

DAVID Y. IGE
GOVERNOR



CRAIG K. HIRAI
EXECUTIVE DIRECTOR

STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
677 QUEEN STREET, SUITE 300
Honolulu, Hawaii 96813
FAX: (808) 587-0600

IN REPLY REFER TO:

Statement of
Craig K. Hirai
Hawaii Housing Finance and Development Corporation
Before the

SENATE COMMITTEE ON TRANSPORTATION AND ENERGY

February 1, 2018 at 12:45 p.m.
State Capitol, Room 225

In consideration of
S.B. 2255
RELATING TO THE CENTRAL MAUI TRANSIT HUB.

HHFDC *offers the following comments* on S.B. 2255. This bill makes an appropriation of \$2.5 million in General Obligation bond funds for the Central Maui Transit Hub in Kahului, Maui. This project is among the recommendations of the Hawaii Interagency Council for Transit-Oriented Development for the Fiscal Year 2019 Supplemental Budget. A copy of the Council's recommendations is attached for the Committee's information.

Thank you for the opportunity to testify.



**HAWAII INTERAGENCY COUNCIL FOR
TRANSIT-ORIENTED DEVELOPMENT**
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

DAVID Y. IGE
GOVERNOR

LEO R. ASUNCION
CO-CHAIR

CRAIG K. HIRAI
CO-CHAIR

Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804
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DTS 2018011914430S

January 23, 2018

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

The Honorable Scott K. Saiki, Speaker
House of Representatives
Twenty-Ninth State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

The Honorable Donovan M. Dela Cruz, Chair
Senate Committee on Ways and Means
Twenty-Ninth State Legislature
State Capitol, Room 208
Honolulu, Hawaii 96813

The Honorable Sylvia Luke, Chair
House Committee on Finance
Twenty-Ninth State Legislature
State Capitol, Room 306
Honolulu, Hawaii 96813

Dear President Kouchi, Speaker Souki, Chair Dela Cruz and Chair Luke:

On behalf of the Hawaii Interagency Council for Transit-Oriented Development (TOD Council) established pursuant to Act 130, Session Laws of Hawaii 2016, we are pleased to transmit for your consideration a list of recommended State and County agency transit-oriented development (TOD) capital improvement project (CIP) budget requests, which are included in the Executive Supplemental Budget or are being requested by the respective county for State funding/appropriations for Fiscal Year 2019.

The TOD Council is charged with reviewing TOD-related CIP budget requests to the Legislature pursuant to Hawaii Revised Statutes Section 226-63(b)(5). At its January 9, 2018 meeting, the TOD Council reviewed and endorsed the projects on the attached list for funding by the Legislature for Fiscal Year 2019.

As co-chairs of the TOD Council, we are fully cognizant of the budgetary constraints the State faces. We respectfully submit that State investment in these TOD projects will provide long-term benefits to the communities they will serve—laying the groundwork for more affordable housing, better access to State services, more livable communities, new business opportunities, and more revenue-generating opportunities for the State. We hope that legislators also find these projects worthy of funding.

Sincerely,

Leo R. Asuncion
Co-Chair, TOD Council
Director, Office of Planning

Craig Hirai
Co-Chair, TOD Council
Executive Director, Hawaii Housing Finance and
Development Corporation

Enclosure

c: David Y. Ige, Office of the Governor
Laurel A. Johnston, Department of Budget and Finance

Transit-Oriented Development CIP Budget Requests Supplemental Budget FY 2019

Recommended for funding by the Hawaii Interagency Council for Transit-Oriented Development (TOD Council)



- A HMS 220—Proj H18002—MAYOR WRIGHT HOMES ON-SITE INFRA IMPROVEMENTS, OAHU ▶ \$4.5M**
HPHA Request: \$4,500,000 for on-site infrastructure improvements for future redevelopment of 15-acre site planned for 2,500 residential mixed-income units, 66% of which are affordable units. The CIP request includes \$497,000 for design and \$4,000,000 for construction. Mayor Wright Homes redevelopment is a catalytic project in the High Priority Iwilei-Kapalama TOD area, which will significantly contribute to affordable housing needs in proximity to the planned Iwilei transit station. A master development agreement for the redevelopment project was executed in December 2017.
- B EDN 100—Proj P18137—POHUKAINA ELEMENTARY SCHOOL, OAHU ▶ \$60M**
DOE Request: \$60,000,000 for design and construction of a much-needed new elementary school at the 690 Pohukaina Project site in the rapidly developing **Kakaako** area adjacent to Mother Waldron Park. The CIP request includes \$5,000,000 for design and \$53,998,000 for construction. This is DOE's first vertical school—four to five stories with an enrollment capacity of 600 to 750 students—being developed as part of a mixed-use, high-density development that includes an HHFDC 200-unit affordable rental project. The site is available for immediate development. The vertical school concept is new for the DOE and could set the standard for future new schools in developed areas along the rail corridor.
- C PSD 900—Proj 2019-4—PSD PLNG & ASSESSMT FOR PUB-PRIV PARTNERSHIP OPPORTUNITIES, STWIDE ▶ \$1M**
PSD Request: \$1,000,000 for consulting services to explore the potential for P3s to design, build, or finance prison or jail projects to help expand and modernize the crowded State correctional system. This would include replacing the Oahu Community Correctional Center in Kalihi. This project would facilitate the initiation of P3 for Department of Public Safety (PSD) facilities as well as for other State agency capital projects.
- D BED 160—Proj HFDC09—CASH INFUSION RENTAL HSG REV FUND, STWIDE: [Alder Street Residential, HNL] ▶ \$25M**
HHFDC Request: \$25,000,000 set aside from the \$50M requested for the Rental Housing Revolving Fund to accelerate the construction of the Alder Street Mixed-Use Residential Project to finance the development of affordable rental housing. The project is co-located with the Judiciary's juvenile services center on a 1.45-acre site near the Ala Moana rail transit station. The project will include 180 affordable rental units targeted for households earning 60% and below Area Median Income (AMI).

Transit-Oriented Development CIP Budget Requests Supplemental Budget FY 2019

Recommended for funding by the Hawaii Interagency Council for Transit-Oriented Development (TOD Council)



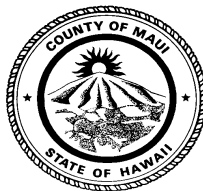
E BED 160—Proj HFDC05—DWELLING UNIT REVOLVING FUND INFUSION, STATEWIDE: [Projects below] ▶ \$25M
HHFDC Request: \$25,000,000 DURF infusion to facilitate the development of affordable rental housing and State regional infrastructure. The Dwelling Unit Revolving Fund (DURF) has been a valuable source of financing for HHFDC projects on State lands and for interim construction financing for private developers of affordable housing projects. The proposed use of DURF funds has been coordinated with HPHA and county housing agencies in facilitating the development of affordable rental housing. Act 132, SLH 2016 broadened the uses of DURF to also fund State regional infrastructure in conjunction with housing and mixed-use TOD projects. The requested DURF funds would support:

- E1 LILIHA CIVIC CENTER MIXED USE RESIDENTIAL, Iwilei, Oahu** (including State regional infrastructure)
- E2 KANE STREET AFFORDABLE HOUSING PROJECT, Kahului, Maui** (including site prep for the Central Maui Transit Hub)
- E3 WEST HAWAII VILLAGE 9 AFFORDABLE RENTAL HOUSING, North Kona, Hawaii** (including County of Hawaii homeless facility off-site infrastructure)
- E4 VILLAGES OF LEIALII AFFORDABLE RENTAL HOUSING, West Maui** (including State regional infrastructure)

F COUNTY OF KAUAI—PUA LOKE AFFORDABLE HOUSING, LIHUE ▶ \$1.5M
County of Kauai Request: \$1,500,000 for improvements that will support a multifamily affordable housing project with ready access to transit that will accommodate affordable incomes ranging from 60% to 100% of AMI. The project may contain up to 50 units, including designated units for permanent housing that will serve families and individuals experiencing homelessness.

G COUNTY OF MAUI—CENTRAL MAUI TRANSIT HUB, KAHULUI ▶ \$2.5M
County of Maui Request: \$2,500,000 for construction of a new Central Maui Bus Transit Hub on Kane/Vevau Streets near a shopping mall, commercial services, and residential areas. This is a priority project for the County due to recent notice that the existing Maui Bus transit hub must vacate its present location at Queen Kaahumanu Center by January 31, 2020. The Transit Hub is planned to be co-located or adjacent to the Kane Street Affordable Housing project. The County is funding the planning and design of the project.

ALAN M. ARAKAWA
MAYOR



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Wailuku, Maui, Hawai'i 96793-2155
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E-mail: mayors.office@mauicounty.gov

OFFICE OF THE MAYOR
Ke`ena O Ka Meia
COUNTY OF MAUI – Kalana O Maui

January 31, 2018

TESTIMONY OF ALAN M ARAKAWA
MAYOR
COUNTY OF MAUI

BEFORE THE SENATE COMMITTEE ON TRANSPORTATION & ENERGY

Friday, February 1, 2018, 12:45pm
Conference Room 225

SB2255 RELATING TO CENTRAL MAUI TRANSIT HUB

Honorable Lorraine R. Inouye, Chair
Honorable Will Espero, Vice Chair
Honorable Members of the Senate Committee on Transportation & Energy

Thank you for this opportunity to testify in **SUPPORT OF SB2255**.

The purpose of this bill is to authorize \$2.5 million in funding for the County of Maui Department of Transportation to construct a new Central Maui Transit Hub.

On October 5, 2017, the County was informed by Queen Kaahumanu Center that our lease would not be renewed on their premises for public transit purposes. The license expires on January 31, 2020. Maui's robust public transportation system operates from 5:30am until 11 pm, 7 days a week, logging over 2.1 million boardings annually.

Because of the "hub and spoke" nature of our transportation system, the new location would need to be central and close to the Queen Kaahumanu Center in order to ensure the least amount of disruption to our existing system. We have identified an ideal new location close to the existing hub and in an area with residents that would be better served with easy access to transportation. Adjacent the site will be 165 senior rental units and a mixed use project with low income rentals apartments and offices. It is also close to shops, restaurants, medical facilities, the library and other vital community amenities. This parcel is on State property at the corner of Vevau Street and Kane Street, TMK (2) 3-7-004-003 and we are working with the State to facilitate this hub.

This is a good example of transit oriented development, we are hoping for some funding to come to Maui for a key transit ready development project.

I strongly urge you to pass SB2255.

Sincerely,

Alan M. Arakawa
Mayor, County of Maui

ALAN M. ARAKAWA
Mayor



DON MEDEIROS
Director

MARC I. TAKAMORI
Deputy Director
(808) 270-7511

DEPARTMENT OF TRANSPORTATION

COUNTY OF MAUI
2145 Kaohu Street, Suite 102
Wailuku, Hawaii, USA 96793

TESTIMONY OF DON MEDEIROS
DIRECTOR OF TRANSPORTATION
COUNTY OF MAUI

BEFORE THE SENATE COMMITTEE ON TRANSPORTATION & ENERGY

Friday, February 1, 2018
12:45pm – Conference Room 225

SB2255 Relating to Central Maui Transit Hub

Honorable Lorraine R. Inouye, Chair
Honorable Will Espero, Vice Chair
Honorable Members of the Senate Committee on Transportation & Energy

Thank you for this opportunity to provide testimony in SUPPORT of SB2255 that authorizes \$2.5 million in funding for the County of Maui Department of Transportation to construct a new Central Maui Transit Hub.

On October 5, 2017, the County was informed by Queen Kaahumanu Center that our lease would not be renewed on their premises for public transit purposes. The license expires on January 31, 2020. Maui's robust public transportation system operates from 5:30am until 11pm, 7 days a week, logging over 2.1 million boardings annually.

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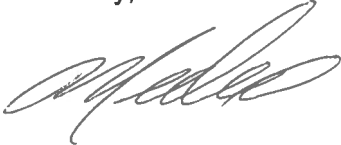
We have identified an ideal new location close to the existing hub and in an area with residents that would be better served with easy access to transportation. Adjacent the site will be 165 senior rental units and a mixed use project with low income rentals apartments and offices. It is also close to shops, restaurants, medical facilities, the library and other vital community amenities. This parcel is on State property at the corner of Vevau Street and Kane Street, TMK (2) 3-7-004-003.

With so much funds going to Oahu for transit oriented development, we are hoping for some funding to come to Maui for a key transit ready development project.

The Honorable Kyle T. Yamashita, Hawaii State House of Representatives
and The Honorable Gilbert S. C. Keith-Agaran, Hawaii State Senate
January 30, 2018
Page 2

We strongly support SB2255.

Sincerely,

A handwritten signature in black ink, appearing to read "Don Medeiros", written in a cursive style.

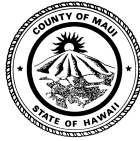
Don Medeiros
Transportation Director

Council Chair
Mike White

Vice-Chair
Robert Carroll

Presiding Officer Pro Tempore
Stacy Crivello

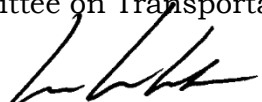
Councilmembers
Alika Atay
Elle Cochran
Don S. Guzman
Riki Hokama
Kelly T. King
Yuki Lei K. Sugimura



COUNTY COUNCIL
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.MauiCounty.us

January 31, 2018

TO: The Honorable Lorraine R. Inouye, Chair
Senate Committee on Transportation and Energy

FROM: Mike White
Council Chair 

SUBJECT: **HEARING OF FEBRUARY 1, 2018; TESTIMONY IN SUPPORT OF SB 2255, RELATING TO THE CENTRAL MAUI TRANSIT HUB**

Thank you for the opportunity to testify in **support** of this important measure. The purpose of this bill is to authorize the issuance of general obligation bonds and appropriate funds for the planning, design, and construction of the central Maui transit hub.

The Maui County Council has not had the opportunity to take a formal position on this measure. Therefore, I am providing this testimony in my capacity as an individual member of the Maui County Council.

I **support** this measure for the following reasons:

1. The central Maui transit hub project is a critical priority. The County has received formal notice that the lease for the current transit hub at the Kaahumanu Shopping Center will expire and the premises must be vacated by January 31, 2020.
2. The transit hub is the core of Maui's robust public transportation system, which provides access to jobs, healthcare, social, recreational and educational opportunities to upwards of 2.1 million riders each year. A State-County partnership in moving this project forward ensures citizens are able to maintain vital economic connections and opportunities.
3. The County has identified a possible location on State property for the hub and, with this funding, will be able to take immediate action to ensure the transportation system continues to serve residents and visitors.

For the foregoing reasons, I strongly **support** this measure.