

HOUSING CHALLENGES, IDEAS & OPPORTUNITIES

**Presentation by Land Use Research Foundation of Hawaii
Senate and House Committees on Housing
Joint Informational Briefing
Wednesday, August 16, 2017
Hawaii State Capitol**

PRESENTATION OUTLINE

- **Critical Housing Shortage at all income levels, Critical Time Window**
- **Improving the Current System**
- **Expertise: Homebuilders, Economists, Government Officials, Advocates**
- **Legislation: 2016, 2017 and 2018**
- **Success Through Trust, Collaboration, Working Together & Partnerships**
- **Challenge: Lack of Access to Available Land and Structures**
- **Challenge: Lack of Necessary Infrastructure**
- **Challenge: Financing (“Gap”) and Construction Costs**
- **Challenge: Duplication and Delays in Entitlement Processes**
- **Challenge: Excessive Government Impact Fees**
- **Challenge: Imposing Inclusionary Zoning (IZ) without Housing Expertise**
- **Facilitating Housing: Collaborative Working Groups**
- **Facilitating Housing: Requirements with Flexibility**
- **Facilitating Housing: Incentives**
- **Facilitating Housing: Assistance for Renters, Buyers & Hawaiian Homelands**
- **Opportunities: 21st Century Schools**
- **Opportunities: Transit-Oriented Development**

CHALLENGE: LACK OF ACCESS TO AVAILABLE LAND AND STRUCTURES

- **Identify government lands for housing/mixed use & Streamline the request for proposals (RFP) process**
 - **Priority: Rental housing on State land in TOD areas (SAT A(1)©)**
- **Identify government housing units or buildings to be used for housing/mixed use & Streamline the request for proposals (RFP) process**
 - ✓ **Use of existing Transitional Housing Projects for rentals.** Re-evaluate the reversion of transitional housing projects to state agencies. *Ulu Ke Kukui* transitional shelter in Maili includes short-term affordable units, a commercial kitchen and a variety of services and resources for its residents, and will revert to DHHL. (SAT-7)
 - ✓ **HB 413 HOMELESSNESS (KONG).** Requires HHFDC to conduct a survey of available state-owned and state-managed housing units that could be used to provide affordable rental housing. Requires the DHS to convene a homeless summit. Appropriates funds for convening the homeless summit. (HHFDC supports intent)
- **Land Exchanges: Private ag lands (with water infrastructure and allocation) for government-owned urban for housing/mixed use**
 - ✓ **HB 795 CARBON FORESTRY CERTIFICATION (C.LEE)** Appropriates funds for certification of a reforestation carbon project at Haleakala, Maui, operated by DLNR, under an established forest carbon standard certification system. Requires DLNR to submit an annual report on the project certification to the legislature.
- **Extended term leases of public urban lands for housing/mixed-use**
 - **HB 658 LANDS CONTROLLED BY THE STATE (NAKAMURA).** Authorizes DLNR and HCDA to negotiate and execute **99-year leases** on their lands located within ½ mile of the City's planned rail transit stations, provided that affordable housing is included in the development plan for the lands to be leased. Sunsets on 6/30/50. (Support – no hearing)
 - **HB 764 PUBLIC LAND LEASING (FUKUMOTO)** Requires the extension of public land **leases to 75 years** for affordable housing projects when Federal Housing Administration requirements need to be met for project funding.
- **Use of private agricultural lands for housing**
 - ✓ **HB 778 AGRICULTURE (CREAGAN)** Authorizes dwelling units on privately owned ag land with soils of overall productivity rating classes C, D, or E, subject to certain conditions. Allows the counties to prohibit such dwelling units or to limit such dwelling units to certain areas of the county.

- **Use of private lands**
 - ✓ **HB 968 AFFORDABLE TEMPORARY HOUSING (WARD)** Gives property owners the ability to lease yard space or driveway space for temporary residential purposes, subject to certain conditions, including allowing lessees to camp in a temporary structure on a property owner's yard or a vehicle designed for camping on a property owner's driveway. (HB968 HD1)
- **Condemnation of private lands for housing**

CHALLENGE: LACK OF NECESSARY OFF-SITE INFRASTRUCTURE

- **The State and the counties should plan and construct the necessary infrastructure for residential development (Kakaako, etc.).**
- **Increase funding for infrastructure through the Dwelling Unit Revolving Fund (DURF). Act 132 (SLH 2016) FY 2018 Executive Biennium Budget request (CIP)**
- **Implement Community Facilities Districts (CFD)**
- **Implement Tax Increment Financing (TIF).**
 - ✓ **HB 827 PROPOSING AMENDMENTS TO ARTICLE VII, SECTIONS 12 AND 13, OF THE HAWAII CONSTITUTION TO AUTHORIZE THE COUNTIES TO ISSUE TAX INCREMENT BONDS AND TO EXCLUDE TAX INCREMENT BONDS FROM DETERMINATIONS OF THE FUNDED DEBT OF THE COUNTIES (SAIKI)** Proposes amendments to the Constitution of the State of Hawaii to expressly provide that the Legislature may authorize political subdivisions, such as counties, to issue tax increment bonds and to exclude tax increment bonds in calculating the debt limit of the political subdivisions.
- **Legislative Bills**
 - ✓ **HB 628 STATEWIDE INFRASTRUCTURE CAPACITY BUILDING CONSTRUCTION FINANCING (YAMANE).** Establishes the Infrastructure Capacity Construction Loan Revolving Fund to provide loans to counties, state agencies, or private developers for infrastructure improvements. Appropriates funds.
 - ✓ **HB 629 TAXATION (YAMANE).** Requires the Board of ERS to study the viability of exempting from income tax and GET an amount up to an unspecified percentage of the costs of the construction and operation of projects entered into under a public-private partnership with the ERS to improve water infrastructure or water supply, or to promote clean energy and the viability of allowing ERS investments in such PPP. Appropriates funds.

- ✓ **HB 660 INFRASTRUCTURE DEVELOPMENT LOAN REVOLVING FUND (BROWER)** Establishes the infrastructure development loan subaccount within the dwelling unit revolving fund to make loans to developers to finance the costs of the infrastructure of housing developments. Appropriates funds. (Supported by Chamber of Commerce, BIA, Hawaii Construction Alliance; Opposed by HHFDC & B&F: unnecessary Act 132 (16) allows DURF to be used for same purpose)
- ✓ **HB 718 HHFDC (HAR)** Establishes an infrastructure program within HHFDC to make grants and provide assistance to counties for infrastructure projects on public land. Requires the HHFDC executive director to adopt rules pertaining to the application for and approval of grants. (No hearing)
- ✓ **HB 720 (HAR) SMART GROWTH DEVELOPMENT (HAR)** Establishes the state smart growth public infrastructure policy. Requires state agencies involved in the planning, development, and financing of public infrastructure to consider smart growth criteria prior to approving or financing any public infrastructure project and to either attest that the project meets smart growth criteria or prepare a statement of justification explaining why the project cannot meet smart growth criteria.

CHALLENGE: LACK OF FINANCIAL RESOURCES (GAP FINANCING)

- **Increase amount in Rental Housing Revolving Fund (RHRF) by increasing conveyance tax distribution:**
 - ✓ **Repeal the \$38 million “cap” on conveyance tax distribution to the RHRF under Act 84 (15).** (Stanford Carr, SAT-2)
 - ✓ **HB 487 CONVEYANCE TAX (BROWER).** Removes the dollar amount cap on conveyance tax proceeds that are paid into the Rental Housing Revolving Fund. (HHFDC supported)
 - ✓ **Increase RHRF’s share of the Conveyance Tax from 50% to 90%.**
 - ✓ **Increase funding for the RHRF - FY2018 Executive Biennium Budget requests (CIP)**
- **Provide additional funding to counties:** Use RHRF to award additional county funds for rental projects. (Stanford Carr, SAT-4)
- **Establish County Revenue Bond programs:** Work with the counties to issue revenue bonds (re-initiate City Program) (Stanford Carr, SAT-3)
- **Pilot Affordable Rental Housing “Gap” Financing Program:** No existing government loan program for 61% AMI -0 120% AMI. Pilot program would be “soft, second” loan available to developers for 61% MAI to 120% AMI. Rent increases will be consistent with HUD established income limits. (Stanford Carr, SAT-5)

- **Increase the “Hula Mae” Housing Loan and Mortgage Program.**
 - ✓ **ACT 175 (17) HOUSING LOAN AND MORTGAGE PROGRAM (KOUCHI).** Increases the Hula Mae Multifamily Revenue Bond authorization amount from \$1,000,000,000 to \$1,500,000,000. Requires the HHFDC to submit annual reports to the Legislature describing the activity of the revenue bond.
- **Increase funding for State Low-Income Housing Tax Credit (LIHTC) Loan Fund:** FY2018 Executive Biennium Budget request (CIP)
- **SCR 143/SR 65 Partnership to evaluate and update the RHRF program’s policies and procedures and reinstate the Predevelopment Loan Program (ESPERO)**
- **SCR145/SR 67 Development of a collaborative plan to best leverage state and county funds to build affordable housing and Explore the Feasibility of Transferring a parcel in Kahului, Maui to HHFDC (ESPERO)**
- **Efficiently use existing federal, state and county financing programs to finance and develop permanently affordable rentals:** Use and release of RHRF; use and awards for 4% and 9% LIHTC, Qualified Allocation Plan (QAP) process, Hula Mae Multifamily Revenue Bond, serving special needs and “at risk” groups not being served – 61% AMI – 100% AMI (SAT A(1)(a)) (SAT A(1)(d))
- **Seek new sources of financing to increase supply of permanent rental housing:** work with legislators. (SAT A(1)(b))
- **Obtain federal grants to provide permanent supportive housing for special needs groups (persons with disabilities, frail, elderly, and chronically homeless):** And “at risk” groups that are not being served: 61% AMI to 100% AMI; possible *special needs* funding sources could include: HUD section 811 or 202; project-based vouchers for veterans (VASH), etc. (SAT A(1)(d))
- **Fund \$15 million in General Obligation Bond funds for the construction of the State’s Alder Street residential mixed use project** (Residential/juvenile shelter/services). (Executive Biennium Budget request (CIP) for FY2018)
- **Legislative Bills**
 - ✓ **HB PUBLIC WORKS (KONG)** Increases from \$500,000 to \$5,000,000 the cost threshold for an experimental and demonstration housing developed by the counties or housing developed by the Hawaii Housing Finance and Development Corporation to be exempted from the wages and hours laws for public works.
 - ✓ **HB 874 HOUSING (EVANS)** Requires use of an unspecified percentage of funds in the Mental Health and Substance Abuse Special Fund to provide housing for residents who qualify for Social Security disability benefits and are diagnosed with a life-long serious mental illness. (HB874 HD1)

- ✓ **HB 659 TAXATION (NAKAMURA)** Creates a 50% tax credit to a maximum of \$250,000 for costs involved in projects that provide housing for low-income and very-low-income residents. (Comments by DoTAX, Tax Foundation, etc.)
- ✓ **HB 869 HOUSING (BROWER)** Authorizes the issuance of G.O. bonds to construct affordable rental units and homes. Allows moneys from the conveyance tax and the county surcharge on state tax to be used to repay the bonds. (Supported by DHHL, Homeless groups, IMUAlliance, Hunt Companies, FACE, Housing Now! Coalition)
- ✓ **HB 945 AFFORDABLE HOUSING (FUKUMOTO)** Requires HHFDC to establish affordable micro-unit housing and congregate housing residences throughout the State. Allows the private sector to develop micro-unit housing and congregate housing residences. Makes an appropriation.

CHALLENGE: DUPLICATION AND DELAYS IN ENTITLEMENT PROCESSES

- **Land Use Commission (LUC) Issues**

- ✓ **State agencies have primary jurisdiction and responsibilities over areas of statewide concerns** - Infrastructure (schools, highways, harbors, airports, parks and state facilities); agriculture, natural resources, protecting traditional and cultural practices, historic preservation and burials, conservation lands, public trust issues.
- ✓ **The State Land Use Commission is responsible for determining state land use districts classifications (Urban, Agriculture, Rural, Conservation)**
- ✓ **Counties are primarily responsible for Urban areas; and the enforcement of land use district classifications and conditions** (except Conservation)
- ✓ **Duplicative state and county project review.**
- ✓ **Improved District Boundary process considerations:**
 - **Must be consistent with county General Plan, and Development Plan/Community Plan/Sustainable Community Plan**
 - **Must be satisfactory to relevant State agencies**
 - **Must comply with all state and federal environmental and historic preservation laws**

- **For consideration: Allow counties to approve LUC district boundary amendments less than ??? acres.**
 - ✓ **HB 333 LAND USE (SOUKI-br).** Expands the threshold size of land areas that are processed by LUC for district boundary amendments from 15 acres to 30 acres.
 - ✓ **HB 497 LAND (FUKUMOTO)** Increases the acreage from 15 acres to 25 acres for district boundary reclassifications requiring the approval of the LUC..
- **For consideration: Allow counties to file LUC petitions for regional district boundary amendments with declaratory order process.**
 - ✓ **HB 329 LAND USE (SOUKI-br).** Allows counties to submit their general plans to LUC for review and to request land use boundary amendments in conformance with those plans.
 - ✓ **HB 517 LAND USE (YAMASHITA).** Authorizes the counties to petition the LUC for regional boundary amendments required by the adoption of the county general plan or development plans. Requires LUC to conduct the 5-year boundary review.
- **Clarify state agency jurisdiction and responsibilities over direct state concerns vs. LUC jurisdiction over land use designations**
 - State agencies/state concerns: infrastructure (schools, highways, harbors, airports, parks and state facilities); agriculture, natural resources, protecting traditional and cultural practices, historic preservation and burials, conservation lands, public trust issues.
 - LUC: Urban (county overlap), Agriculture (DOA overlap), Rural, Conservation (DLNR overlap)
 - Counties: Urban and enforcement of land use classifications and conditions (except Conservation)
- **Chapter 343 Environmental Review for urban in-fill areas,** consistent with county general plans, community plans and zoning.
 - ✓ **HB 928 AFFORDABLE HOUSING (MIZUNO)** Exempts the development of affordable housing projects developed in the urban core by the HHFDC from environmental assessment and environmental impact statement requirements.
- **Regional Programmatic EIS/EA for large urban, in-fill areas,** which have already been designated as urban under county general plans, community plans and zoning.

- **State Historic Preservation Division review: Delegate to qualified staff; increase staff; 3rd Party Review**
 - ✓ **HB 875 HISTORIC PRESERVATION (EVANS)** Appropriates funds for 5 full-time equivalent (5.00 FTE) temporary student intern II positions within the state historic preservation division. (Supported by Historic Hawaii Foundation; Opposed by DLNR)
- **Address Delays with DOH Disability and Communication Access Board (DCAB) review and approvals.** SAT to research purpose and oversight of DCAB, and whether counties perform similar reviews. Could architects certify? (SAT-9)
- **County permits: 3rd Party Review: allow HHFDC funding**
- **County permits: 45-day time limit (like HRS §201H)**
 - ✓ **HB 330 Affordable Housing (SOUKI-br).** Extends the window for a county council to approve or disapprove affordable housing projects that are exempt from planning, zoning, and construction standards, from forty-five days to sixty days. (Opposed by LURF & HHFDC)

CHALLENGE: EXCESSIVE GOVERNMENT FEES

- **Prior State Department of Transportation “Connection Fee” of \$130 million for a Kauai housing project, has been rescinded,** because it was not based on facts, analysis and a rational and proportionate nexus. DOT is working with housing developers to determine a fair and reasonable alternative.
- **DOE proposed Impact Fees for Kalihi to Ala Moana.** \$9,374 school impact fee for each unit. SAT to re-evaluate or suggest exemptions for DOE impact Fees on affordable rental projects. (SAT-8)
 - ✓ **HB 656 SCHOOL IMPACT FEES (NAKAMURA).** Deletes school impact fee requirements for county and HHFDC housing projects for low- and moderate-income individuals. Provides an exemption from school impact fees for housing developments constructed by nonprofit housing organizations in which the units are rented or sold to persons or families earning up to 120% AMI. (Opposed by LURF)
 - ✓ **HB 841 SCHOOL IMPACT FEES (SAIKI)** Exempts certain affordable housing projects from the school-impact-fee requirement, including government affordable housing projects under sections 46-15.1 and 201H-38, Hawaii Revised Statutes. (Opposed by LURF)
 - ✓ **HB 884 SCHOOL IMPACT FEES (CACHOLA)** Exempts affordable housing units, additions to existing dwelling units, accessory dwelling units, ohana dwelling units, and affordable housing projects developed by the HPHA from school impact fee requirements. (Opposed by LURF)

- **Ewa Highway Master Plan Impact Fees.** City has proposed a fee of over \$6,000 per unit.

CHALLENGE: INCLUSIONARY ZONING (IZ), EXACTIONS

- **Fact: Some Hawaii IZ has been done by people without any home-building experience; and without collaboration with home-builders and housing advocates. (Do you trust non-experts to do heart surgery? Brake repair?)**
 - **Fact: City’s IZ policy started in 1994 and included a 10-year restriction on buyer income and resale, had to be lifted in 1999 because of lack of interest in the IZ-restricted units.**
 - **Fact: After being reinstated, the City’s IZ requirements have resulted in the production of thousands of affordable units, but IZ has also resulted in fewer market units being built for the “gap group” of residents with incomes above 140% AMI (supervisory government employees and health professionals like nurses) (“Toyota Corolla-Lexus effect”).**
 - **Fact: Maui’s 2006 workforce housing IZ ordinance, which included a fifty percent (50%) affordable housing requirement, acted as a “moratorium” on new housing. For the eight-year period from 2006 (enactment) to 2014 (repeal), Maui had ONLY ONE signed residential workforce housing agreement, and ONLY THREE UNITS were built and sold at affordable rates.**
 - **Economic Expert Study and Testimony: concluded that IZ has not worked around the U.S., and is not currently working on Oahu. *Inclusionary Zoning: Implications for Oahu’s Housing Market*, February 12, 2010, by University of Hawaii Economic Research Organization (UHERO)**
- Conclusions from UHERO Report (2010):** UHERO’s report concluded that:
- ✓ IZ regulations which require developers to sell housing units at below market rates reduces developers’ revenues, lowers the incentives for developers to produce more housing and deters new housing projects.
 - ✓ A comprehensive review of IZ policy studies from around the U.S. overwhelmingly indicates IZ policies have undesirable long-term effects.
 - ✓ **Approximately ninety percent (90%) of the policy studies found that IZ increases the overall market price of housing and decreases housing units available in the market (“Toyota Corolla-Lexus” effect)**
 - ✓ **Eliminating IZ and easing development regulations will result in more housing units and lower housing prices.**
- **Economic Expert Paul Brewbaker testified that IZ has not worked in Hawaii, and HCDA’s proposed Reserved Housing and Workforce Housing IZ Rules (30-year restricted period) will not work.**

FACILITATING HOUSING: REQUIREMENTS WITH FLEXIBILITY

- Increased flexibility, authority and discretion for County Housing Directors.
 - ✓ Allow *rental units* to satisfy requirements for affordable for-sale units
 - ✓ Allow *in-lieu fees*
 - ✓ Allow *off-site* affordable housing to satisfy requirements (no penalties)
 - ✓ Allow “ADU” and “Ohana” units to satisfy housing requirements
 - ✓ Extend deadlines for completion of non-housing conditions which do not endanger the health and safety of the community
- ✓ Rescind “incremental zoning” limit (10 years) – allow full approval, especially when most of major onsite infrastructure is completed in Phase I

FACILITATING HOUSING: INCENTIVES

- Collaboration between government and experienced housing developers
- Incentive Bills:
 - ✓ **Act 54 HOUSING (JOHANSON)** Expands the types of rental housing projects that can be exempt from general excise taxes. Allows the Hawaii Housing Finance and Development Corporation to exempt certain affordable rental housing projects from general excise tax and use tax costs. Allows the terms of the section 201H-36(a)(5) prevailing wages to be deemed the prevailing wages serving as the basis of compliance with chapter 104, Hawaii Revised Statutes, for the construction of certain rental housing projects. (an example of collaboration)

ASSISTANCE: RENTERS AND BUYERS

- Rental Housing
 - ✓ **Rent to Own Program.** Create a 3-5 year program using state or county resources to offer affordable rentals for eventual ownership; credit counseling and savings program to improve FICO scores and reduce debt; and training on how to own and repair/maintain a home. (SAT-6)
 - ✓ **HB 207 TAXATION (JOHANSON).** Expands the low income-household renters’ income tax credit based on adjusted gross income and filing status.

- ✓ **HB 357 GET EXEMPTIONS (FUKUMOTO).** Provides for a GET tax exemption on rental income for qualified landlords who provide residential rental units to persons earning less than or equal to fifty per cent of the area median income.
 - ✓ **HB 652 AFFORDABLE HOUSING (McKELVEY).** Establishes an income tax credit for taxpayers who rent housing to certain low-income tenants or eligible organizations that serve homeless or low-income families or individuals.
 - ✓ **HB 868 PUBLIC HOUSING (BROWER)** Requires HPHA to establish trust accounts to provide matching funds to tenants who rent dwelling units. Specifies tenancy termination requirements. Authorizes the issuance of G.O. bonds for capital improvement projects at state low-income housing projects. Appropriates funds.
- **Home Ownership**
 - ✓ **Act 123 HOMEBUYER ASSISTANCE (OHNO)** Updates the Downpayment Loan Program of the HHFDC.
 - ✓ **Act 166 MORTGAGES (ESPERO)** Allows an extended or hanai family member to act as a co-mortgagor in assisting a qualified resident in securing a mortgage to purchase a dwelling unit from HHFDC.
 - ✓ **Act 159 AFFORDABLE HOUSING (ESPERO)** Authorizes qualified nonprofit housing trusts to repurchase affordable units developed with government assistance when a government entity waives its first right of refusal to repurchase the unit. Authorizes counties to waive a first right of refusal to repurchase a privately-developed affordable housing unit built pursuant to a unilateral agreement or similar instrument.
 - ✓ **HB 870 MORTGAGES (BROWER)** Clarifies that a co-mortgagor assisting a qualified resident in securing a mortgage to purchase a dwelling unit from the HHFDC may be a family member, which also includes extended or hanai family members. Requires a qualified resident who is assisted by a co-mortgagor to have an income of at least fifty per cent of the amount required to qualify for a loan to purchase the dwelling unit. (Supported by HHFDC)
 - **Hawaiian Home Lands**
 - ✓ **HB 372 DHHL (EVANS).** Establishes a working group to address and provide findings and recommendations regarding issues that beneficiaries of the department of Hawaiian home lands on Hawaii island face relating to the financing and insuring of homes. Appropriates funds. (Supported by DHHL & OHA)
 - ✓ **HB 389 HOUSING (BROWER).** Authorizes the issuance of GO bonds and appropriates funds to the HHFDC and the DHHL for improving and increasing the existing public and affordable housing stock in the State. (Supported by HHFDC & DHHL)

OPPORTUNITY: PUBLIC-PRIVATE PARTNERSHIPS (PPP)

- **PPP to develop rental housing:** Use PPPs and/or PP development agreements to develop rental housing (SAT A(2)(a))
- **Partnerships/partnership agreements between government agencies and/or with private housing developers to develop “mixed-use projects which include rental housing.** (SAT A(2)(b))

OPPORTUNITY: 21ST CENTURY SCHOOLS AND HOUSING PROJECTS

- **Act 155 (2013)** One of the main purposes of this program is to generate additional revenue for schools, thus, this additional revenue should be calculated and factored-into the DOE impact fees.
 - ✓ **Determine revenue to reduce school impact fees?**
 - ✓ **Audit?**
 - ✓ **Identify projects?**
 - ✓ **Opportunities for Teacher housing?**
 - ✓ **Timing?**
- **21st Centruy Schools Legislative Bills**
 - ✓ **Act 206 (2017) PUBLIC SCHOOLS (SAIKI)** Requires the City and County of Honolulu to transfer to the DLNR all property upon which certain public high schools are situated. Extends the Twenty-First Century Schools Pilot Program by an additional five years to 2023.

OPPORTUNITY: TRANSIT-ORIENTED DEVELOPMENT (depends on Rail Funding)

Act 130 (2016) designates the Office of Planning as the lead state agency for transit-oriented development coordination for state properties along the rail route; establishes the Hawaii Interagency Council for Transit-Oriented Development (TOD Council) within DBEDT to coordinate effective and efficient TOD planning on a statewide level; and **allows the DOE to use school impact fees** from projects within a county-designated TOD zone for various purposes, including construction of new school facilities in new or existing sites statewide.

The 2016 TOD Council Report provides the following potential opportunities to facilitate housing for all levels of Hawaii residents:

- **TOD Council review and evaluation of FY 2018 TOD CIP Budget Priorities; and CIP funding recommendations to the 2017 Legislature.**
- **Identification of Three High Priority Areas**
 1. Iwilei-Kapalama.
 2. Halawa Stadium.
 3. East Kapolei.

- **TOD Strategic Plan. Act 130 (2016)** also requires formulation of a Strategic Plan, which includes TOD, mixed use and affordable and rental housing projects, on State lands in each county; and advising the Governor on the implementation of the Strategic Plan; The Strategic Plan is expected to be completed in December 2017, and will include the following elements:
 1. **TOD projects on State lands on each county;**
 2. **Coordination with counties;**
 3. **Inventory of State, county, and private development projects lacking infrastructure;**
 4. **Priorities for public infrastructure; and**
 5. **Promotion of public-private-partnerships.**

- **TOD Council’s 2017 Work Plan.** The following 2017 Work Plan has been identified in the 2016 TOD Council Report:
 1. **Best Practices Information: TOD Financing, PPP, Joint Development**
 2. **Review of FY 2018 & FY 2019 TOD Priority CIP budget requests**
 3. **Neighbor Island Counties TOD**
 4. **Development of the Statewide Strategic Plan.**
 5. **Additional funding for site master planning and implementation.**
 6. **Exploring statutory and policy needs for facilitating State TOD.**

- **TOD Legislation**
 - ✓ **HB 626 URBAN REDEVELOPMENT (YAMANE).** Establishes the State Transit Oriented Development Authority (Supported by Chamber of Commerce, & BIA; Opposed by DPP; Comments by DoTAX, DOT & OP)
 - ✓ **HB 857 HCDA (BROWER)** Establishes TOD Community Districts within the HCDA to develop districts along certain rail stations in the Honolulu rail station transit corridor. Allows the HCDA to enter into public-private partnerships for a lease-back arrangement of lands. (No hearing)
 - ✓ **HB 999 COMMUNITY DEVELOPMENT (NAKAMURA)** HCDA to conduct a feasibility study regarding: (1) HCDA assuming the role of planning, developing, and redeveloping all state-owned lands within one mile of the Honolulu rail transit system; (2) Creating a new community development district along the Honolulu rail corridor; and (3) Returning jurisdiction of Kakaako district to the City.

- ✓ **HB 1000 HOUSING (NAKAMURA)** Requires the strategic plan by the Hawaii Interagency Council for TOD (Council) to require that affordable housing be included as part of the development or redevelopment plan for any state property located within one-half mile of the Honolulu rail transit system, unless the City Council determines that housing is not feasible or desirable on a particular property.