Hawaii Interagency Council for Transit-Oriented Development

Council Members, Designees, or Alternates
as of December 2016

Office of Planning (OP)

Director: Leo Asuncion (Co-Chair)

Hawaii Housing Finance and Development Corporation (HHFDC)

Executive Director: Craig K. Hirai (Co-Chair)

Office of the Governor

Chief of Staff: Mike McCartney

Designee: Denise Iseri-Matsubara

**Department of Accounting and General Services
(DAGS)**

Comptroller: Roderick Becker

Designees: Chris Kinimaka and David DePonte

Department of Education (DOE)

Superintendent: , Kathryn Matayoshi

Designees: Kenneth Masden and Heidi Meeker

Department of Hawaiian Home Lands (DHHL)

Chairperson: Jobie Masagatani

Designees: Darrell Ing and Norman Sakamoto

Department of Health (DOH)

Director: Virginia Pressler, M.D.

Designees: Lola Irvin, Heidi Hansen Smith, and Danielle Schaeffner

Department of Human Services (DHS)

Director: Pankaj Bhanot

Designees: Malia Taum-Deenik and Katie Mineo

Department of Land and Natural Resources (DLNR)

Chairperson: Suzanne Case

Designees: Russell Tsuji and Ian Hirokawa

Department of Public Safety (PSD)

Director: Nolan Espinda

Designees: Cathy Ross and Clayton Shimazu

Department of Transportation (DOT)

Director: Ford Fuchigami

Designee: David Rodrigues

Hawaii Community Development Authority (HCDA)

Executive Director: Jesse Souki

Designee: Deepak Neupane

Hawaii Public Housing Authority (HPHA)

Executive Director: Hakim Ouansafi

Designee: Barbara Arashiro

Stadium Authority

Chairperson: Charles Toguchi

Designees: Charles Vitale and Scott Chan

University of Hawaii (UH)

President: David Lassner

Designee: Carleton Ching and Erika Lacro

House of Representatives

Representative Henry Aquino

State Senate

Senator Donovan Dela Cruz

Alternate: Senator Breene Harimoto

City and County of Honolulu

Mayor: Kirk Caldwell

Designees: Ray Soon, Harrison Rue, and Kathy Sokugawa

County of Hawaii

Mayor: Harry Kim

Designee: Bennett Mark

County of Kauai

Mayor: Bernard Carvalho, Jr.

Designees: Lyle Tabata and Keith Suga

County of Maui

Mayor: Alan Arakawa

Designees: William Spence, David Goode, and Pam Eaton

Business Representative

Vacant

Developer Representative

Bill Brizee

Architects Hawaii Ltd.

Housing Advocate

Betty Lou Larson

Catholic Charities Hawaii

Designee: Glenn Yee

**U.S. Department of Housing and Urban Development
(Ex-officio)**

Honolulu Field Office representative: Ryan Okahara

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1 Introduction

This report describes the activities of the Hawaii Interagency Council for Transit-Oriented Development (TOD Council) and accomplishments for calendar year 2016. The TOD Council was established by Act 130, Session Laws of Hawaii 2016, to serve as an advisory body to coordinate and facilitate State agency transit-oriented development (TOD), and to facilitate consultation and collaboration between the State and the counties on TOD initiatives. The TOD Council is comprised primarily of State agencies, and includes representatives from the four counties, State Senate, State House of Representatives, and the business, housing, and development communities. This report fulfills the statutory requirement that the TOD Council report annually to the Governor, the Legislature and the Mayor of each county on the progress of its activities, including formulation and progress on a statewide strategic plan for State TOD no later than twenty days prior to the convening of the regular session of the Legislature.

Following passage of Act 130 in June 2016, the TOD Council held four meetings from September to December 2016. These meetings have focused on laying the groundwork for future activities of the TOD Council, including the development of a State strategic plan for TOD and the prioritization of capital improvement projects.

The focus of the TOD Council is on the promotion of mixed uses, affordable and rental housing, and compact, pedestrian friendly developments in designated transit areas. The State of Hawaii is the largest landowner along the 20-mile corridor of the Honolulu Rail Transit Project, including approximately 2,000 acres of land within a half-mile radius of the 21 rail stations. As construction of the rail transit system progresses, the State has a unique opportunity to enhance Oahu's urban environment by applying smart growth and TOD principles to revitalize neighborhoods, increase affordable housing, and improve accessibility to public facilities and services.

On the Neighbor Islands, similar smart growth and TOD principles can be applied effectively in the provision of State facilities and services to encourage quality growth and vibrant mixed-use neighborhoods in urban or rural centers.

The State is one of the largest landowners along the Honolulu rail corridor, with approximately 2,000 acres under its jurisdiction. As such, the State has an opportunity to shape urban land use pattern and demonstrate how transit can benefit all of Oahu's residents, visitors, businesses, and institutions.

1.1 ACT 130, SESSION LAWS OF HAWAII 2016

On June 29, 2016, Governor David Ige signed into law Act 130, Session Laws of Hawaii, (SLH) 2016 (Senate Bill 3077, SD1, HD1, CD1). Act 130, SLH 2016 amends Hawaii Revised Statutes (HRS) Chapter 226, the Hawaii State Planning Act or Hawaii State Plan, to add two new sections to Part II of the

Hawaii State Plan. The first amendment establishes an advisory council for TOD within the Department of Business, Economic Development and Tourism to coordinate effective and efficient TOD planning statewide. The second amendment designates the Office of Planning (OP) as the lead agency to coordinate and advance smart growth and TOD planning in the State.

1.1.1 Hawaii Interagency Council for Transit-Oriented Development (TOD Council)

The TOD Council is intended to coordinate and facilitate State agency TOD planning, and to facilitate consultation and collaboration between the State and the counties on smart growth and TOD initiatives.

TOD COUNCIL MEMBERS

State Office of Planning (Co-chair)
 Hawaii Housing Finance and Development Corporation (Co-chair)
 Office of the Governor
 Department of Accounting and General Services
 Department of Education
 Department of Hawaiian Home Lands
 Department of Health
 Department of Human Services
 Department of Land and Natural Resources
 Department of Public Safety
 Department of Transportation
 Hawaii Community Development Authority
 Hawaii Public Housing Authority
 Stadium Authority
 University of Hawaii (UH) System
 House of Representatives
 State Senate
 Mayor, City & County of Honolulu
 Mayor, County of Kauai
 Mayor, County of Maui
 Mayor, County of Hawaii
 Business Community Representative
 Housing Advocate
 Developer Representative
 U.S. Department of Housing and Urban Development (ex-officio)

The TOD Council’s primary responsibilities are to:

- (1) Develop and implement a State strategic plan for TOD, including mixed-use and affordable and rental housing projects;
- (2) Facilitate funding for TOD programs, including affordable and rental housing projects, on state lands;
- (3) Monitor TOD implementation and recommend needed policy and statutory changes; and
- (4) Review all Capital Improvement Project (CIP) requests to the Legislature for TOD projects on State lands.

The TOD Council is comprised of 25 representatives from State and county governments and the community and is co-chaired by the directors of the Office of Planning and the Hawaii Housing Finance and Development Corporation.

1.1.2 Office of Planning as Lead Agency for State Smart Growth and TOD Planning

Act 130, SLH 2016 also charges OP to serve as the lead agency for State smart growth and TOD development planning in the State. OP’s specific responsibilities with respect to TOD are to:

- (1) Identify TOD opportunities shared between state and county agencies, including initiatives such as the Healthy Hawaii Initiative and the Clean Energy Initiative;
- (2) Clarify state goals for TOD and smart growth that support the principles of the Hawaii State Planning Act;
- (3) Target TOD areas for significant increase in affordable housing and rental units;

- (4) Conduct outreach and education to State agencies and publicize smart growth and TOD efforts;
- (5) Review state land use decision-making processes to identify ways to make TOD a higher priority and with more proactive leadership; and
- (6) Approve all State agencies' development plans (conceptual land use plans identifying the location and planned uses) for parcels along the rail transit corridor.

2 Activities & Accomplishments

The TOD Council's inaugural meeting was held September 6, 2016. Between September and December 2016, the TOD Council held four monthly meetings. The TOD Council meetings are generally held the first Tuesday of the month.

These initial Council meetings focused on providing and exchanging information on TOD in general and TOD-related activities at the State and county levels. The intent was to lay the groundwork for future activities of the TOD Council, including the development of a State statewide strategic plan for TOD and the prioritization of State TOD-related capital improvement projects. Topics discussed included:

- Related legislation enacted in 2016 to enhance State affordable housing and TOD initiatives;
- State TOD activities-to-date;
- TOD Council members' perspectives and concerns related to TOD and smart growth;
- The Governor's Affordable Housing Strategy;
- Definition of TOD and smart growth;
- County TOD Initiatives:
 - Neighbor Island counties' TOD and smart growth-related initiatives, issues, and opportunities;
 - Oahu TOD project status updates:
 - Honolulu Rail Transit Project;
 - TOD Neighborhood Planning Status;
- State agency updates on Oahu TOD-related projects;
- Review criteria for CIP project requests; and
- Strategic plan process and development.

2.1 2016 TOD-RELATED LEGISLATION

Several other bills of relevance to TOD and the TOD Council's work were passed by the 2016 Legislature and signed into law by the Governor in June 2016.

2.1.1 Act 131, SLH 2016 (House Bill 2293)

Act 131 allows HHFDC to develop mixed-use developments in partnership with State and county departments and agencies, in furtherance of smart growth objectives of encouraging walking and active areas by locating affordable housing, jobs, shops and services within close proximity.

2.1.2 Act 132, SLH 2016 (House Bill 2305)

Act 132 authorizes the creation of Regional State Infrastructure Improvement Subaccounts within the Dwelling Unit Revolving Fund and the use of the Dwelling Unit Revolving Fund to provide loans and grants to finance regional state infrastructure improvements in areas of planned growth. The Act also allows repayment from assessments or fees which capture property value increases (e.g., Improvement Districts or Tax Increment Financing).

2.1.3 Act 127, SLH 2016 (Senate Bill 2561)

Act 127 establishes a goal of developing or vesting the development of at least 22,500 affordable rental housing units statewide ready for occupancy between January 1, 2017 and December 31, 2026. It also establishes a temporary special action team on rental housing to make recommendations to the Governor, Legislature, and other parties to achieve the goal.

2.2 STATE TOD ACTIVITIES-TO-DATE

The TOD Council was briefed on State-level TOD initiatives that lay the groundwork for enactment of Act 130, SLH 2016.

2.2.1 2012 Smart Growth America TOD Workshops

In 2012, the State Office of Planning in partnership with Smart Growth America convened a Project Stakeholders Group to develop a TOD implementation strategy for State agencies, detailed in a report entitled "*Leveraging State Agency Involvement in Transit-Oriented Development to Strengthen Hawaii's Economy.*" This effort included three workshops and involved over 40 government and private and non-profit organizations.

The report recommended ways that Hawaii State agencies can leverage transit-oriented development to maximize benefits to the State of Hawaii and, by extension, the people of Hawaii. Successful TOD includes transit that connects major destinations for employment, education, shopping, and entertainment, thus providing alternatives to commuting by automobile. Concentrated development patterns, reduction of automobile use, and increases in walking and bicycling create numerous other benefits for individual households and the public, as well as businesses, governments, and other institutions.

Potential benefits to the State and individual agencies include:

- Revenue generation through land sales/leases and joint development;
- Affordable housing through higher density mixed use redevelopment of properties;
- Improved access to State services for customers, employees, and public; and
- Reduced capital and operating costs, including reduced parking requirements for customers and employees.

Recommendations. The Project Stakeholder Group developed four recommendations that have been or are being implemented.

Issue a State of Hawaii executive policy identifying TOD as a priority for implementing smart growth. The current and previous Administrations have expressed this as executive policy, and Act 130, SLH 2016 formalized this policy as State law.

Identify a lead agency within State government to advance TOD, to include identifying a cluster of State agencies whose mission would most directly relate to TOD implementation. The current and previous Administrations have designated OP as the lead agency for smart growth and TOD. Act 130, SLH 2016 formalized this designation in State law.

Prioritize State-owned properties and assets within areas served by transit to understand sustainable development potential or the need to preserve existing uses located on environmentally and culturally sensitive lands. This work has been initiated and will be reflected in the TOD Strategic Plan to be prepared by the end of 2017.

Target resources to support TOD and walkable, bicycle-friendly, smart growth communities. The TOD Council is tasked with prioritizing capital improvement projects and identifying financing for public infrastructure, mixed use development, and affordable and rental housing.

This initial TOD stakeholders group report is available at <http://planning.hawaii.gov/wp-content/uploads/2013/04/HI-State-TOD-Strategies-Final-Report-FINAL.pdf>.

2.2.2 2015 State Agency TOD Task Force

Following legislative briefings in 2014 on the status of State agency actions being taken to make use of their lands in proximity to rail stations, State Senate committee chairpersons convened a task force of State agencies with State lands and jurisdictional interests within the approximately one-half mile area surrounding the Honolulu rail transit stations.

Monthly meetings were held from January 2015 to May 2016, chaired by Senator Suzanne Chun Oakland. Support services were provided by Senator Chun Oakland's staff and OP. The meetings included station-by-station

updates of agency TOD projects and activities, along with educational presentations of TOD plans, sewer infrastructure, complete streets, and affordable housing. Subcommittees were formed to promote planning and coordination at the station level, with inter-agency meetings to discuss project status, land ownership, infrastructure, and area-specific plans, needs and opportunities.

The State agencies most actively involved in the State TOD Task Force meetings included: OP, DAGS, DOE, DHHL, PSD, HCDA, HHFDC, Stadium Authority, HPHA, and UH (including UH West Oahu, LCC, and HCC). The City and County of Honolulu, Department of Planning and Permitting (DPP) and the Honolulu Authority for Rapid Transit (HART) staff attended and provided technical support and updates on City TOD planning and zoning and rail and transit station construction. Other attendees included labor organizations, businesses, landowners, housing organizations, social service providers, community organizations, health organizations, architectural organizations, early learning institutions, students, and public school parents.

Priority project recommendations. The State TOD Task Force identified and determined priority sites and projects that should be considered for TOD master planning and development. The State agency projects were reviewed at monthly TOD Task Force and subcommittee meetings. A prioritized list of potential State TOD projects was identified by various State agencies with land holdings and jurisdiction along the Honolulu Rail Transit corridor. Table 1 provides a list of these projects and their relative priority as of September 2015.

A State TOD Task Force Status Report to the Governor and Legislature was issued in December 2015. A copy of the report is posted at <http://planning.hawaii.gov/wp-content/uploads/2015/12/Status-Report-State-TOD-Task-Force.pdf>.

Table 1. State Agency Project Priorities, September 2015

Agency	Station No./Name	Ac.	Project	Status	Priority
DAGS	#9 Halawa Area	99	Aloha Stadium redevelopment, 30-35,000 seat stadium with mixed use developments	Pre-planning	HIGH
	#16 Iwilei	4	Liliha Civic Center development, with 350,000 square feet of office space and parking	Master Planning	HIGH
	#5 Waipahu Transit Center	5	Waipahu Library and Civic Center	Pre-planning	MEDIUM
DHHL	#1 East Kapolei	30	Abutilon Contingency Reserve Area	Pre-planning	HIGH
	#1 East Kapolei	29	East Kapolei II	Pre-planning	HIGH
	#1 East Kapolei	92	Kanehili Development	Master Planning	HIGH
	#1 East Kapolei	10	Kupuna Housing - 175 senior housing units	Master Planning	HIGH
	#12 Lagoon Drive	14	DHHL master plan for Mapunapuna industrial lots	Master Planning	HIGH
	#15 Kapalama	3	City Square Shopping Center redevelopment and master planning	Master Planning	MEDIUM
DLNR	#2 UH West Oahu	175	DLNR master plan for 4 parcels (36, 66, 41 & 32 acres); uses to be determined	Master Planning	HIGH
DOE	#2 UH West Oahu		New high school facilities in East Kapolei		HIGH
	#5 Waipahu Transit Center	5	Any planning effort to consider school facilities, especially a new elementary school	No Plans	HIGH
	#20 Kakaako		690 Puhukaina project - include new school facilities	Planning	HIGH
HCDA	#19 Civic Center	0.3	Cooke Street affordable rental housing - 104 micro-units at 60% AMI	Design	HIGH
	#20 Kakaako	1	Artspace Lofts - 84 affordable rental housing units at 80% AMI or below	Project Approved	HIGH
	#20 Kakaako	2	690 Puhukaina mixed-use tower, 400 housing units, school	EIS	MEDIUM
	#21 Ala Moana		Hale Kewalo - 128-unit affordable rental project	Project Approved	HIGH
HHFDC	#21 Ala Moana	1.5	Alder Street mixed-use affordable rental housing and Judiciary - 180 units	Planning	HIGH
	#5 Waipahu Transit Center	3	Existing Use: Surface-level parking for adjacent Plantation Town Apartments	Pre-planning	MEDIUM
	#5 Waipahu Transit Center	1	Existing Use: Surface-level parking	Pre-planning	MEDIUM
	#5 Waipahu Transit Center	1	Existing Use: Waipahu Community Adult Day Care Center	Pre-planning	MEDIUM
HPHA	#5 Waipahu Transit Center	4	Waipahu I & II and Holuu & Kamalu - from 362 units to 700 to 1,000 units	Pre-planning	MEDIUM
	#7 Pearl Highlands	4	Hale Lualima - from 36 units to 700 to 1,000 units	Pre-planning	LOW
	#9 Halawa Area	12	Puuwai Momi - from 260 to 1,000 units	Planning	HIGH
	#14 Kalihi	16	Kamehameha Homes - from 221 units to ~1,000-1,500 units	Planning	MEDIUM
	#14 Kalihi	7	Kaahumanu Homes - from 152 units to ~500-800 units	Planning	MEDIUM
	#15 Kapalama	12	HPHA Administrative Offices - 500 to 700 units	Planning	HIGH
	#16 Iwilei	16	Mayor Wright Homes - from 364 units to ~1,400 units	Master Planning	HIGH
	#16 Iwilei	2	Kalaniihaua - from 151 units to ~500 units	Planning	MEDIUM
	#21 Ala Moana	9	Makua Aii and Paoakalani - from 362 elderly units to 700 to 1,000 elderly units	Pre-planning	MEDIUM
PSD	#14 Kalihi	16	Oahu Community Correctional Center redevelopment	Pre-planning	tdb
UH	#2 UH West Oahu	492	UH West Oahu master plan, to include commercial and a Creative Media Innovation Hub	Pre-planning	HIGH
	#6 Leeward Comm College	38	LCC master plan for surface parking lot	Pre-planning	MEDIUM
	#15 Kapalama	23	HCC master plan, including Manufacturing Innovation Hub	Pre-planning	MEDIUM
	#7 Pearl Highlands	27	Pearl City Urban Gardens potential redevelopment	No Plans	LOW
	UH future station		University of Hawaii TOD Plan for future UH rail station	Pre-planning	LOW

2.3 TOD COUNCIL MEMBER PERSPECTIVES

At the initial TOD Council meeting, members were asked their perspectives on their organizational interest and experience in TOD and smart growth; their expectations for the TOD Council; the challenges and opportunities for TOD; and information needed in implementing TOD and smart growth.

TOD Council members expressed a wide range of opinions and concerns related to what would be needed to advance TOD, including:

- A shared definition of TOD;
- Examination and implementation of best practices;
- A strategic plan to guide and inform investments in TOD;
- Multi-agency coordination and partnerships;
- Infrastructure capacity and financing;
- Affordable housing;
- Enhancing access for the disabled and elderly; and
- Accommodating climate change in future development.

The concerns most frequently mentioned by TOD members were for infrastructure, financing, and critical perspectives that need to be considered as TOD is pursued statewide. These perspectives are: (a) Poor People's Perspective, i.e., using TOD to benefit all households and avoid gentrification; (b) Puhi-Puunene-Pahoa, i.e., understanding Neighbor Island differences and how this will determine the shape of TOD in their counties; and (c) Pay-Pay-Pay, i.e., understanding how to share the cost of infrastructure financing with the private sector to achieve the kind of the development desired.

Opportunities for TOD identified by members included: (a) affordable housing, in particular, having a deliberate policy to address targets through TOD on State lands, especially for low AMI groups and affordable rental housing; (b) incorporating social infrastructure such as schools and services in TOD planning and development; (c) incorporating alternative transportation modes into rail and roadway investments to support walking, biking, etc.; and (d) generating revenue to State and State agencies on lands slated for TOD.

Challenges and needs identified by members included: (a) the need for a unified/coordinated approach that melds State, County, private sector and community interests and provides strategic direction on investments as well as project-specific coordination and problem-solving with detailed, ongoing exchange of information and ideas between county, public utilities, other stakeholders at the table; (b) coordination/sharing of regional infrastructure investments between State, counties, and the private sector; (c) committed source(s) of funding for TOD/smart growth and infrastructure investments, including schools and school capacity; (d) best practices regarding TOD design, innovative tools for financing TOD and infrastructure needs, and

linking State bonding authority with county recapture tools; (e) incentives for TOD to allow private and smaller landowner participation; and (f) incorporating sustainable development practices to address climate change in TOD development. Neighbor Islands' concerns included setting aside corridor rights of way for surface expressways and financing.

2.4 DEFINING TOD AND SMART GROWTH

To establish a shared definition for TOD and smart growth for its use, the TOD Council reviewed and accepted the following definitions which were adapted from definitions and principles used by Reconnecting America and Smart Growth America.

Transit-Oriented Development is a type of community development that includes a mix of land uses such as housing, office, retail and/or other amenities integrated into a walkable, moderate- to high-density neighborhood and located within designated TOD zones or within a one-half mile radius of public transportation nodes.

Smart Growth is espoused as a better way to build and maintain our towns and cities. Smart growth means building urban, suburban, and rural communities with housing and transportation choices near jobs, shops, services, and schools. This approach supports local economies and protects agricultural and natural resource lands.

2.5 COUNTY TOD-RELATED INITIATIVES

The Neighbor Island counties described their current TOD and smart growth efforts, challenges and opportunities related to these efforts, and how the TOD Council could help to advance these efforts.

2.5.1 County of Kauai

Kauai has designated Special Planning Areas (SPAs), which are mixed-use zones employing smart growth principles. SPAs are designated in Lihue, Koloa, Kalaheo, and Kapaa towns.

Kauai has eight government-assisted housing projects: (1) Eleele Iluna (self-help housing); (2) Lima Ola (presently being developed); (3) Koa Workforce Housing (recently transferred to the County to develop); (4) Paanau Village (built out); (5) Kanikoo (senior housing in the process of completion); (6) Koheo Loa (Grove Farm and DR Horton presently under construction); (7) Kalepa Village (built out); and (8) Kolopua (workforce housing completed). The majority of the projects are located on Kauai's main highway.

tod

What is TOD?

Transit-oriented development, or **TOD**, is a type of community development that includes a mix of land uses such as housing, office, retail and/or other amenities integrated into a walkable, moderate- to high-density neighborhood, and located within designated TOD zones or within a one-half mile radius of public transportation nodes.

*Definition adapted from Reconnecting America
(<http://reconnectingamerica.org/what-we-do/what-is-tod/>).*

What does TOD look like?



Portland, Oregon

- Moderate- and high-density housing
 - Compact building design
 - Walkable neighborhood
 - Variety of transportation options
- <http://smartgrowth.org/transit-oriented-development-technical-assistance/>

Oakland, California

- Mix of land uses
 - Walkable neighborhood
 - Public open space/plaza
 - Distinctive community, strong sense of place
- <http://critical-sustainabilities.ucsc.edu>



San Francisco, California

- Mix of land uses
 - Variety of transportation choices
 - Moderate-density housing
 - Walkable neighborhood
 - Compact building design
 - Public open space/plaza
 - Distinctive community, strong sense of place
- <http://critical-sustainabilities.ucsc.edu/16th-mission/>



What is SMART GROWTH?

Smart growth is a better way to build and maintain our towns and cities. Smart growth means building urban, suburban, and rural communities with housing and transportation choices near jobs, shops, services, and schools. This approach supports local economies and protects agricultural and natural resource lands.

Definition adapted from Smart Growth America
(<http://www.smartgrowthamerica.org/what-is-smart-growth>)

PRINCIPLES OF SMART GROWTH

1. Mix land uses
2. Take advantage of compact building design
3. Create a range of housing opportunities and choices
4. Create walkable neighborhoods
5. Foster distinctive, attractive communities with a strong sense of place
6. Preserve open space, farmland, natural beauty, and critical environmental areas
7. Strengthen and direct development towards existing communities
8. Provide a variety of transportation choices
9. Make development decisions predictable, fair, and cost effective
10. Encourage community and stakeholder collaboration in development decisions

A Smart Growth sampler...

Boulder, Colorado

<https://www.epa.gov/smartgrowth/mix-land-uses-eighth-pearl-boulder-colorado>



Bethesda, Maryland

<https://www.epa.gov/smartgrowth/create-walkable-neighborhoods-bethesda-row-bethesda-maryland>

Mountain View, California

<https://www.epa.gov/smartgrowth/provide-transportation-choices-crossings-mountain-view-california>



Kauai County was awarded a \$13.8 million Transportation Investment Generating Economic Recovery (TIGER) grant that will be used to improve streets and pedestrian ways in the Lihue Civic Center and town area. Kauai has plans for retrofitting roads, expanding sidewalks and bike lanes, and adding bus stops in various areas on Kauai. State properties appropriate for redevelopment have not been identified as yet.

2.5.2 County of Maui

In 2012, Maui County adopted the Maui Island Plan, which contains multiple goals, objectives, and policies toward implementing smart growth on the island.

The Maui Island Plan covers transportation and transit. A regional transportation network map of the island of Maui was provided that shows the major transit corridors, which consist of existing roadways and new roads.

Maui started revising their community plans, which will provide opportunities to target areas for higher densities and to refine TOD policies. The Maui Planning Department is currently looking into specific areas that could be up-zoned to higher densities. They are also working with other County agencies on providing affordable housing and identifying under-utilized areas such as the Kahului Shopping Center.

The Wailuku-Kahului region of Maui has attained the population threshold warranting the establishment of a Metropolitan Planning Organization (MPO), which will be involved in directing federal dollars to local transportation projects that can integrate smart growth and TOD. The geographic scope of the MPO is the entire island of Maui.

Further, to incorporate smart growth and TOD, the County needs to update their zoning code. Maui County has published a RFP to “audit” their zoning code and get recommendations on updating and replacing the code. Some of the recommendations will be directed toward TOD.

The challenges for Maui is that many of the implementing actions require either legislative changes or financial commitments by the County.

The TOD Council could be of help to advance these efforts in two ways:

- (1) Financially, to acquire the rights-of-way outlined in the Regional Transportation Network map provided; and
- (2) Legislatively, either proposing supporting legislation or supporting local legislation. Local legislation could include changes to various codes or other legislative efforts such as comprehensive re-zoning.

Maui County is aware of State properties that may have redevelopment potential, and is coordinating with DLNR, DAGS, and DHHL.

2.5.3 County of Hawaii

Among the County's community development plans, the Kona Community Development Plan (CDP), adopted in 2008, contains the most references to TOD. The Kona urban area ranges from the Kona International Airport to Keauhou. The Kona CDP mandates that all new urban development must incorporate smart growth principles, including compact, walkable, and mixed-use development that conforms to a version of Smart Code incorporated in the plan. The Kona CDP Smart Code is similar to smart code models used elsewhere. The plan identifies 10 transit stations in a 14-mile area of the Kona CDP.

There are major challenges in implementing TOD as envisioned in the adopted Kona CDP within the plan's 10- to 20-year planning horizon, including:

- Generating the necessary population and ridership to stimulate and support conventional TOD and the 10 TOD nodes currently identified in the plan;
- Funding and constructing the necessary road improvements to create the planned transportation network and meet the plan's concurrency requirements; and
- Enacting ordinances that enable the County to implement the plan's Smart Code in its permitting processes.

While Keauhou is a viable urban village, its resident and daily visitor population is approximately 6,000 people. Furthermore, based on 2000-2010 census data, it is estimated that the Kona area population will increase by approximately 900 people per year. These numbers fall short of the levels needed for conventional TOD projects. High-density TOD development might be achievable well past the plan's 20-year planning horizon (50-year horizon).

The Kona CDP contains 25 road segments that are essential for growth for the Kona urban area. The total cost of these improvements in 2008 was estimated at \$328 million; none have been budgeted or funded. The County's total Fiscal Year 2016 CIP budget was approximately \$60 million for the entire island.

The County zoning codes presently do not support use of the Smart Code. Smart growth techniques for small rural and suburban towns are welcomed, but changes will be needed to make the Smart Code workable.

The TOD Council could assist the County with funds for the expansion of the County's Hele On bus service, including the purchase of additional buses. The provision of dedicated bus lanes on State roads and highways connecting higher density, mixed use nodes on the island would also be beneficial. The County could also use benefit from technical assistance and

information exchanges on how to craft ordinances to implement Smart Codes, especially in a Neighbor Island context.

2.5.4 City and County of Honolulu: Honolulu Rail Transit and TOD Neighborhood Plans

Information provided to the TOD Council on the Honolulu Rail Transit Project and the City's TOD program is summarized below.

Honolulu Rail Transit Update – Honolulu Authority for Rapid Transportation (HART)

The HART project includes 20 miles, 21 stations, and a maintenance facility. The progress of construction as of November 2016 is as follows.

- The West Oahu Farrington Highway Section super structure is completed.
- The Kamehameha Highway Section is almost complete: all foundations are complete and columns poured.
- The Airport Section was awarded and the Notice to Proceed is forthcoming.
- The City Center Section was previously delayed; however, HART is continuing to acquire properties in the City Center Section. The plan is to go all the way to Ala Moana Center.
- HART is breaking ground on the following stations: Hoopili, Pearl Highlands, and UH West Oahu.
- The Pearl Highlands parking garage and City Center Guideway contracts are not let yet.

Cultural sustainability is integrated in TOD. A study was done for the entire route looking at traditional and cultural properties. Column wraps with designs that are culturally relevant to the area are one form of cultural placemaking being used. During construction, there is cultural monitoring and landscape design requirements built into contracts.

Through OMPO's Transportation Alternative Program, HART is doing the Middle Loch Connector, extending a bikeway to the Pearl Harbor Historic Trail. The Ai-Goto Building in Chinatown was acquired and rehabilitation is proposed to make this an amenity for transit riders. Tree relocation is ongoing.

Regional bus routes will connect to rail. A draft integrated bus-rail vision has been completed, but it still needs to be finalized. It is estimated that there will be 21,600 riders in 2030 that will commute to Ala Moana from the west side for their jobs. Buses will play an important role in an integrated islandwide transit network. About 30,000 housing units are currently within walking distance of a rail station.

Information can be found on HART's website, <http://www.honolulustransit.org/>.

TOD Neighborhood Planning and Implementation Status – Department of Planning and Permitting

Honolulu's TOD vision – Live.Work.Connect – is to create choices and a high-quality, healthy urban lifestyle with walkable, healthy, age-friendly neighborhoods. The vision is about people and their neighborhoods, and how they live, work, and connect. Each neighborhood has its own character and the scale of development should fit the community context to ensure that the investments help revitalize older communities.

All Neighborhood TOD Plans were developed with extensive community and stakeholder input coupled with technical analysis. Of the 21 stations, two are under HCDA jurisdiction. The City is doing planning and zoning for 19 stations in eight Neighborhood Plan areas, but is also planning improvements on City streets in the HCDA areas for improved connectivity and rail access. The City estimates between 45,000 to 55,000 dwelling units could be built in the TOD planning areas from East Kapolei to Ala Moana.

Ala Moana Neighborhood TOD Plan

The draft Ala Moana Neighborhood TOD plan is at City Council for review and adoption. The City worked with the community to identify opportunities for significant infill development that could also provide more affordable housing, connected and active streets, safer intersections, and usable park space in return for increased density.

Downtown Neighborhood TOD Plan – Downtown, Chinatown, and Iwilei Stations

The draft Downtown Neighborhood TOD Plan is at City Council for review and adoption. There is limited development area in Downtown and Chinatown, but room for a few towers and several connectivity and access improvements. The Chinatown Station Area will include projects such as the redesign of Kekaulike Street and the Nuuanu Corridor, and other pedestrian improvements. The Halewaiolu Senior Residence on River Street is proceeding. The near-term Chinatown Action Plan focus is on: (a) Streets and Placemaking; (b) Cleanliness and Sanitation; and (c) Events/Activities/Economy. Wayfinding signs and broadband Wi-Fi will be installed in early 2017

Iwilei/Kapalama Area. The City is looking at ways to finance expedited infrastructure improvements for this area which includes large State agencies and private landowners. HDOT is considering development for generating revenue, so it will be included in the infrastructure master planning for this area. The City is working with State agencies and landowners to determine infrastructure needs, phasing and funding. The

Iwilei/Kapalama Infrastructure Master Plan and a district financing strategy should be completed in early 2017. The goal is to accommodate and expedite future growth by identifying needs for water, sewer, drainage, electrical, parks, street network, and schools. The likely first phase would support redevelopment of Mayor Wright Homes and other State properties in the Iwilei station area.

Kalihi Neighborhood TOD Plan – Kapalama, Kalihi, and Middle Street Stations

The Kalihi Neighborhood TOD Plan is at City Council for review and adoption.

Kapalama Canal Catalytic Project. The first phase focus includes a CIP project for a linear park/shared street concept along Kapalama Canal. The City has surveyed other locales that have created ways to relate communities to water and canal features and different types of activities. The City held a public workshop and will be presenting design concept alternatives to the community in January 2017.

Airport Area TOD Plan – Lagoon Drive, Airport, and Pearl Harbor Stations

The Airport Area TOD Plan is in development, with release of a draft plan expected in early 2017. There is more focus on industrial and business use than in the other neighborhood plans.

Halawa Area TOD Plan – Aloha Stadium Station

The State engaged a consulting firm to look at different options for re-use or replacing the Stadium. Other stadiums around the country were examined, including the University of Phoenix, Stadium/Westgate Entertainment District in Glendale, Arizona and the Staples Center in Los Angeles California. State agencies have worked closely with the City as it developed the draft Halawa Area TOD plan. Principles guiding development for the Aloha Stadium Station area are mixed-use consisting of cultural venue, hotel, parking, and open space. The City developed three development alternatives for the area, which includes the Stadium property, HPHA's Puuwai Momi public housing, Ice Palace, Kmart, and DOE's Aiea Elementary School. The City has also worked closely with the State to get federal and city deed restrictions removed from the stadium property.

The draft Halawa Area TOD Plan is available on the City's website for public review. Plan refinements include stadium visibility along the highway, mixed-use gateway at the station, hotel, connection improvements for bikes, pedestrians, and vehicular traffic improvements, and a parking strategy. Next steps include obtaining public input, Planning Commission approval, and City Council adoption, which could take approximately one year. The TOD special district zoning regulations would then be drafted for review and adoption.

Aiea-Pearl City Neighborhood TOD Plan – Pearlridge, Pearl Highlands, and Leeward Community College Stations.

The Aiea-Pearl City Neighborhood TOD Plan has been adopted by City Council. TOD Zoning has been drafted and will be introduced after Council adopts Waipahu TOD Zoning. The development of the Kamehameha Drive-In site appears to be stalled due to construction costs. The City Council approved funds to purchase property for a transit center with mixed-use housing at the Pearlridge Station. Pearl Harbor Historic Trail improvements are also being planned.

Waipahu Neighborhood TOD Plan

The Waipahu Neighborhood TOD Plan has been adopted by City Council. Since the plan's adoption, there has been interest expressed in private redevelopment and possible redevelopment of some State lands in the area. The City Council is considering proposed TOD zoning based on the adopted plan.

East Kapolei TOD Plan

This draft TOD plan is on hold until UH West Oahu, DLNR, DHHL, and Hoopili finalize their plans for the area, which can then be incorporated in the final East Kapolei TOD Plan.

City TOD Implementation Strategy

The City's TOD Implementation Strategy includes: finalizing and adopting neighborhood TOD plans; adopting TOD zoning and process improvements; implementing financing and incentives toolkits; brownfields assessment grant/assistance; implementing the City's affordable housing strategy; and developing catalytic projects. In addition to the Kapalama Canal project, there are several other City-funded catalytic projects that are underway.

The Interim Planned Development-Transit Permit is a newly-adopted permit process passed by the City Council to facilitate catalytic TOD projects prior to adoption of neighborhood plans, zoning maps, and Land Use Ordinance (LUO) amendments.

Affordable Housing Strategy. The City is working with housing advocates and developers on implementing a comprehensive affordable housing strategy. Progress includes adoption of an accessory dwelling unit ordinance and incentives to allow homeowners to build small rental units on most residential lots; significant funding for Housing First and other homeless projects; and permit process improvements.

The financial toolkit study includes financing mechanisms, incentives, and policy guidelines to stimulate private investment.

Brownfields assessments. The City also received a \$400,000 Brownfields Assessment Grant from US Environmental Protection Agency to undertake brownfields assessments for small property owners.

Complete Streets. The City has conducted walking audits at all 21 stations, and funded and initiated rail access and connectivity projects at several of the stations. The City has adopted a complete streets design manual and hired a complete streets administrator to work with other departments on implementation. A new parklet design manual will allow people to obtain permits for parklets on city streets. The City is experimenting with other 'tactical' and 'pop-up' complete streets strategies, and is developing a TOD corridor wayfinding strategy, including working with DOT on wayfinding signs on State highways. Wayfinding signs will be up in Chinatown next year as a pilot. The protected bike lane pilot project on King Street is working well, and the City is looking to add several other protected lanes that will also improve access to the rail stations.

Information on the City's TOD program can be found on the City's TOD website, www.todhonorolulu.org.

2.6 STATE AGENCY TOD STATUS

State agencies are continuing work on TOD planning and development projects along the Honolulu rail corridor, which were identified in the 2015 State Agency TOD Task Force proceedings.

2.6.1 Office of Planning (OP)

As lead agency for State TOD planning and development, OP provided overall coordination of TOD Council activities, with its director serving as co-chair of the TOD Council. Staff support services were provided to organize and direct the work of the TOD Council.

For FY 2017, OP received a CIP appropriation of \$500,000 to undertake plans for site master planning for State lands in TOD areas on Oahu that have significant development or redevelopment potential, and infrastructure assessments and planning for infrastructure improvements in areas where multiple agencies are involved. Following the solicitation of proposals from State agencies for the use of these funds, OP selected and will be committing funds for the following projects:

- (1) Stadium Authority/DAGS for market and economic studies and a draft master plan for the creation of a sports and entertainment complex at the Aloha Stadium site;
- (2) DLNR for supplemental funding to support current master planning efforts for East Kapolei parcels; and
- (3) UH Honolulu Community College for site planning for the HCC campus to assess TOD development potentials near the rail transit station, including housing, commercial, and improved parking facilities.

2.6.2 Hawaii Housing Finance and Development Corporation (HHFDC)

The executive director of HHFDC serves as co-chair of the TOD Council. HHFDC provides administrative support for the TOD Council and administers the operational budget for the TOD Council.

HHFDC is continuing to pursue funding for the Alder Street project as a mixed use joint development effort with the State Judiciary. The project will have approximately 180 Low Income Housing Tax Credit (LIHTC) rental units targeting families at less than 60% of Area Median Income (AMI). A CIP request for \$15 million for the Judiciary portion of the project will be requested.

HHFDC is looking for other places to effectively deploy Dwelling Unit Revolving Fund (DURF) funds to move infrastructure along for TOD projects.

In Kakaako near the Civic Center rail station, HHFDC will be taking over development responsibilities from the HCDA for the 690 Pohukaina Street TOD project. The proposed project is planned to include approximately 400 market rentals, 200 affordable rental housing units (60% AMI), and the first vertical public elementary school by the DOE.

Near the Waipahu Transit Station, HHFDC is one of several State agencies with lands that are underused, but there is a need for further State agency planning at the existing facilities, which include open parking lots, a DAGS office building, and State library.

2.6.3 University of Hawaii (UH)

The University of Hawaii system has three campuses along the rail line with rail transit stations on or adjacent to the campuses. Each campus is governed by their respective long range development plans (LRDP) that focus on higher educational programming and have not taken TOD into consideration as yet. LRDPs are updated periodically, which provides an opportunity to do so.

UH West Oahu (UHWO)

The UHWO campus is comprised of approximately 314 acres and planned for a 20,000 student enrollment as part of the growing West Oahu region. Additionally, a proposed University Village on an estimated 184 acres contiguous to the UHWO campus, is planned. A Request for Business Plan (RFBP) proposal has been issued; the RFBP is under review.

There is TOD opportunity for a range of uses that would appropriately complement the UHWO campus higher education purposes and the broader East Kapolei community, while a University Village can serve revenue generating purposes that can sustain and support the campus. UHWO is seeking OP TOD planning funds to explore TOD options. The East Kapolei

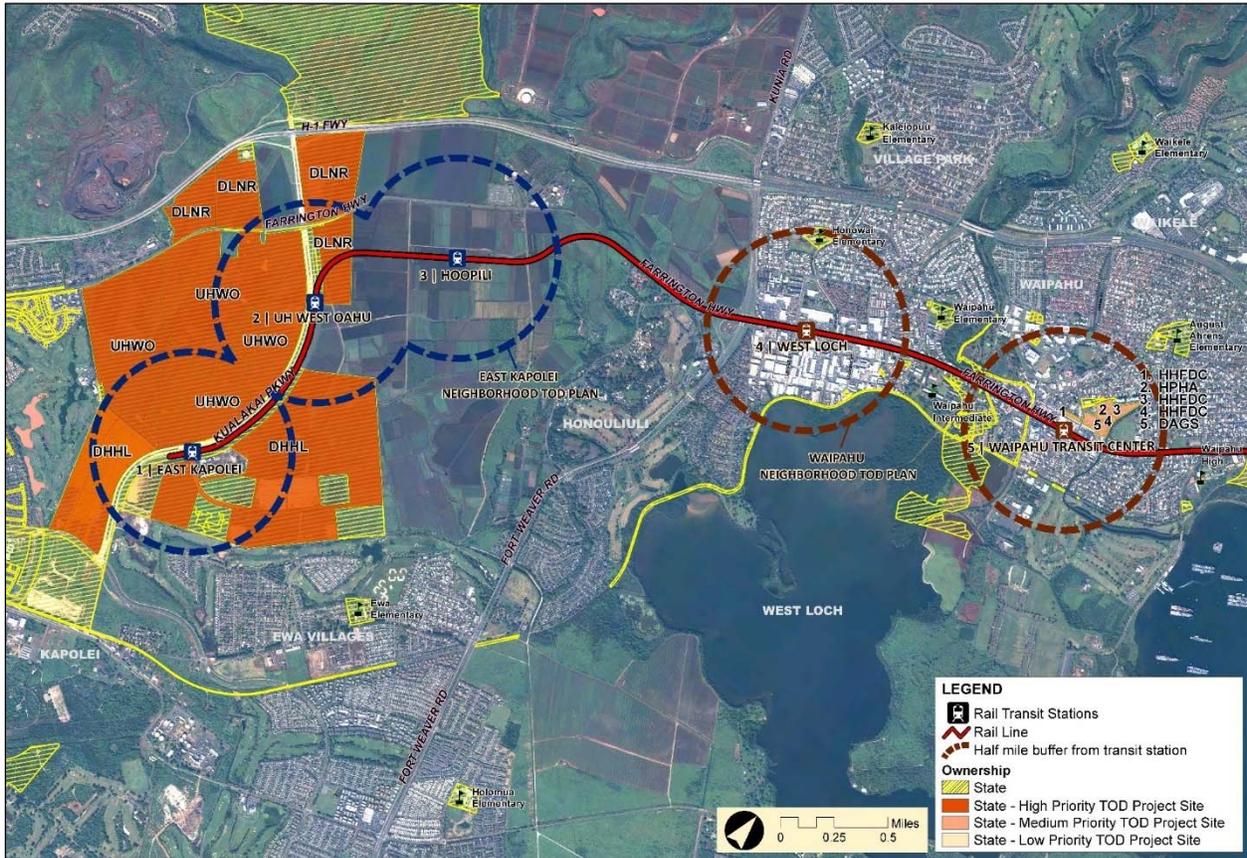
and UHWO Rail Stations (# 1 and # 2) are in very close proximity to the proposed University Village District and UHWO campus.

Leeward Community College (LCC)

LCC’s long range development plan focuses on higher education facilities for teaching and research. LCC has not yet pursued specific TOD planning and is seeking OP TOD planning funds for this. A rail station is planned on LCC lands, which is currently used for parking.

Honolulu Community College (HCC)

A rail transit station is planned at the corner of the HCC campus (Dillingham and Kokea) along the Kapalama corridor. HCC has not undertaken specific TOD planning as part of their LRDP. However, HCC is seeking OP TOD planning funds to undertake a TOD study to explore options that would be appropriate on HCC lands.



2.6.4 Department of Land and Natural Resources (DLNR)

DLNR has four parcels in East Kapolei in the vicinity of the UH West Oahu rail station, which are located mauka of Farrington Highway and east of Kualakai

Parkway. DLNR is undertaking a master planning effort to identify potential uses and assess infrastructure constraints and requirements. A main concern for the DLNR lands in the area is infrastructure for sewer, water, and drainage, which could be costly to provide. DLNR is coordinating infrastructure needs with adjacent developers, including DR Horton, the developer of Hoopili, to address sewer needs, and with UH West Oahu for water supply. Two drainage gulches—Kaloii and Hunehune—traverse the lots and will require channelizing to create more usable area and improve the development potential of the sites. A land swap with Hoopili is also being considered to align one of the sites with interior Hoopili roadways.

The widening of Farrington Highway is also a key component to facilitate regional access. It is one of the top three projects for the City's Department of Transportation Services (DTS), which owns the segment of Farrington Highway from the Kapolei Golf Course to Fort Weaver Road. An environmental assessment will be prepared for the widening improvements.

2.6.5 Department of Accounting and General Services (DAGS)

DAGS is assisting the Stadium Authority with participation in the Halawa Station TOD plan and with implementing development of a new sports and entertainment venue, while continuing to keep the current stadium fully operational until the new facility is complete. DAGS is also helping conduct studies and plan for ancillary improvements to the overall site to create a destination for the community and visitors alike.

In the Iwilei area, DAGS manages the 3.79-acre site for the Liliha Civic Center, which was planned to have 300,000 square feet of office space for State agencies currently leasing private office space in the State Capital District. Planning for the site is on hold while the possibility of a mixed use concept is considered.

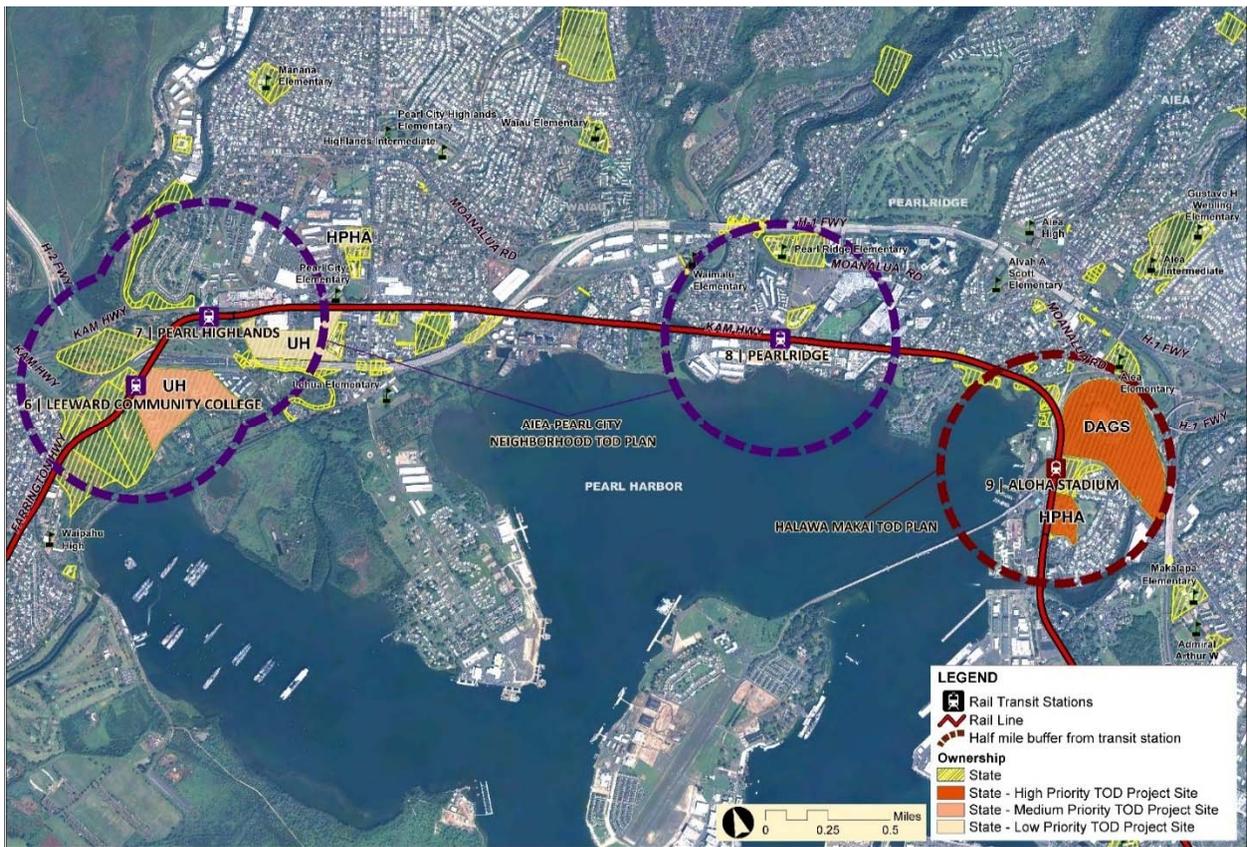
DAGS also manages and maintains the Waipahu Civic Center and recently completed installing new security fencing around the site perimeter. DAGS is implementing renovation projects to optimize office space in the facility. The optimization work is part of statewide space master plan efforts to move more State offices out of leased spaces and into State facilities.

DAGS is supporting PSD in their efforts to relocate or replace the Oahu Community Correctional Center (OCCC). Currently, they are in the planning phase preparing responses to comments received from the EIS Preparation Notice issued in October, which will be included in the draft EIS. A list of candidate sites was issued on November 21, 2016. The project information newsletters are posted at the PSD website: <http://dps.hawaii.gov/occc-future-plans/>

2.6.6 Stadium Authority

Significant milestones will be met with the long-anticipated and soon-to-be executed lifting of both the federal and City deed restrictions for the 100-acre Aloha Stadium site. The Board of Land and Natural Resources approved the release of both federal and City deed restrictions on the Stadium property. The federal component is being finalized by the National Park Service. Two City resolutions have been passed by the City Council approving action to lift the City’s deed restriction. These resolutions are now at the Mayor’s Office awaiting his signature.

The Stadium consultant team is moving forward with site planning and real estate assessment and evaluation for the Stadium property redevelopment. The target completion is by the end of January 2017. In addition, OP TOD funds will be used for market and economic impact studies for the State of Hawaii and a draft master plan for the creation of a possible sports and entertainment complex and ancillary development at the site.



2.6.7 Department of Public Safety (PSD)

PSD and DAGS, with the assistance of a consultant team, are undertaking a study of possible relocation and replacement sites for the Oahu Community Correctional Center’s (OCCC), which occupies a 16-acre site in proximity to

two rail stations in Kalihi. Community and stakeholder meetings have been held, and an EIS Preparation Notice issued to solicit public comments. Eleven sites have been preliminarily identified, including redevelopment of the existing prison site.

2.6.8 Department of Hawaiian Home Lands (DHHL)

DHHL has projects in the following station areas.

East Kapolei Station Area

East Kapolei I project includes 403 single-family residential lots, DHHL offices, a community center, and fire station. Residential lots are 87% occupied.

East Kapolei II project Backbone infrastructure is complete. DHHL is re-evaluating development plans for the remaining increments to incorporate higher densities consistent with TOD principles.

Ka Makana Alii Shopping Center. The grand opening was on October 21, 2016 with 30 shops and restaurants, hotel, and a theater opening. Construction of additional shops and restaurants is ongoing.

Kapalama Station Area

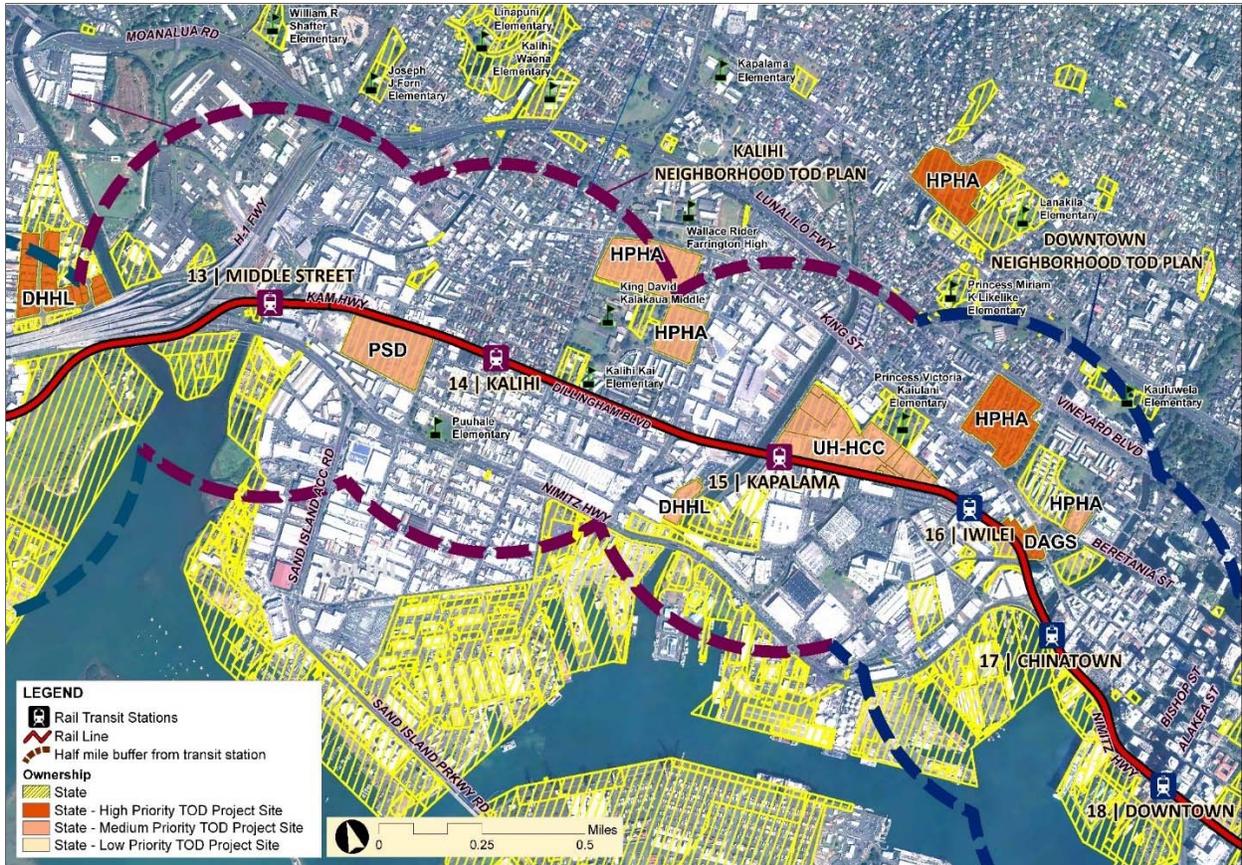
DHHL has three lots (5 acres) behind City Square, with leases expiring between 2029 and 2070. DHHL has hired a consultant to determine the feasibility of potential future use of these properties that takes advantage of TOD and its related benefits.

Lagoon Drive Station Area

Shafter Flats Industrial Area on Kakoi and Kili Hau Streets is approximately 14 acres with 20 lots leased for light industrial uses. The majority of the leases expire in 2022. DHHL's consultant will include these lands in its assessment of redevelopment potential.

2.6.9 Hawaii Public Housing Authority (HPHA)

HPHA has three priority TOD projects: (1) Mayor Wright public housing redevelopment project, which is moving forward; (2) redevelopment of HPHA's School Street administration offices; and (3) Puuwai Momi public housing near the Stadium. A community design charrette was recently held for the Mayor Wright Housing redevelopment project, as part of master planning efforts for the site and surrounding areas. Initial plans are to develop a mixed use, mixed income project that would replace the existing public housing units while adding approximately 1,500 mixed income residential units.



2.6.10 Hawaii Community Development Authority (HCDA)

HCDA has developed a Transit Oriented Development Overlay Plan to guide redevelopment within the Kakaako Community Development District, including the Kakaako Station area. HCDA has three public projects it has been working on in the area.

690 Pohukaina Street. The responsibility for development of this State property has recently been transferred to HHFDC.

1025 Waimanu Street. The Ola Ka Ilima Artspace and Lofts is a 72-unit low-income rental housing project. Ground breaking is scheduled for the first quarter of 2017.

630 Cooke Street. This project will provide 104 micro-units for rent. HCDA has executed a development agreement with the developer. The developer is conducting its due diligence.

HCDA's TOD Overlay Plan and proposed reserved housing rule amendments are posted at their website. A public hearing on the proposed rules will be scheduled in early 2017.

2.6.11 Department of Education (DOE)

DOE is proposing the designation of the Honolulu area along the HART rail line—from Kalihi to Ala Moana (from Middle Street to Kalakaua Avenue) — as a school impact fee district. The designation would require residential developers to pay fees or provide land for schools. The district is defined by the service areas of nine elementary schools within the Farrington and McKinley Complex. Following public hearings in November, the Board of Education deferred consideration of the impact fee district until early 2017.

The school impact fee law was passed by the Legislature in 2007. The law requires that new residential developments within designated school impact districts shall provide land for schools or a fee in lieu of land; and a school construction fee. The fees amounts are determined by formulas relying on campus size and construction of new school facilities.

For large projects, DOE meets with developers early to determine whether the developers will provide land or pay a fee in lieu of land. Smaller developers pay the fees at the time they apply for a building permit. Fees are currently being collected in Maui and Leeward Oahu.

The 690 Pohukaina Street project is proposing to have a vertical elementary school in which DOE will be involved. In the Kapolei area, another high school is needed in addition to the planned Hoopili High School. DOE may consider an expanded high school at the Hoopili campus.

2.6.12 Department of Health (DOH)

DOH does not own State lands for development in the TOD areas but is in support of bike share and complete streets. Complete streets, multiple modes of transportation, and building healthy communities are important to increasing and integrating physical activity for residents throughout the day. The DOH encourages organizations that can influence the retail opportunities to prioritize healthy food options as well.

The most recent analysis of the DOH surveillance data shows that over 55% of Hawaii’s population has diabetes or pre-diabetes and many don’t know it (Source: BRFSS, 2014. Undiagnosed prediabetes and diabetes – American Diabetes Association). More than half of the population is overweight or obese. DOH is involved with the community and organizations to support TOD for businesses, including healthy food opportunities since many of our priority populations at greater risk for diabetes will be relying on TOD retail venues for convenient food choices.

2.6.13 Department of Human Services (DHS)

There are potential opportunities to integrate DHS services into mixed-use developments in TOD areas to more efficiently address the needs of Hawaii’s children and families. Such integration or co-location of services could improve access to employment, training, education, healthcare, affordable

housing, child care, and food assistance, which could, in turn, improve the well-being of Hawaii's communities. DHS supports the use of public-private partnerships to achieve this end. DHS also supports pop-ups and other tactical urbanism strategies aimed at improving health and well-being.

2.6.14 Department of Transportation (DOT)

DOT has airport, harbor, and highway lands in TOD areas, but does not have any immediate plans for TOD projects in these areas.

2.7 COUNCIL REVIEW OF TOD-RELATED CIP BUDGET REQUESTS

Act 130, SLH 2016, requires the TOD Council to:

"Review all capital improvement project requests to the legislature for transit-oriented development projects, including mixed use and affordable and rental housing projects, on state lands within county-designated transit-oriented development zones or within a one-half mile radius of public transit stations, if a county has not designated transit-oriented development zones..." (emphasis added) (HRS Section 226-A(b)(5)).

2.7.1 Criteria for CIP Review

The TOD Council formed a Work Group to develop proposed review criteria for TOD Council recommendations on State agency CIP budget requests to the Legislature in Fiscal Years 2018 and beyond. The Work Group endorsed an initial list of criteria, which were derived from a review of project checklist/criteria used in other jurisdictions for TOD- and smart growth-related projects and proposals. The TOD Council approved the Work Group-recommended criteria for the review of TOD CIP budget requests, which include consideration of the following factors:

- **Site considerations**, including proximity to station or commercial center, infrastructure capacity, and site constraints;
- **Agency or project readiness**, including site availability and funding availability;
- **Financial considerations**, including market readiness and access to financial tools;
- **Public benefits** that could result from mixed use development, including affordable and rental housing, improved access to services and amenities; and
- **Catalytic impact** in terms of the potential to stimulate priority State redevelopment objectives and alignment with county planning priorities.

The list of preliminary review criteria is shown in Figure 1. Points and weighting of the criteria may need to be considered in the future to finetune the application of the review criteria checklist.

Figure 1. Preliminary Review Criteria for TOD CIP Budget Requests

Site Considerations
o Proximity to station or commercial center with scheduled public transportation service
o Development potential <ul style="list-style-type: none">▪ access, size, configuration▪ zoning▪ adjacent land uses
o Site constraints: <ul style="list-style-type: none">o Environmental, hazards, cultural/archaeological
o Infrastructure capacity
o Access to social infrastructure: schools, jobs, services, etc.

Agency/Project Readiness
o Site availability (lease, existing uses, deed restrictions)
o Status of project planning
o Financial resources
o Serves mission & provides public benefits (see below)

Other Financial Considerations
o Joint development and/or public-private partnership potential
o Market readiness in area / development timing
o Location in improvement or facility district
o Funding needs (type and amount of assistance needed)

Public Benefit
o Mixed-use component: co-location of economic opportunities, public & private services, amenities
o Provision of affordable/rental housing, including greater percentage of lowest AMI units
o Intermodal connectivity, accessibility
o Sustainable development / green building / climate change / resiliency factors
o Improvement of public realm, streetscapes

Catalytic Impact
o Potential to seed priority State redevelopment/development objectives in neighborhood/region: <ul style="list-style-type: none">▪ Degree of State control of land in area▪ Degree of State interest in redevelopment in area
o Alignment with county plans / county catalytic investments in TOD, smart growth

High Priority Areas

The work group also proposed the identification of three High Priority areas for pursuing State TOD on Oahu. Projects proposed in these priority areas would be given heightened consideration. The High Priority areas were determined based on efforts undertaken by the 2015-2016 State TOD Task Force.

Iwilei-Kapalama. The City has identified this as a priority area for pursuing TOD, including infrastructure upgrades. The area includes major State projects such as Mayor Wright Homes, Liliha Civic Center, DHHL lands, and UH Honolulu Community College.

Halawa Stadium. The aging Aloha Stadium sits on 100 acres of land, which are on the verge of being released from City and federal deed restrictions. Continuing high maintenance costs have prompted consideration of redevelopment of a smaller stadium with a mixed use sport and entertainment component. A rail station is to be developed on stadium lands. Surrounding uses include the Puuwai Momi public housing project, which is also being considered for higher-density redevelopment.

East Kapolei. The State has large land holdings in this area, and several State agencies are actively exploring and pursuing redevelopment on these lands, including UH West Oahu, DLNR, and DHHL.

2.7.2 FY 2018 TOD CIP Budget Priorities

One of the principal tasks of the TOD Council is to “review all CIP requests to the Legislature for TOD projects.” State agencies were requested to submit their TOD-related CIP budget biennium requests to OP; the requests are to include projects within designated TOD areas with the potential for TOD. OP will apply the proposed review criteria in Figure 1 to these projects, and develop recommendations for project priorities for the TOD Council to consider at its January 2017 meeting. OP will then submit the Fiscal Year 2018 CIP priorities approved by the TOD Council in a memorandum to the Legislature prior to the convening of the 2017 Legislative session.

2.8 STRATEGIC PLAN DEVELOPMENT

Pursuant to Act 130, SLH 2016, the TOD Council shall formulate and advise the Governor on the implementation of a strategic plan to address TOD projects, including mixed use and affordable and rental housing projects, on State lands in each county. The strategic plan to be developed for the TOD Council’s review is required to address the following:

- TOD projects on State lands on each county;
- Coordination with counties;
- Inventory of State, county, and private development projects lacking infrastructure;
- Priorities for public infrastructure; and
- Promotion of public-private-partnerships.

The TOD Council’s timeframe for completion of the Strategic Plan is December 2017. The tentative schedule for development of the Plan is provided in the following chart.

Task	Timeframe
State agency consultations	December 2016 – February 2017
Inventory and mapping	December 2016 – February 2017
Neighbor Island workshops	January 2017 - April 2017
Develop financing strategies	February 2017 – April 2017
Community meetings	May 2017 – June 2017
TOD Council prioritization	June 2017 – July 2017
Draft Strategic Plan	August 2017
Final Plan	September 2017

The TOD Council formed a Work Group to recommend a process for developing the strategic plan for TOD on State lands for each county. Since the TOD Council extends to the Neighbor Islands, the Council needs to formulate a process to include them. The Work Group held an initial meeting in November to discuss the strategic plan process and issues.

The general strategy for the Neighbor Island counties will require further consultation, but is anticipated to include the concept of “Transit-Ready Development” rather than TOD. A Transit-Ready Development is a mixed use development that is planned and implemented in concert with, and in anticipation of future transit stations. “Transit-ready” means that development should not only have sufficient density and walkability, but also a plan that considers the location and right-of-way for potential transit or public transportation service.

For the City and County of Honolulu, the focus in the near term will continue to be in designated TOD zones along the Honolulu Rail Transit corridor.

OP has initiated the compilation of an inventory of State lands in TOD areas to assess the development constraints and potential of State lands. The work effort will include:

- Consultation and meetings with State agencies to identify developable lands owned and/or leased, and
- Compilation of a data base and maps to assess development potential.

3 Planned Activities

The TOD Council work plan for 2017 includes the following activities.

1. **Information gathering and discussion of best practices.**
 - a. TOD financing mechanisms; and
 - b. Public-private partnerships and joint development.

2. **Review of FY 2018 & FY 2019 TOD CIP budget requests: Priority TOD project planning and implementation.**
3. **Neighbor Island Counties TOD: Developing and refining TOD-related strategies for each county.**
4. **Development of the Statewide Strategic Plan.**
 - a. Clarify development potentials and constraints for Oahu and Neighbor Islands;
 - b. Identify and refine potential State TOD projects; and
 - c. Develop recommendations for projects, financing and other implementation tools, and policy.
5. **Additional funding for site master planning and implementation.**
6. **Exploring statutory and policy needs for facilitating State TOD.**