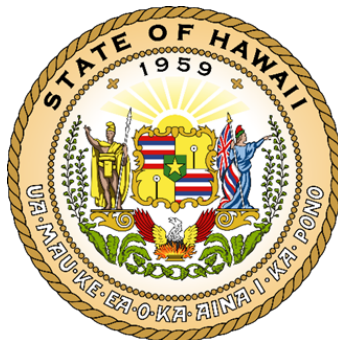


# Hawai'i Interagency Council for Transit-Oriented Development 2024 Annual Report

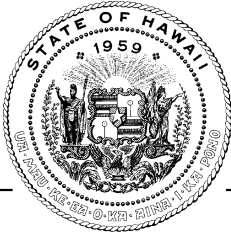
REPORT TO THE THIRTY-THIRD LEGISLATURE  
REGULAR SESSION OF 2025



Prepared pursuant to Hawai'i Revised Statutes § 226-63(b)(9) by  
Office of Planning and Sustainable Development  
and  
Hawai'i Housing Finance and Development Corporation  
Department of Business, Economic Development and Tourism  
State of Hawai'i

December 2024

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# HAWAI'I INTERAGENCY COUNCIL FOR TRANSIT-ORIENTED DEVELOPMENT

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

JOSH GREEN, M.D.  
GOVERNOR

SYLVIA LUKE  
LT. GOVERNOR

MARY ALICE EVANS  
CO-CHAIR

DEAN MINAKAMI  
CO-CHAIR

Mailing Address: P.O. Box 2359, Honolulu, Hawai'i 96804  
Website: <http://planning.hawaii.gov/state-tod/>

Telephone: (808) 587-2846  
Fax: (808) 587-2824

December 18, 2024

Aloha Legislators:

We are pleased to present the 2024 Annual Report of the Hawai'i Interagency Council for Transit-Oriented Development (TOD Council). The Report fulfills the statutory requirement in Hawai'i Revised Statutes (HRS) § 226-63(b)(9) for the TOD Council to report annually to the Governor, the Legislature, and the mayor of each county on the progress of its activities and progress on the State Strategic Plan for Transit-Oriented Development no later than twenty days prior to the convening of each regular legislative session.

The TOD Council is a 25-member multi-sector body charged with coordinating and facilitating State and county TOD initiatives statewide in support of affordable housing and economic opportunity in TOD communities. The TOD Council promotes mixed-use development, affordable and rental housing, and compact, pedestrian-friendly development in designated transit areas, and encourages State and county agency collaboration and cost-sharing of infrastructure needed to support State and county TOD initiatives.

We are extremely grateful to the Legislature for its continued support of the TOD Council and the annual TOD Capital Improvement Project (CIP) Planning appropriations, which are used to seed TOD projects statewide—that will lead to affordable housing production and improved access to transit in each County. The funding is very important and helps agencies get a head start in advancing their projects. In 2024, the Office of Planning and Sustainable Development awarded a total of \$1 million to the following projects:

- Kūwili Station TOD Redevelopment Area Master Planning (Iwilei, O'ahu), City and County of Honolulu
- Līhu'e Town TOD Multifamily Housing Feasibility Study (Līhu'e, Kaua'i), County of Kaua'i

TOD Council brings agencies together to play an important role in finding alternative financing tools and developing new strategies to meet the State's housing demand. According to the 2019 Hawai'i Housing Planning Study, Hawai'i needs up to an estimated 50,156 homes statewide by 2025. Before this can be built, the infrastructure needs to be in place. Current financing resources are not enough to meet this demand. According to the TOD Infrastructure Finance and Delivery Strategy, there

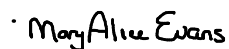
are \$1.1 billion dollars in unfunded infrastructure needs. Through the TOD Council, we have been able discuss, introduce, and advocate for tax increment financing, conveyance tax, and other legislation that would raise more revenue and direct them to certain areas.

State TOD Strategic Plan selected three priority areas. The three areas are East Kapolei, Hālawā -Stadium, and Iwilei. The Office of Planning and Sustainable Development (OPSD) and the Hawai'i Community Development Authority are working on the East Kapolei Infrastructure Implementation Master Plan Project (EKMP). The State Legislature appropriated funds for the study (Act 164, SLH 2023) to catalyze TOD development on public lands in East Kapolei. The State of Hawai'i Strategic Plan for Transit-Oriented Development identified East Kapolei as one of three priority areas to leverage State investments along the Skyline rail corridor. Approximately 1,000 acres of State land near East Kapolei's three Skyline stations are owned by the Department of Land and Natural Resources, the Department of Hawaiian Homelands, and the University of Hawai'i West O'ahu.

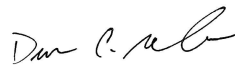
In June 2024, OPSD was awarded \$6.6 million from HUD's Pathways to Removing Obstacles for Housing (PRO Housing) Grant. OPSD will address regulatory, zoning, legislative and administrative barriers. By looking into amending rules and regulations to streamline permitting that will cut cost and time for affordable housing development. OPSD will also analyze the use of a Statewide Infrastructure Bank to take on the task of funding future infrastructure projects. In addition, PRO Housing will fund planning studies for Līhu'e's sewer capacity, Maui's Kahekili Terrace, and Hawai'i island's Kamakana Villages.

We wish to thank the Governor and Legislature, our Federal, State and County partners, and each of the TOD Council members/designees for their continued support of the TOD Council's efforts. We look forward to working collaboratively with them in the year ahead toward creating a foundation that builds more affordable housing in mixed-use and walkable TOD communities for generations to come.

Mahalo,



Mary Alice Evans  
Co-Chair, TOD Council  
Director, Office of Planning and  
Sustainable Development



Dean Minakami  
Co-Chair, TOD Council  
Executive Director, Hawai'i Housing  
Finance and Development Corporation

Enclosure

cc:

Governor Josh Green, M.D.  
Mayor Rick Blangiardi  
Mayor Kimo Alameda  
Mayor Derek Kawakami  
Mayor Richard Bissen

Lt. Governor Sylvia Luke  
Legislative Reference Bureau  
Legislative Auditor  
Department of Budget and Finance  
Hawai'i State Public Library System  
University of Hawai'i Hamilton Library

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Hawai'i Interagency Council for Transit-Oriented Development  
Council Members, Designees, and Alternates  
as of December 2024

**Office of Planning and Sustainable Development (OPSD)**

*Director: Mary Alice Evans (Co-Chair)*

*Designees: Seiji Ogawa*

**Hawai'i Housing Finance and Development Corporation (HHFDC)**

*Executive Director: Dean Minakami (Co-Chair)*

*Designee: Randy Chu, Albert Palmer*

**Office of the Governor**

*Chief of Staff: Brooke Wilson*

*Designee: Scott Glenn*

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

*Comptroller: Keith Regan*

*Designees: Gordon Wood, David DePonte*

**Department of Education (DOE)**

*Superintendent: Keith Hayashi*

*Designees: Audrey Hidano, Roy Ikeda*

**Department of Hawaiian Home Lands (DHHL)**

*Chairperson: Kali Watson*

*Designee: Nancy McPherson*

**Department of Health (DOH)**

*Director: Kenneth Fink, MD*

*Designees: Lola Irvin, Heidi Hansen Smith*

**Department of Human Services (DHS)**

*Director: Ryan Yamane*

*Designees: Malia Taum-Deenik,  
Joseph Campos*

**Department of Land and Natural Resources (DLNR)**

*Chairperson: Dawn Chang*

*Designees: Russell Tsuji, Ian Hirokawa*

**Department of Corrections and Rehabilitation (DCR)**

*Director: Tommy Johnson*

*Designees: Wayne Takara, Harold Alejandro,  
Melanie Martin*

**Department of Transportation (DOT)**

*Director: Ed Sniffen*

*Designee: Tammy Lee*

**Hawai'i Community Development Authority (HCDA)**

*Executive Director: Craig Nakamoto*

*Designee: Ryan Tam*

**Hawai'i Public Housing Authority (HPHA)**

*Executive Director: Hakim Ouansafi*

*Designees: Barbara Arashiro, Benjamin Park*

**Stadium Authority (SA)**

*Chairperson: Brennon Morioka*

*Designee: Michael Imanaka*

**University of Hawai'i (UH)**

*President: David Lassner*

*Designees: Michael Shibata, Karen Lee*

**House of Representatives**

*Representative Luke Evslin*

*Alternate: Representative Nadine Nakamura*

**State Senate**

*Senator Chris Lee*

*Alternate: Senator Brandon Elefante*

**City and County of Honolulu (City)**

*Mayor: Rick Blangiardi*

*Designees: Tim Streitz, Dawn Takeuchi Apuna*

**County of Hawai'i (COH)**

*Mayor: Kimo Alameda*

*Designees: April Surprenant*

**County of Kaua'i (COK)**

*Mayor: Derek Kawakami*

*Designees: Jodi Higuchi Sayegusa, Celia Mahikoa*

**County of Maui (COM)**

*Mayor: Richard Bissen*

*Designees: Scott Forsythe, Marc Takamori, Nolly Yagin,  
David Yamashita, Kauano Batangan*

**Business Representative**

*Catherine Camp, Central Pacific Bank*

**Developer Representative**

*Laura Kodama, Castle and Cooke*

**Housing Advocate**

*Kevin Carney, Affordable Housing Connections LLC*

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

*Honolulu Field Office Representative: Ramona Mullahey*

# 1 INTRODUCTION

This report describes the activities and accomplishments of the Hawai'i Interagency Council for Transit-Oriented Development (TOD Council) for calendar year 2024. It fulfills the statutory requirement in Hawai'i Revised Statutes (HRS) § 226-63(b)(9) for the TOD Council to report annually to the Governor, the Legislature, and the mayor of each county on the progress of its activities and progress on the *State Strategic Plan for Transit-Oriented Development* no later than twenty days prior to the convening of each regular legislative session.

Over the past year, the TOD Council and staff focused on advancing the role of TOD in supporting affordable housing, infrastructure funding and financing, and smart design that result in livable, resilient, and equitable communities in Hawai'i.

## 1.1 Hawai'i Interagency Council for Transit-Oriented Development

The TOD Council was established in 2016<sup>1</sup> 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.

**Focus.** The TOD Council focus is to promote mixed-use development, affordable for sale and rental housing, and compact, pedestrian-friendly development in designated transit areas. The Council encourages State and county agency collaboration and cost-sharing of infrastructure needed to facilitate TOD initiatives. The TOD Council's statutory responsibilities as defined in HRS § 226-63(b) are listed in the sidebar.

On O'ahu, the State of Hawai'i is the largest landowner along the 20-mile Skyline rail corridor, with 2,000 acres of State land around the 21 rail stations (nine operating stations in the first segment, and 12 planned). The State is uniquely positioned to enhance O'ahu's urban environment by applying smart growth and TOD principles to revitalize

<sup>1</sup> Act 130, Session Laws of Hawai'i (SLH) 2016 related to the TOD Council are codified in Hawai'i Revised Statutes (HRS) §§ 226-63 and 64; the Act's sections related to the roles and responsibilities of OPSD are codified in HRS § 225M-2(b)(10).

## TOD COUNCIL DUTIES HRS § 226-63(b)

- (1) Serve as the State's transit-oriented development planning and policy development entity with representation from state and county government and the community;
- (2) Formulate and advise the governor on the implementation of a strategic plan to address transit-oriented development projects, including mixed use and affordable rental housing projects, on state lands in each county;
- (3) Facilitate the acquisition of funding and resources for state and county transit-oriented development programs, including affordable and rental housing projects, on state lands;
- (4) Monitor the preparation and conduct of plans and studies to facilitate implementation of state transit-oriented development plans prepared pursuant to this section, including but not limited to the preparation of site or master plans and implementation plans and studies;
- (5) 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 one-half mile radius of public transit stations, if a county has not designated transit-oriented development zones;
- (6) Recommend policy, regulatory, and statutory changes, and identify resource strategies for the successful execution of the strategic plan;
- (7) Assemble accurate fiscal and demographic information to support policy development and track outcomes;
- (8) Consider collaborative transit-oriented development initiatives of other states that have demonstrated positive outcomes; and
- (9) Report annually to the governor, the legislature, and the mayor of each county on the progress of its activities, including formulation and progress on the strategic plan no later than twenty days prior to the convening of each regular session.



neighborhoods, increase affordable housing, and improve accessibility to public facilities and services.

On the Neighbor Islands, similar principles are being applied in planning and developing State and county facilities and services to encourage quality growth and vibrant mixed-use neighborhoods around urban and rural public transit centers.

**Council Organization & Support.** The TOD Council is comprised of 25 members, including representatives from State agencies, the four counties, State Senate, State House of Representatives, and the business, housing, and development communities. It also includes an ex-officio representative from the U.S. Department of Housing and Urban Development (HUD). Current members are listed at the front of this report.

The directors of the Office of Planning and Sustainable Development (OPSD) and the Hawai'i Housing Finance and Development Corporation (HHFDC) serve as co-chairs of the TOD Council. HRS § 225M-2(b)(10) designates OPSD as the lead agency for State smart growth and TOD development planning in the State. In this capacity, OPSD provides staff support to the TOD Council and reviews State agency TOD conceptual development plans.

## 2 ACTIVITIES AND ACCOMPLISHMENTS

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**Organization of Report.** The TOD Council's activities and accomplishments for calendar year 2024 are reported in accordance with its statutory responsibilities in HRS § 226-63(b).

### 2.1 TOD Council Meetings and Membership

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*(1) Serve as the State's transit-oriented development planning and policy development entity with representation from state and county government and the community. [HRS § 226-63(b)(1)]*

Through its regularly scheduled meetings and activities, the TOD Council serves as the primary forum for the coordination of statewide TOD policy, funding, and program needs. The TOD Council held seven meetings between January and November 2024. The TOD Council has been holding hybrid meetings with in-person and virtual participation.

Membership is updated as agency leadership and staff, elected officials, and appointed members and designees change. The TOD Council would like to acknowledge the community members appointed by the Governor who serve voluntarily: Catherine Camp, Central Pacific Bank, business representative; Laura Kodama, Castle and Cooke, developer representative; and Kevin Carney, Affordable Housing Connections LLC, housing advocate.

### 2.2 Strategic Plan Formulation and Implementation

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*(2) Formulate and advise the governor on the implementation of a strategic plan to address transit-oriented development projects, including mixed use and affordable and rental housing projects, on state lands in each county. [HRS § 226-63(b)(2)]*

The *State of Hawai'i Strategic Plan for Transit-Oriented Development (TOD Strategic Plan)* was first issued in December 2017. The last update was forwarded to the Governor and State Legislature in December 2018. The *TOD Strategic Plan* provides a dynamic framework for the State to affect a "unified vision and approach to the development of its properties." It sets forth

how the State and counties can collectively act to make better use of public lands and resources so that public projects help create vibrant communities, provide improved service and accessibility, and increase affordable housing opportunities in proximity to transit.

Given the changes since 2018, a review and update of the *Strategic Plan* is needed to incorporate continued improvements in various transit systems, our improved understanding of climate change, the renewed emphasis on housing production, and recent discussions pertaining to expanding rail on O'ahu.

The *TOD Strategic Plan* is available at

[https://files.hawaii.gov/dbedt/op/lud/TODStratPlan\\_Aug2018\\_Current.pdf](https://files.hawaii.gov/dbedt/op/lud/TODStratPlan_Aug2018_Current.pdf).

## **2.2.1 Strategic Plan Formulation/Implementation: Advisory Support**

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The Governor's Office is kept apprised of the implementation of the *TOD Strategic Plan* and related projects and initiatives through TOD Council meetings and communications. The Governor's Office is represented on the TOD Council. Actions requiring the Governor's attention are coordinated through the Governor's Office TOD Council representative and the TOD Council co-chairs. The OPSD Director (and TOD Council Co-Chair) is a member of the Governor's Advisory Committee on TOD.

This Annual Report provides the Governor with an update of activities and progress in implementing the *TOD Strategic Plan*. In February 2024, the TOD Council also reviewed and made recommendations to the Governor and the State Legislature on TOD CIP budget requests related to TOD projects identified in the *TOD Strategic Plan*. The 2024 TOD CIP budget recommendations are discussed in **Section 2.5**.

## **2.2.2 Strategic Plan Formulation/Implementation: Updates to the TOD Projects in the State TOD Strategic Plan**

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The *TOD projects in the TOD Strategic Plan* are reviewed and updated annually. New projects are submitted to the TOD Council for inclusion in the *TOD Strategic Plan* as opportunities emerge. Projects in the *TOD Strategic Plan* are eligible for TOD CIP Planning funds appropriated by the State Legislature. Two new projects were added in 2024.

- **Kūwili Station TOD Redevelopment Area Master Planning, City and County of Honolulu**
- **Lihu'e Town Transit-Oriented Development (TOD) Infill Development, County of Kaua'i**

Over seventy-nine TOD projects are identified in the *TOD Strategic Plan*: several have been completed, many are in the planning and development phase, and others are in the pre-planning phase. **Appendix A** of this report provides a complete list of State and county projects in the *TOD Strategic Plan*, with updated project status, funding, and funding gap information as reported to the TOD Council at its meetings.

Updates on selected TOD projects are summarized in **Section 2.4**. Updated TOD Project Fact Sheets for individual *TOD Strategic Plan* projects are posted at the end of the year to the TOD Council website at:

[https://files.hawaii.gov/dbedt/op/lud/TODStratPlan\\_AppA-FactSheets\\_Current.pdf](https://files.hawaii.gov/dbedt/op/lud/TODStratPlan_AppA-FactSheets_Current.pdf).

## 2.3 Acquisition of Funding and Resources

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(3) *Facilitate the acquisition of funding and resources for state and county transit-oriented development programs, including affordable and rental housing projects, on state lands. [HRS § 226-63(b)(3)]*

The TOD Council serves as a forum for (1) educating its member agencies and the public on best practices, funding, and other resources to support TOD; (2) providing advocacy and facilitating access to funding and resources; and (3) assisting agencies in making individual and multi-agency requests for funding and technical assistance to the State Legislature, other funders, and decision-makers.

See **Section 2.4** for information on TOD CIP Planning appropriations and planning grants for TOD projects and **Section 2.5** for updates on specific TOD projects and funding requests.

### 2.3.1 Grant Application

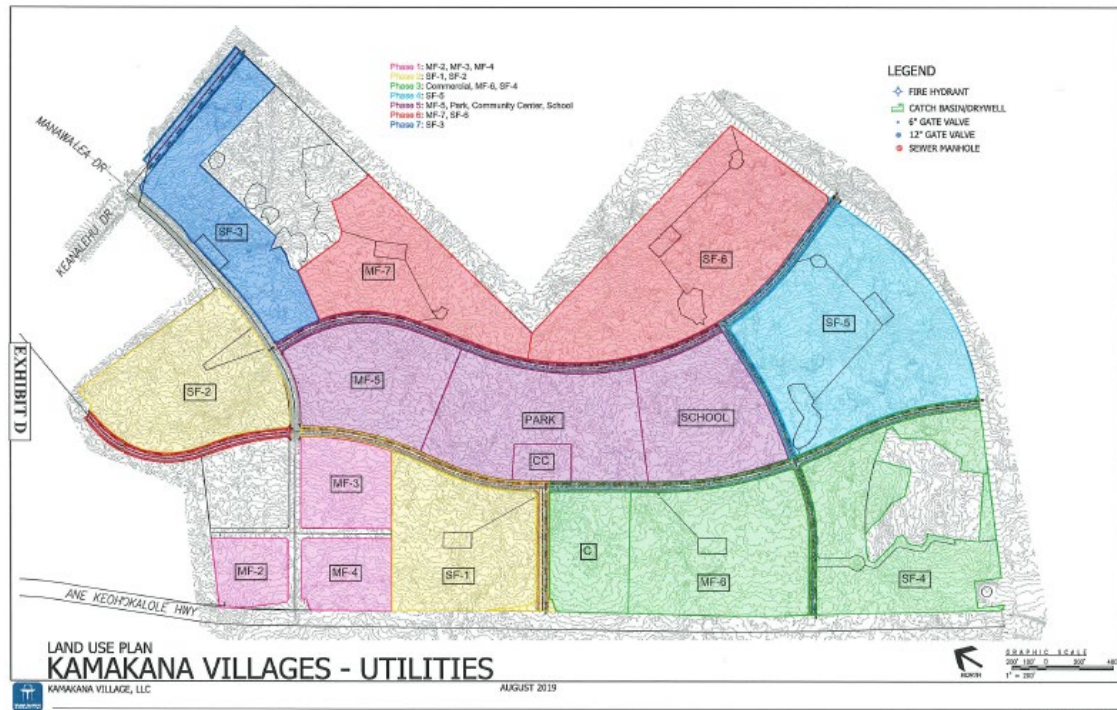
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#### ■ **U.S. Department of Housing and Urban Development (HUD) Pathways to Removing Obstacles to Housing (PRO Housing) Grant – Rounds 1 and 2**

Office of Planning and Sustainable Development, Office of the Governor, and State and County Partners

To increase the production and preservation of affordable housing statewide, OPSPD partnered with the Governor's Office of Housing to apply for U.S. HUD PRO Housing funds in October 2023. The theme of the application, Infrastructure Unlocks Housing, reflects the recommendations that emerged from HHFDC's "Yes In My Back Yard" efforts and OPSPD's 2023 *Infrastructure Finance and Delivery Strategies in TOD Pilot Areas* study. In June 2024, the grant awardees were announced. Hawaii received the second highest award of approximately \$6.6 million. The funds will be expended over six years and used to:

- Create a statewide infrastructure bank;
- Fund infrastructure planning for TOD projects in Līhu'e, Kaua'i; and for Kahekili Terrace, Maui and Kamakana Villages, Hawai'i; and
- Hire two people to manage the grant and work with the counties to reduce regulatory barriers to housing production.



A second Grant round was announced in the late Summer of 2024, and OPSD, again in partnership with the Governor’s Office, submitted an application. Funds were requested to continue the support of Kamakana Villages. According to the 2023 *Hawai’i TOD Infrastructure Financing and Delivery Strategy for Pilot Areas*, the proposed expansion of Kamakana Villages will unlock at least 1,400 predominantly affordable for-sale and rental housing units, as well as create needed commercial space, an elementary school, open spaces, and parks.

The grant application is posted at: <https://planning.hawaii.gov/blog/2024/09/18/pathways-to-removing-obstacles-to-housing-round-ii-funding-opportunity/>

### 2.3.2 Federal Resources

#### ■ Federal Resources for Greening Affordable Housing

Ramona Mullahey, Jennifer Gottlieb Elazhari, and Bennet Hilley, U.S. Department of Housing and Urban Development

U.S. HUD staff briefed members of the TOD Council and various housing program staff on climate change funding available from the Inflation Reduction Act (IRA) and Bipartisan Infrastructure Law (BIL), which can help reduce energy use, bolster investment in renewable energy, strengthen resiliency in communities, and help close financing gaps for construction and rehabilitation of affordable housing.

New and expanded funding opportunities through tax credits, rebates, and grant and loan programs have been authorized under the \$369 billion IRA investment, including the Green and Resilient Retrofit Program (GRRP) for HUD Multifamily projects, which has \$1 billion in IRA funds for grants and loans for retrofits to make HUD-assisted properties more energy efficient, climate resilient, and healthy for residents. As many as 105 properties in Hawai’i may be eligible for GRRP funding.



A highlight of the briefing was the [Build for the Future Funding Navigator](#), a tool HUD has developed to provide convenient access to a wide range of funding opportunities for projects aimed at decarbonization, sustainable development, and community resilience.

The full presentation [slides](#) and a [recording](#) are available at the TOD Council webpage. Additional information and resources can be found at the HUD Exchange [Build for the Future website](#).

## 2.4 TOD Plans and Studies

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*(4) Monitor the preparation and conduct of plans and studies to facilitate implementation of state transit-oriented development plans prepared pursuant to this section, including but not limited to the preparation of site or master plans and implementation plans and studies. [HRS § 226-63(b)(4)]*

The TOD Council monitors activities related to (1) individual projects identified in the *TOD Strategic Plan*; and (2) regional TOD-related projects that facilitate TOD development for multiple State, county, and private landowners in an area. The *TOD Strategic Plan* currently includes over seventy TOD projects and studies identified by the State and counties. **Table 1** (next page) lists selected TOD projects with studies or project development underway. **Appendix A** (end of this report) summarizes the status of all *TOD Strategic Plan* projects being tracked by the TOD Council. Projects are described in individual TOD Project Fact Sheets, which are available at the TOD Council website, [https://files.hawaii.gov/dbedt/op/lud/TODStratPlan\\_AppA-FactSheets\\_Current.pdf](https://files.hawaii.gov/dbedt/op/lud/TODStratPlan_AppA-FactSheets_Current.pdf)

The next section provides updates on TOD projects and studies that received TOD CIP funding, along with other efforts to enhance State TOD project implementation.

**Table 1. TOD Projects Underway or Being Initiated in Fiscal Years 2024 and 2025**

	Proj ID	Agency	TOD Station or Area	Project	Proj Phase		
Oahu: State Projects	East Kapolei	0-01	DHHL	Kualakai (E Kapolei)	Kauluokahai Increment II-A, Multi-Family/Commercial	Planning	
		0-02	UH	Kualakai, Keoneae (UHWO)	UH West Oahu University District	Planning	
		0-03	UHWO	Kualakai, Keoneae	UH West Oahu Long Range Development Plan	Planning	
		0-04	UHWO	Kualakai, Keoneae	UH West Oahu TOD Infrastructure	Planning	
		0-05	UHWO	UH West Oahu, LCC, HCC	UH West Oahu Multi-Campus Housing (Faculty/Student/Staff)	Planning	
		0-06	DLNR	Keoneae	East Kapolei Master Development Plan	Planning	
		0-07	DOE	Honouliuli (Hoopili)	East Kapolei High School	Planning	
		0-38	HDOT	Honouliuli	Farrington Highway Widening	Design/Const	
	Halawa	0-12	HPHA	Waiawa (Pearl Highlands)	Hale Laulima Homes	Planning	
		0-13	SA/DAGS	Halawa (Aloha Stadium)	Aloha Stadium Redevelopment / Entertainment Dist (NASED)	Planning	
		0-14	HPHA	Halawa	Puuwai Momi Homes/Conceptual Master Plan	Planning	
		Iwilei-Kapalama	0-16	DCR/DAGS	Kahauikei (Middle St), Mokauea (Kalihii)	Oahu Community Correctional Center (OCCC) Site Redevelopment	Planning
			0-17	HPHA	Mokauea	Kamehameha and Kaahumanu Homes	Planning
			0-41	HPHA	Mokauea	Kuhio Park Terrace Low-Rises and Kuhio Homes	Planning
			0-21	HPHA	Niuhelawai (HCC-Kapalama)	School Street Administrative Offices Redevelopment	Design/Const
			0-39	HHFDC	Kuwili (Iwilei), Niuhelawai	State Iwilei Infrastructure Master Plan	Planning
			0-22	HPHA	Kuwili	Mayor Wright Homes Redevelopment	Design/Const
			0-23	HHFDC/DAGS	Kuwili	Liliha Civic Center Mixed-Use Project	Planning
	0-25		HHFDC	Kukuluaeo (Kakaako)	690 Pohukaina	Design	
	0-26	DOE/HHFDC	Kukuluaeo	Pohukaina Elementary School	Planning		
	City & County of Honolulu	0-32	CCH	Iwilei, Kapalama	Iwilei-Kapalama Infrastructure Master Plan (multiple projs)	Pln/Des/Const	
		0-42	CCH	Iwilei	Kuwili Station TOD Redevelopment Area Master Planning	Planning	
		0-33	CCH	Pearlridge	Pearlridge Bus Center/TOD Project	Design/Const	
		0-34	CCH	Kapalama	Kapalama Canal Catalytic Project/Linear Park	Design	
		0-35	CCH	Chinatown	Chinatown Action Plan (multiple projs)	Design/Const	
		0-36	CCH	Waipahu Transit Center	Waipahu Town Action Plan (multiple projs)	Pln/Des/Const	
County of Kauai	K-18	COK	Lihue	Lihue Town TOD Infill Development	Planning		
	K-01	DAGS/COK	Lihue	Lihue Old Police Station/Civic Center TOD Proof of Concept	Pre-Planning		
	K-14	COK	Lihue	Lihue Civic Center Redevelopment	Planning		
	K-04	COK/KHA/HHFDC	Eleele	Lima Ola Workforce Housing Development	Design/Const		
	K-05	UH KCC	Puhi	UH Kauai Community College LRDP/Student Housing	Pre-Planning		
	K-07	COK/DPW	Hanapepe	Hanapepe Complete Streets Improvements	Pln/Des/Const		

**Table 1. TOD Projects Underway or Being Initiated in Fiscal Years 2024 and 2025 (cont.)**

	Proj ID	Agency	TOD Station or Area	Project	Proj Phase
County of Kauai	K-08	HHSC/COK	Kapaa	Samuel Mahelona State Hospital/TOD Master Plan	Planning
	K-17	HPHA	Kapaa	Hale Nana Kai O Kea Redevelopment	Planning
	K-09	COK/DPW	Kapaa	Kawaihau/Hauaala/Mailihuna Road Complete Streets	Construction
	K-10	COK/DPW	Koloa School	Poipu Road Safety & Mobility Projects	Design/Const
	K-13	COK/PD/	Kekaha-Lihue Line	Waimea 400	Planning
	K-16	COK/KHA	Kilauea Gym/Anaina Hou Park-	Kilauea Town Affordable Housing Expansion	Planning
County of Hawaii	H-01	COH	Keaau	Keaau Public Transit Hub	Pre-Planning
	H-02	COH	Keaau	Keaau Public Wastewater System	Pre-Planning
	H-13	COH	Pahoa	Pahoa Transit Hub / Public Library Project	Planning
	H-05	COH	Hilo	Ka Hui Na Koa O Kawili Affordable Housing	Construction
	H-14	HPHA/COH	Hilo	Lanakila Homes/Complete Streets/Multi-Modal Improvements	Planning
	H-15	DAGS/COH	Kailua-Kona	State Kailua-Kona Civic Center	Pre-Planning
	H-09	COH	Kailua-Kona	Kona Transit Hub	Planning
	H-10	COH	North Kona	Ulu Wini Housing Improvements	Design/Const
	H-11	COH	North Kona	Kamakana Villages [Senior/Low-Income Housing]	Planning
	H-12	HHFDC/COH	North Kona	Kukuioia and Village 9 Affordable Housing	Pln/Des/Const
County of Maui	M-01	HHFDC	Lahaina	Villages of Lealii Affordable Hsg Projects	Pln/Des/Const
	M-06	COM	Lahaina-Kaanapali	West Maui TOD Corridor Plan	Proj Completed
	M-02	HHFDC/DAGS	Kahului	Kahului Civic Center Mixed-Use Complex	Plan/Design
	M-03	COM	Kahului	Central Maui Transit Hub	Construction
	M-04	DAGS/ HHFDC	Wailuku	Wailuku Courthouse Expansion/Civic Center Complex	Plan/Design
	M-07	HPHA	Wailuku	Kahekili Terrace Redevelopment/Master Plan	Planning
	M-05	COM	Wailuku-Kahului	Kaahumanu Ave Community Corridor Plan	Pln Completed

## 2.4.1 Projects Awarded TOD CIP Planning Grants

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Since the establishment of the TOD Council in 2016, the State Legislature has in most years appropriated CIP funds to OPSD for TOD CIP Planning projects. The TOD CIP Planning funds are used to seed master planning or infrastructure assessment efforts that advance TOD projects near transit nodes – with emphasis on projects that require multi-agency cooperation and collaboration – and address State TOD objectives in the *TOD Strategic Plan*. This year’s awards and the status of planning projects funded in prior years are summarized below.

### ■ **FY 2025 TOD CIP Planning, Statewide [Act 164, SLH 2023]** **\$1,000,000**

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Two TOD project proposals were announced as this year’s selection of TOD CIP funds at the September 2024 TOD Council meeting. The purpose of the funds is to encourage the development of affordable housing, mixed-use, walkable, and compact communities near transit on O’ahu and on the Neighbor Islands. <http://planning.hawaii.gov/lud/state-tod/hawaii-interagency-council-for-transit-oriented-development-meeting-materials/>.

#### ▶ **City and County of Honolulu** **\$700,000**

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##### **Kūwili Station TOD Redevelopment Area Master Planning, Iwilei, O’ahu**

The project includes a master plan for the redevelopment of newly acquired City properties and a 20-acre area surrounding the Kūwili Station. The effort will help turn this area into a walkable, high-density, mixed-use community with expanded access to affordable housing, transit, and multi-modal transportation options. Included is conceptual planning for buildout and green space, an improved street network, and bike and pedestrian connections within the area and with adjoining neighborhoods. The City is also partnering with the O’ahu Metropolitan Planning Organization to design a mobility hub as part of the Kūwili Station.

#### ▶ **County of Kaua’i, Planning Department** **\$300,000**

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##### **Līhu’e Town Transit-Oriented Development (TOD) Infill Development, Līhu’e, Kaua’i**

The project includes the study of financial feasibility and capacity for affordable multifamily housing within Līhu’e Town Core and commercially zoned areas near the Town Core. The effort will result in housing prototypes, recommendations for implementation pathways to encourage infill redevelopment, including regulatory requirements, zoning amendments, and other actions to reduce risk for infill redevelopment projects. This effort will lay the groundwork for addressing infrastructure requirements for infill housing.

### ■ **FY 2024 TOD CIP Planning, Statewide [Act 164, SLH 2023]** **\$1,000,000**

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In 2023, the Legislature appropriated \$2 million in CIP funds to OPSD for statewide planning of TOD projects identified in the *TOD Strategic Plan*; \$1 million was made available in 2023 and another \$1 million was dispersed in 2024. Three TOD project proposals were announced as this year’s selection of TOD CIP funds at the September 2023 TOD Council meeting. The purpose of the funds is to encourage the development of affordable housing, mixed-use, walkable, and compact communities near transit on O’ahu and on the Neighbor Islands. <http://planning.hawaii.gov/lud/state-tod/hawaii-interagency-council-for-transit-oriented-development-meeting-materials/>.



▶ **Hawai‘i Public Housing Authority** **\$250,000**

**Hale Laulima, Pearl City, O‘ahu**

**In-Progress**

The project includes exploring development potential with massing models, initiating environmental review, and assessing brownfields issues as required by HUD. The current facility built in 1981 is underutilized and low-density, with only 36 residential units on a 3.96-acre property. Redeveloping the site will connect and contribute to the surrounding community, and potentially house hundreds of additional residents. It is within walking distance of the Waiawa (Pearl Highlands) Skyline station. HPHA executed a master developer agreement earlier this year with Highridge Costa Development Company (HCDC) for HPHA’s Ka Lei Momi redevelopment effort, which includes Hale Laulima.

▶ **Hawai‘i Public Housing Authority** **\$350,000**

**Hale Nana Kai O Kea Redevelopment, Kapa‘a, Kaua‘i**

**In-Progress**

The project includes planning for redevelopment of the site to increase the number of residential units and integrate it within the Samuel Mahelona Memorial Hospital’s (SMMH) Master Plan Update and Programmatic EIS. The 3.47-acre parcel is underutilized and has only 38 units. Redevelopment will help meet the housing shortage and support the SMMH Master Plan vision for a vibrant community. The funds will help HPHA with conducting massing studies, infrastructure assessment, and environmental reviews.

▶ **County of Hawai‘i, Office of Housing and Community Development** **\$400,000**

**Kukuiola Village 9 Permanent Supportive Housing, Kailua-Kona, Hawai‘i**

**In-Progress**

The project includes planning for up to 160 permanent supportive housing units and support facilities. These rentals will serve as permanent housing for formerly homeless and those earning 60% or below the area median income (AMI). This project is Phase 3 of an overall project, and includes working on topography, site planning, concept layouts, architectural designs, unit count, and a possible traffic impact report. The 10.59-acre site is next to an existing sewer line and roads are in place. It also has water, electrical, and telephone available. The project lies within the TOD Infrastructure Financing Study’s Pilot Area. It is in close proximity to the West Hawai‘i Civic Center and near a major transit line.

■ **FY 2023 TOD CIP Planning, Statewide [Act 248, SLH 2022]** **\$2,000,000**

In 2022, the Legislature appropriated \$2 million in CIP funds to OPSD for statewide planning of TOD projects identified in the *TOD Strategic Plan*. Proposals requesting a total of \$2.432 million were submitted. Five projects were awarded funding: two State projects and three county projects. More information on the grants awarded is provided under the September 9, 2022 meeting at

<http://planning.hawaii.gov/lud/state-tod/hawaii-interagency-council-for-transit-oriented-development-meeting-materials/>.

▶ **Hawai‘i Public Housing Authority** **\$350,000**

**Kamehameha and Ka‘ahumanu Homes Redevelopment, Kalihi, O‘ahu**

**In-Progress**

The project includes planning for the proposed redevelopment of 23.4 acres of aging public housing into a mixed-use, mixed-income community—a priority for HPHA. It will increase the number of affordable housing units within walking distance of two planned rail stations. Proximity to DOE school facilities provides an opportunity for collaboration around teacher

and workforce housing. The project lies in an Urban Honolulu Opportunity Zone census tract. HPHA executed a master developer agreement earlier this year with Highridge Costa Development Company (HCDC) for HPHA's Ka Lei Momi redevelopment effort, which includes these sites.

▶ **University of Hawai'i System** **\$250,000**

**UH West O'ahu University District (Non-Campus) Lands Feasibility, East Kapolei, O'ahu** **In-Progress**

The project will identify and evaluate revenue generating potential of development of the UH West O'ahu (UHWO) University District Lands to support the University's mission and guide potential TOD development to achieve a compact, mixed-use, walkable transit-oriented community near schools, jobs, and services. This is a priority TOD project for UH and the State with two rail stations adjacent to the UHWO campus and its potential to catalyze TOD in the East Kapolei area as envisioned in the City's East Kapolei Neighborhood TOD Plan.

▶ **County of Hawai'i / State Department of Accounting and General Services** **\$400,000**

**Kailua-Kona Transit Hub Planning, Kailua-Kona, Hawai'i** **In-Progress**

The project includes site selection, conceptual master planning, and preparation of an Environmental Assessment (EA) for the County's Kailua-Kona Transit Hub, including the potential co-location of a State office facility to consolidate leased office space in the Kona area. The project will provide essential transit infrastructure in support of TOD in the Kailua-Kona region and supports implementation of the County's move to a hub-and-spoke transit system. The potential for co-location of a State civic center will improve access to services for clients and employees and support increased ridership on County transit in the region. Portions of the study area lie within Kailua-Kona Opportunity Zone census tracts.

▶ **County of Kaua'i Housing Agency** **\$425,000**

**Waimea 400 Affordable Housing Master Plan, Waimea, Kaua'i** **In-Progress**

The project includes master planning, predevelopment engineering, and technical studies for approximately 200 units of affordable housing on 30 acres of County-owned land within the County's Waimea 400 project area. The Waimea 400 lands are adjacent to Waimea Town, State schools, and health care facilities. The award enables County implementation of its completed Waimea 400 Plan and supports delivery of housing on County lands adjacent to State facilities served by County transit. The housing master plan will complement the creation of a walkable, pedestrian-oriented neighborhood near recreational, agricultural, and open space in the Waimea 400 Plan.

▶ **County of Kaua'i Housing Agency** **\$375,000**

**Kilauea Town Affordable Housing Master Plan, Kilauea, Kaua'i** **In-Progress**

The project includes master planning, predevelopment engineering, and technical studies for a master planned residential community adjacent to Kilauea Town Center, which will provide approximately 200 affordable housing units on approximately 48 acres. The proposed housing aligns with County plans for Kilauea Town and furthers County efforts to provide housing outside of areas impacted by storm-related flooding and road closures. The County has CBDG-Disaster Recovery funds for a portion of project costs.

■ **FY 2022 TOD CIP Planning, Statewide [Act 88, SLH 2021, Sec 26.K.2]** **\$2,000,000**

In 2021, the Legislature appropriated \$2 million in CIP funds to OPSD for statewide planning of TOD projects identified in the *TOD Strategic Plan*. Six proposals requesting a total of \$2.675 million were submitted. Each proposal made a compelling case for funding as each project was at a critical juncture where funding now would contribute significantly to project success. All six projects were awarded funding at a reduced level.

▶ **County of Kaua'i** **\$350,000**

**Lihu'e Civic Center Redevelopment Plan, Lihu'e, Kaua'i** **In-Progress**

The project includes preparing a conceptual redevelopment plan for the Lihu'e Civic Center to support mixed-use development, including housing, commercial uses, and other services such as a childcare facility, and preparation of a phasing plan for redevelopment of the property. The project supports County plans to revitalize the Lihu'e Town Core to provide much-needed affordable housing and create a civic and commercial anchor for Lihu'e Town and gathering place for the island. Conceptual schemes and a high-level redevelopment strategy will support County efforts to attract development partners. The project will be coordinated with the FY21 TOD CIP-funded Lihu'e Civic Center mobility planning project to better serve State TOD projects and facilities in the town core.

▶ **UH-West O'ahu** **\$125,000**

**UHWO Non-Campus Lands Urban Design Plan (UDP) Update, East Kapolei, O'ahu** **In-Progress**

Funds are being used to update the UHWO Non-Campus Lands UDP (November 2011) for consistency with the City's East Kapolei Neighborhood TOD special district and zoning maps for the station areas in East Kapolei, O'ahu. Non-Campus Lands include two key TOD areas surrounding the UHWO (Keone'ae) and East Kapolei (Kualaka'i) transit stations. The revised plan will streamline the City permit review process and provide a vision for future development of the Non-Campus Lands as well as design principles/guidelines to ensure development is compatible with the campus and supports TOD densities in the City's adopted East Kapolei TOD Plan.

▶ **Department of Land and Natural Resources** **\$300,000**

**East Kapolei TOD Conceptual Urban Design Plan, East Kapolei, O'ahu** **In-Progress**

The project includes the preparation of a conceptual urban design plan for two DLNR East Kapolei parcels in East Kapolei, O'ahu: one adjacent to the Keone'ae Rail Station; the second situated mauka and east of the Kualaka'i Parkway and Farrington Highway intersection; and third parcel along Farrington Highway and west of Kualaka'i Parkway. The urban design plan will include developing alternative site plan layouts, architectural design themes and guidelines, architectural renderings, circulation plan, and public realm improvements to provide walkable, livable mixed-use development in proximity to the rail stations.

▶ **Hawai'i Public Housing Authority** **\$225,000**

**Kahekili Terrace Housing Master Plan, Kahului, Maui** **In-Progress**

The project involves master planning and preparation of an EA for the redevelopment of a 3.9-acre portion of HPHA's Kahekili Terrace in Wailuku, Maui, to provide additional density to increase the number of affordable, work force, and/or market rate housing units on the property. The project will further support and enhance the Wailuku Redevelopment Area and incorporate elements to enable safe access for pedestrians, bicyclist, motorist, and transit

users within the community. HPHA executed a master developer agreement earlier this year with Highridge Costa Development Company (HCDC) for HPHA's Ka Lei Momi redevelopment effort, which includes this site.

▶ **Hawai'i Public Housing Authority** **\$400,000**

**Pu'uwai Momi Housing Redevelopment Master Plan, Hālawā, Hawai'i** **In-Progress**

The project includes master planning for the redevelopment of Pu'uwai Momi Housing situated adjacent to the Hālawā Rail Station and next to the Aloha Stadium redevelopment area. The master plan will articulate the potential for redevelopment of Pu'uwai Momi into a vibrant, mixed-use community that integrates affordable housing into the urban fabric envisioned in the City's Hālawā Area TOD Plan. HPHA executed a master developer agreement earlier this year with Highridge Costa Development Company (HCDC) for HPHA's Ka Lei Momi redevelopment effort, which includes this site.

▶ **County of Hawai'i / Hawai'i State Public Library System (HSPLS)** **\$100,000**

**Pāhoa Transit Hub Site Selection and Planning, Pāhoa, Hawai'i** **In-Progress**

The TOD CIP Planning grant is funding planning studies for site selection, conceptual site design, and preparation of an EA for the County Pāhoa Transit Hub in Pāhoa Town to support a hub-and-spoke fixed route transit system for the County. The project is important to improving transportation options and access for residents of the lower Puna area, one of the County's fastest growing areas. In 2022, HSPLS contributed \$350,000 in CIP planning funds to explore and plan for the potential co-location of a new Pāhoa Public Library with the Transit Hub.

▶ **Office of Planning and Sustainable Development** **\$700,000**

**TOD Infrastructure Financing & Delivery Strategies for TOD Pilot Areas** **Completed**

A budget proviso in Section 39 of Act 88, SLH 2021 set aside funds from the FY22 State TOD CIP Planning Fund appropriation to conduct a TOD infrastructure financing study to identify alternative financing tools and cost recovery mechanisms to recapture upfront State infrastructure investments; examine specific financing, cost recovery, and value capture tools for a TOD Pilot Area in each county; analyze barriers and strategies to implement tools for TOD; and develop recommendations, including any legislation, to implement tools for each TOD Pilot Area. The TOD pilot areas for the study were: Iwilei-Kapālāma on O'ahu; Līhu'e Town core on Kaua'i; Ka'ahumanu Community Corridor for Maui; and a segment of the Ane Keohokalole corridor for Hawai'i. All face infrastructure deficits that will require coordinated public and private investment to achieve the TOD vision for each area.

A multidisciplinary consultant team led by HR&A Advisors issued a final summary strategy in December 2023 and assisted with stakeholder consultations through August 2024. The recommendations contained in the Strategy were presented to the TOD Council, Hawai'i Business Roundtable, Hawai'i Congress of Planning Officials, and other organizations. The findings were the basis for 2024 legislation introduced to create new funding and financing for infrastructure as well as the infrastructure-focus for the State's PRO Housing grant application to HUD. The Strategy findings and recommendations are highlighted on page \_\_\_ of this report. The full Strategy Report is posted at

[https://files.hawaii.gov/dbedt/op/lud/Reports/TOD\\_InfraFin\\_Strategy\\_20231221.pdf](https://files.hawaii.gov/dbedt/op/lud/Reports/TOD_InfraFin_Strategy_20231221.pdf).

■ **FY 2021 TOD CIP Planning, Statewide [Act 6, SLH 2020, Sec 4.K.1]** **\$1,500,000**

In 2020, the Legislature appropriated \$1.5 million in CIP funds to OPSD for statewide planning of TOD projects identified in the *TOD Strategic Plan*. This was the first year funds could be directed to Neighbor Island TOD projects, since previous years' funding had been limited to O'ahu.

Nine proposals requesting a total of \$3.43 million submitted. Four projects were selected for funding and project status is summarized below. More information on the proposals submitted and the four projects funded is posted under the October 13, 2020 meeting at <http://planning.hawaii.gov/lud/state-tod/hawaii-interagency-council-for-transit-oriented-development-meeting-materials/>.

▶ **Hawai'i Public Housing Authority / County of Hawai'i** **\$550,000**

**Lanakila Homes/County of Hawai'i Multi-Modal Transportation Project, Hilo, Hawai'i** **In-Progress**

The project is a joint State/County effort involving planning and design for development of low-income and affordable housing units on an 8-acre area of HPHA's Lanakila Homes in Hilo, Hawai'i—incorporating the County of Hawai'i's Complete Streets and Multi-Modal Transportation elements in site planning and design to enhance "first and last mile" walking and bicycling opportunities and facilitate access to existing and planned bus facilities within Hilo town. HDR was selected as the prime consultant, and the project kicked off in October 2022. HPHA executed a master developer agreement earlier this year with Highridge Costa Development Company (HCDC) for HPHA's Ka Lei Momi redevelopment effort, which includes this site.

▶ **County of Maui** **\$500,000**

**West Maui TOD Corridor Plan, Lahaina-Kā'anapali, Maui** **Completed**

The project entailed planning and development of an implementation strategy for a transit corridor running along Honoapi'ilani Highway from the Lāhaina Recreation Complex to Whalers Village in the Kā'anapali Resort area. Nelson Nygaard was the prime consultant. Due to the West Maui wildfires, the final report was adjusted to include recommendations for using the plan's principles and recommendations to support recovery efforts and long-term rebuilding.

▶ **County of Kaua'i** **\$250,000**

**Līhu'e Civic Center Mobility Plan, Līhu'e, Kaua'i** **Completed**

The project involved the preparation of a Civic Center Mobility Site Plan and development of parking management strategies for the Līhu'e Civic Center campus to support County TOD redevelopment at the Civic Center site and TOD on adjacent State properties. A consultant team led by Nelson Nygaard conducted site assessments and design charrettes for conceptual planning. The final plan was presented at the November 17, 2023 TOD Council meeting.

▶ **Hawai'i State Public Library System / Dept of Accounting and General Services** **\$200,000**

**Integrated Kahului Library/Kahului Mixed-Use Civic Center Complex, Kahului, Maui** **Completed**

This planning study identified programming needs for a new Kahului Public Library and examined possible integration of the library into the DAGS Mixed-Use Civic Center Complex site in Kahului, Maui. A project team led by hi-arch.y llp completed the development program, analyzed case precedents, and drafted preliminary conceptual site plans for the

mixed-use library/civic center facility. DAGS is proceeding with design for the civic center facility to include ground-level space for new HSPLS community services.

■ **FY 2018 TOD CIP Planning, O‘ahu [Act 49, SLH 2017, Sec 30.K.3]** **\$1,000,000**

▶ **Office of Planning and Sustainable Development** **\$1,000,000**

**State TOD Planning and Implementation Plan, Island of O‘ahu** **Completed**

The CIP TOD appropriation was used for master planning, site planning, and infrastructure assessments for State agency transit-oriented development projects near proposed rail stations in the State TOD priority areas of East Kapolei, Hālawala-Stadium, and Iwilei-Kapālama. The final report was completed in July 2020. Findings on the anticipated land use scenarios for each priority area, compiled infrastructure improvements and costs for infrastructure necessary to support projected buildout, and a financial analysis of various financing options for the necessary infrastructure improvements are contained in the final report and subconsultant reports posted at the TOD Council website:

[https://files.hawaii.gov/dbedt/op/lud/20200811\\_StateTODProjectReport/State-TOD-PIP-Proj\\_WebReport-w-Appendices\\_202007.pdf](https://files.hawaii.gov/dbedt/op/lud/20200811_StateTODProjectReport/State-TOD-PIP-Proj_WebReport-w-Appendices_202007.pdf).

■ **FY 2018 Other TOD Project Appropriations**

▶ **DAGS / Stadium Authority (SA)** **\$10,000,000**

**New Aloha Stadium Entertainment District Project (NASED)** **In-Progress**

DAGS/Stadium Authority received \$10 million for master planning and preparation of a programmatic EIS for the approximately 100-acre NASED Project, which has a Stadium Project component and Real Estate Project component. Halawa District Partners was approved in October 2024 as the preferred offeror. This commences an 8-month, third phase of the procurement process called “diligence and discussion” phase. They are on track to execute development agreements by June 2025. The Final Programmatic EIS was accepted in September 2022. To follow the progress of the Aloha Stadium Redevelopment project, visit the NASED website, <https://nased.hawaii.gov/>.

▶ **DAGS / University of Hawai‘i Community Design Center (UHCDC)** **\$250,000**

**Līhu‘e Civic Center TOD Proof of Concept Project** **In-Progress**

The Legislature appropriated \$250,000 to DAGS for UH CDC to conduct a TOD Proof of Concept study for a key community site. DAGS selected the Līhu‘e Civic Center area to examine the TOD potential of the State-owned former Līhu‘e Police Station site. The project work will incorporate and complement the County’s Līhu‘e Town Center revitalization efforts. Stakeholder engagement and work on preliminary concepts is proceeding.

▶ **OPSD / University of Hawai‘i Community Design Center** **\$250,000**

**Waipahu TOD Proof of Concept Project** **Completed**

The course work and directed research by the UH CDC project team was completed and presented to the TOD Council in January 2018. The work provides a framework for integrative analysis and planning for the development of all State parcels within the ½-mile radius of the Waipahu transit station.

■ **FY 2017 TOD CIP, O‘ahu** [Act 124, SLH 2016, Sec 5.K.1.01] **\$500,000**

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In 2016, the Legislature appropriated \$500,000 in CIP funds to OPSD for FY 2017 to undertake plans for site master planning for State lands in TOD areas on O‘ahu. Project status is summarized below.

▶ **DAGS / Stadium Authority** **\$200,000**

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**Aloha Stadium Redevelopment and Ancillary Development: Pu‘uwai Momi Scoping** **In-Progress**

The grant funds were bundled into the DAGS/Stadium consultant contract for the New Aloha Stadium Entertainment District (NASED) Project, and later re-programmed to develop preliminary plan schemes and a market study for redevelopment of HPHA’s Pu‘uwai Momi Homes site, as well as alternatives that could distribute the total anticipated HPHA residential units throughout the three-phased NASED project area. This was done to facilitate integration of the overall redevelopment scheme for State lands in the Halawa rail station area. Alternative conceptual HPHA housing schemes have been prepared and a highest-and-best-use market study of the Pu‘uwai Momi parcel completed. Additional studies related to archaeological, historic, and cultural resources were completed.

▶ **Department of Land and Natural Resources** **\$200,000**

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**East Kapolei Lands—Strategic Master Plan** **Completed**

A consultant team conducted an initial market study and conceptual strategic plan for four DLNR parcels situated adjacent to UH West O‘ahu, DR Horton Ho‘opili lands, and the Keone‘ae (UH West O‘ahu) transit station. The funds supplemented the conceptual strategic plan to incorporate TOD elements. The strategic plan is the foundation for the preparation of an EIS for the two TOD parcels and informs the urban design plan to be prepared with funding from the DLNR FY22 TOD CIP planning grant. The EIS and urban design work are underway, and the draft urban design concepts were presented to the TOD Council at its September 2023 meeting.

▶ **UH Honolulu Community College (HCC)** **\$100,000**

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**UH HCC Campus—TOD Study** **Completed**

The report, which assessed potential TOD options in conjunction with the future transit station planned on the HCC campus, was completed in 2019 and presented to the UH Board of Regents. A presentation on the HCC TOD study findings was made to the TOD Council at its June 2019 meeting.

## 2.4.2 Presentations and Project Updates

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■ **West Maui Community Corridor Project**

Pam Eaton, Maui Metropolitan Planning Organization (Maui MPO)

The West Maui Community Corridor Project culminated in a report, *Framework for a Resilient Future*, which provides an important starting point for Maui’s recovery and rebuilding efforts. A consultant team led by Nelson\Nygaard completed conceptual TOD schemes based on the West Maui Community Plan, including an additional study on workforce housing needs and a market analysis for commercial development. They engaged the community in the TOD planning effort over the course of 12 months before the devastating August 2023 Lahaina fire. The West Maui Community Corridor stretches from Prison Street in Lahaina to Whalers

Village at Kā'anapali. It includes the West Maui Greenway, which is now very important as a possible emergency access route for surrounding neighborhoods.

The community identified transit hubs and connectivity to public transit, jobs, and affordable housing as needs. Pioneer Mill, Lahaina Civic Center, and Cannery Mall/Gateway Center were identified as good candidates for a transit hub in West Maui to serve both tourists and locals. Lahaina Cannery Mall and Gateway Center served as "hubs" after the fires. The study also identified locations for Complete Streets and bus routes, as well as green spaces, commercial areas, and other land uses that could support recovery efforts.

The Report presented recommendations that would support the creation of more walkable, transit-rich neighborhoods in the rebuilding of Lahaina. The report is available at the following website, <https://www.mauimpo.org/west-maui-framework-resilient-future>.

The project was funded by the Office of Planning and Sustainable Development's TOD CIP Planning Grant. The video recording of her presentation can be viewed here starting at 48 minutes 20 seconds: [https://files.hawaii.gov/dbedt/op/lud/20240419TODMtg/GMT20240419-193431\\_VideoRecording\\_3840x2160.mp4](https://files.hawaii.gov/dbedt/op/lud/20240419TODMtg/GMT20240419-193431_VideoRecording_3840x2160.mp4)

■ **Hawai'i Housing Finance and Development Corporation (HHFDC) Kahului Civic Center Mixed-Use; Housing Component**

Quester Lau, EAH Housing

The presentation provided an update of the affordable housing component of the Kahului Civic Center Mixed-Use Complex, a State TOD Strategic Plan project. HHFDC selected EAH Housing to build 303 units of affordable rental housing for residents at 60 percent AMI or below. The one, two, and three-bedroom units will be ready for occupancy in 2029. The project will be financed by Low-Income Housing Tax Credits, solar tax credits, Hula Mae Multi-Family bonds, the Rental Housing Revolving Fund, and the Maui Affordable Housing Fund.

In addition to being adjacent to the civic center complex, amenities include residential parking, bicycle stalls, EV charging stations, ride sharing, onsite laundry facilities, and community and fitness rooms. The buildings will be LEED Certified. Solar water heating and natural ventilation are expected to reduce monthly electricity costs.

The civic center complex will be designed and built separately by the Department of Accounting and General Services (DAGS). When completed, the Kahului Civic Center will feature affordable housing, state offices, library facilities, and an adult school, directly adjacent to the Maui County transit hub. The surrounding area is very accessible, with a grocery store, medical offices, library, and restaurants including Ka'ahumanu Shopping Center within a 10-minute walk. The project was also highlighted for redevelopment in the County of Maui's Ka'ahumanu Avenue Community Corridor Plan published in 2022.

Slides for the presentation are included in a PDF posted at:

[https://files.hawaii.gov/dbedt/op/lud/20240216%20TOD%20Mtg/05-20240216\\_KahuluiCivicCenterTODPresentation\\_ks\\_01.pdf](https://files.hawaii.gov/dbedt/op/lud/20240216%20TOD%20Mtg/05-20240216_KahuluiCivicCenterTODPresentation_ks_01.pdf)



■ **Līhu'e Civic Center Redevelopment Feasibility Study**

Jodi Higuchi Sayegusa, County of Kaua'i; Stefan Pellegrini, Opticos Design, Inc.

The County of Kaua'i completed its Līhu'e Civic Center Feasibility Study, which developed multifamily housing prototypes and analyzed feasibility of siting multifamily housing at the County's Līhu'e Civic Center property. Led by Stefan Pellegrini of Opticos Design, the initiative explored ways to leverage existing land and reduce barriers to redevelopment within the town core. By evaluating potential residential developments on current Civic Center parking, the study aimed to integrate housing in a specific location and support transit-oriented development (TOD) while maintaining Līhu'e's historic character.



Six building prototypes, including townhouses and courtyard buildings, were considered for cost-efficient workforce housing without subsidies. Four prototypes proved viable in the Opticos model. The project site is able to absorb 500 middle-income affordable housing units over five years. To enhance site feasibility and increase density, it was recommended that the developer relocate parking to nearby lots.

The study examined key challenges such as sewer capacity, stormwater management, and infrastructure needs. Sustainable solutions were emphasized such as water recycling and renewable energy. Stakeholder input highlighted the importance of maximizing housing density, preserving architectural sensitivity, and updating urban design plans for modern housing strategies.

The project aligns with Kaua'i's long-term urban and housing goals, offering an opportunity for future redevelopment phases.

The project was funded by an Office of Planning and Sustainable Development TOD CIP Planning Grant. Slides for the presentation are included in a PDF posted at: [https://files.hawaii.gov/dbedt/op/lud/20241115TODMtg/06-KLC\\_Final%20Presentation\\_2024\\_1113.pdf](https://files.hawaii.gov/dbedt/op/lud/20241115TODMtg/06-KLC_Final%20Presentation_2024_1113.pdf)

■ **Kahului Civic Center Mixed-Use Complex**

Joe Earing, Department of Accounting and General Services; Marc Takamori, Maui County Department of Transportation; Albert Palmer, Hawaii Housing Finance and Development Corporation; Dan Sullivan, AHL

The Department of Accounting and General Services (DAGS) is moving into the design phase for the Kahului Mixed-Use Civic Center, which will house State offices, Department of Education Adult School facilities, and the Hawaii Public Library System’s first library innovation center on Maui. The new Civic Center will share this TOD project site in Kahului, Maui, with a Hawaii Housing Finance and Development Corporation (HHFDC) affordable housing project, and the County of Maui’s Kahului Transit Center—demonstrating the value of co-locating housing and civic facilities with transit.



The library innovation center will be located on the first floor and will feature 12,650 square feet of meeting rooms, makerspaces, and a kitchen for community cooking classes. The second floor will house the adult school, while State offices will occupy parts of the first, second, third, and fourth floors. The building is expected to have sustainability features such as solar panels and reflective glass for energy efficiency.

HHFDC selected EAH Housing to develop the housing project located on Ka’ahumanu Avenue, which is currently in the master planning phase. A Special Management Area (SMA) application will be submitted this year followed by a 201H application. Construction is projected to begin in 2027 with a completion date of 2029.

The County’s Kahului Transit Center, located off Vevau Street, opened in November 2024. It is adjacent to the civic center location, providing residents and bus riders ready access to and from the nearby Queen Ka’ahumanu Shopping Center and the new library innovation center, Adult School, and State offices when built. The facility offers modern amenities such as a ticketing office, covered seating areas, bike racks, bathrooms, and on-site security. In the future, they have plans to install electric bus charging stations and public Wi-Fi.

Slides for the presentation are included in a PDF posted at:

<https://files.hawaii.gov/dbedt/op/lud/20241115TODMtg/07b-TODPresentation1DAGS%20HSPLSAHL.pdf>

Maui County Kahului Transit Center slides:

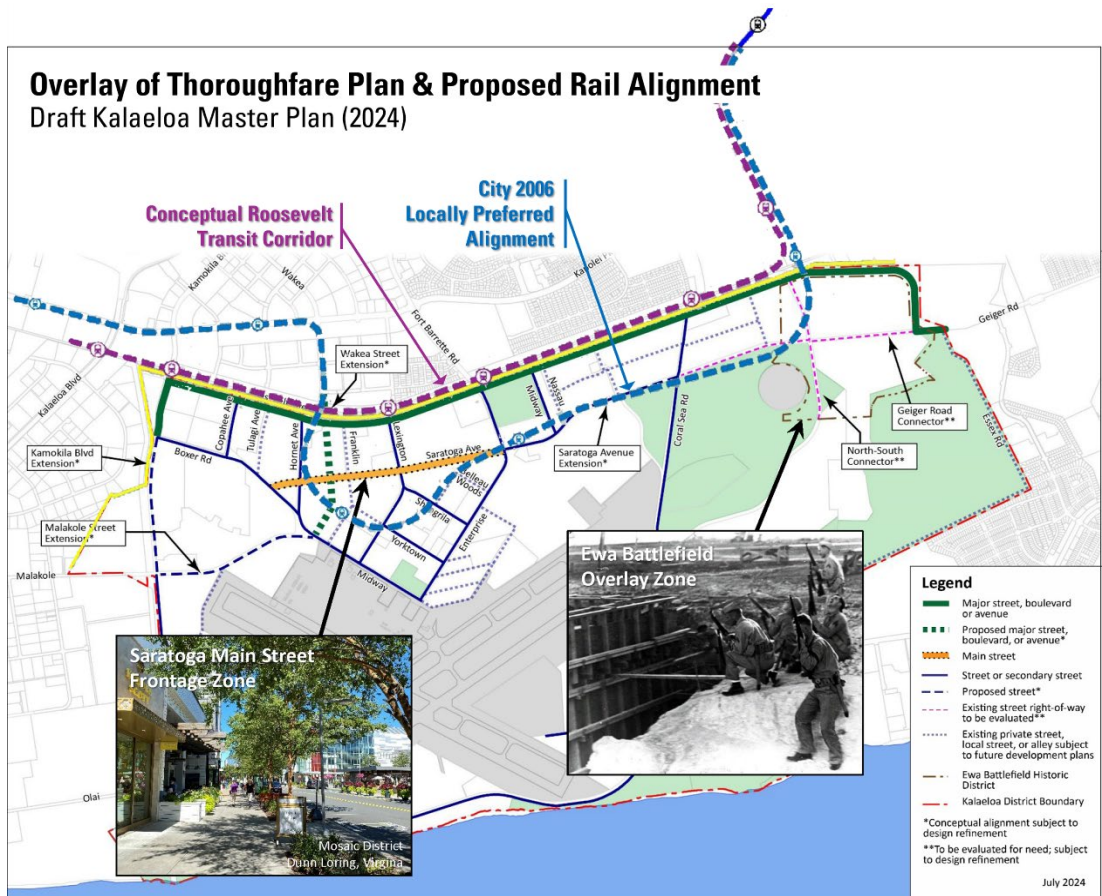
[https://files.hawaii.gov/dbedt/op/lud/20241115TODMtg/07a-KahuluiTransitCenterPresentation2024\\_11r.pdf](https://files.hawaii.gov/dbedt/op/lud/20241115TODMtg/07a-KahuluiTransitCenterPresentation2024_11r.pdf)

### 2.4.3 Other Presentations and TOD Initiatives

■ **Presentation: Kalaeloa Master Plan Update**  
 Ryan Tam, Hawai'i Community Development Authority

The Hawai'i Community Development Authority (HCDA) published a draft revised Kalaeloa Master Plan, which will guide the transformation of the former Barbers Point Naval Air Station into a sustainable and socio-economically balanced community with improved housing, connectivity, open spaces, and economic opportunities. The plan emphasizes the creation of a "20-minute city," where daily needs, employment, and essential services are within a 20-minute walk, bike ride, or transit journey. Additionally, the plan prioritizes infrastructure to support industries and recognize the cultural and historical assets in the area.

A key element of the draft Master Plan is an alternate alignment to the City's locally preferred rail extension proposed in 2006 that would route rail along Saratoga Avenue. The alternate alignment has been incorporated in the revised Master Plan to foster discussion with the City and other stakeholders on the opportunity and benefits of shifting the rail corridor mauka to Roosevelt Avenue with additional density planned in this corridor to support rail. The alternate alignment would be complemented by improved alignments with road extensions and connections to Kapolei and Campbell Industrial Park, as well as enable Saratoga Avenue to be redeveloped into a walkable, main street. HCDA intends for the revised Master Plan to also improve access to the recreational beaches and facilities in Kalaeloa and facilitate the preservation of historic sites, such as the area first attacked by the 1941 attack on Pearl



Harbor. HCDA will be reviewing public comments and will act on the Master Plan and implementing rules in early 2025.

Presentation slides are posted at <https://files.hawaii.gov/dbedt/op/lud/20240920TODMtg/o8-KalaeloaMasterPlanTODCouncil240919.pdf>.

## ■ TOD INITIATIVES

**State Facility Mixed-Use Projects.** OPSD TOD staff continue to work with the HSPLS, DAGS, and the County of Hawai'i on exploring the potential for co-locating and integrating public library facilities in projects with other uses, such as affordable housing, other government services, and commercial and other community uses—especially in proximity to transit hubs. Over the last decade, public library systems across the U.S. have been reimagining and co-locating their libraries to provide housing and other public services and serve as community hubs.

The HSPLS Kahului Library Study funded in 2020 and the Pāhoā Public Library/Pāhoā Transit Hub Site Selection and Planning project funded in 2021 were the first efforts to determine how this integration could be done in Hawai'i. Similar opportunities were explored in the master planning underway at the Samuel Mahelona Memorial Hospital TOD project site at Kapa'a, Kaua'i. All three projects have made significant headway. The Kahului Civic Center area will feature affordable housing, state offices, a library, and an adult school; \$9 million have been appropriated for design of the Civic Center and permitting is underway. The Pāhoā library, which will share a location with a child care center and transit hub, has also received funds for design and construction. The master planning for the Samuel Mahelona Memorial Hospital, which includes a library, Home and Community-Based Services for youths and adults, an adult day care, park, and housing, among other uses, is wrapping up its TOD master planning and will begin drafting the Programmatic Environmental Impact Statement in early 2025.

**TOD Infrastructure Financing and Delivery.** The TOD Infrastructure Financing and Delivery Strategy project was undertaken as part of OPSD's ongoing efforts to identify and address barriers to infrastructure funding that are hindering TOD in general and in individual TOD pilot areas. HR&A Advisors, consultant to the TOD Infrastructure Financing project, presented findings and recommendations to the TOD Council in January 2024. The study examined how various financial tools could be used to bring infrastructure online more efficiently and quickly. It investigated alternative financing, cost recovery mechanisms, value capture tools, barriers to and strategies for implementation, and policy recommendations for four TOD pilot areas – one in each county – statewide.

The four TOD areas have a cumulative housing capacity



of over 34,000 units with a combined value of \$7.2 billion for known TOD and housing projects. The study found that each area requires infrastructure to unlock this housing potential. Key recommendations from the Strategy include:

- Coordinate State and county infrastructure plans and fund State and county capital improvement programs to get infrastructure built;
- Revise county policies to enhance existing tools and improve market conditions;
- Authorize tax increment financing;
- Revise the conveyance tax to set aside funds for infrastructure investments;
- Allow the counties to collect general excise taxes surcharges indefinitely and allow them to add on a surcharge on motor vehicles rentals;
- Establish a TOD infrastructure revolving fund or bank for stable funding; and
- Encourage the use of community facilities districts or other district-based tools to allow value capture to fund or finance infrastructure improvements.

The Strategy findings and recommendations serve as the basis for (a) legislation introduced to create new funding and financing sources for infrastructure, (b) the preparation of regional infrastructure master plans (such as the East Kapolei Infrastructure Implementation Master Plan), and (c) the State's PRO Housing grant application and the infrastructure-related projects to be undertaken in the coming years with PRO Housing grant funds.

The full Strategy report is posted at

[https://files.hawaii.gov/dbedt/op/lud/Reports/TOD\\_InfraFin\\_Strategy\\_20231221.pdf](https://files.hawaii.gov/dbedt/op/lud/Reports/TOD_InfraFin_Strategy_20231221.pdf). The Executive Summary is included as **Appendix A** of this report. A handout summarizing the report is posted at

<https://files.hawaii.gov/dbedt/op/lud/Reports/TODInfrastructureFinancehandout02-06-24.pdf>.

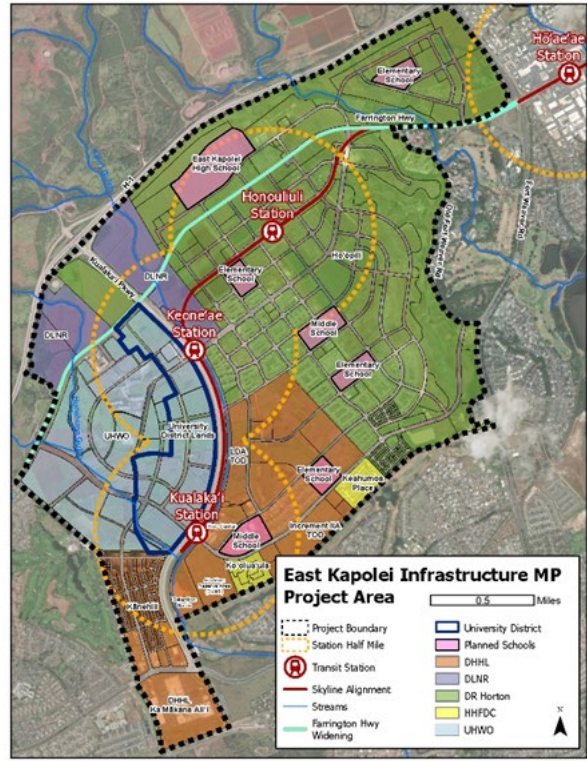
The final presentation slides are posted at

[https://files.hawaii.gov/dbedt/op/lud/20240119%20TOD%20Mtg/04-20240119\\_TOD%20InfraFinSlides%20\\_TOD%20Council.pdf](https://files.hawaii.gov/dbedt/op/lud/20240119%20TOD%20Mtg/04-20240119_TOD%20InfraFinSlides%20_TOD%20Council.pdf).

### **East Kapolei Infrastructure Implementation Master Plan.**

The OPSD and the HCDA kicked off the East Kapolei Infrastructure Implementation Master Plan Project (EKMP) in 2024, with Jacobs Engineering Group leading the consultant team. The State Legislature appropriated funds for the study (Act 164, SLH 2023) to catalyze TOD development on public lands in East Kapolei. The State of Hawai'i Strategic Plan for Transit-Oriented Development identified East Kapolei as one of three priority areas to leverage State investments along the Skyline rail corridor. Approximately 1,000 acres of State land near East Kapolei's three Skyline stations are owned by the Department of Land and Natural Resources, the Department of Hawaiian Homelands, and the University of Hawai'i West O'ahu.

Most of these State lands in East Kapolei are undeveloped and have limited infrastructure to serve the envisioned TOD buildout. Similar to recent infrastructure master planning in Iwilei-Kapālama, the EKMP will identify and prioritize regional wastewater, water, drainage, electrical, telecom, and transportation improvements required to maximize housing and development potential. The project will also identify costs, sequencing, funding and financing sources, and delivery mechanisms for the most cost-effective infrastructure investments. The existing site and infrastructure assessment have been completed. The development of a build-out scenario, estimating utility demands, and identifying region-wide infrastructure will begin in early 2025. The project should be completed by June 2026.



**City and State Collaboration on Kūwili Station Area Redevelopment.** OPSD TOD, HHFDC, and Office of the Governor staff worked with the City's Housing Office and its Planning Department to support City efforts to redevelop City parcels in Iwilei and transform the Kūwili Skyline Station Area into a vibrant transit-oriented neighborhood. OPSD staff assisted the Governor's Office in preparing a grant application for \$2 million in Federal Transit Administration (FTA) TOD Pilot Planning grant funds to conduct master planning for the redevelopment of the Kūwili Station Area and the City parcels. The FTA TOD Planning grant will allow the City and State to refine and advance current planning efforts to create a coordinated TOD development program in the Iwilei-Kapālama subcorridor that will feature:

- Production of higher density affordable housing in the Kūwili Station Area;
- Multimodal connectivity pathways within the immediate area and the broader community that promotes increased pedestrian and bicycle traffic and convenient access to transit;
- Climate resiliency, including greenhouse gas emissions reduction, adaptation to sea level rise and flooding, and heat abatement; and

- Strategies to promote retention of businesses in the area and avoid displacement of both residents and businesses in the redevelopment process.

The application was submitted in July, and City announced in November they were awarded the requested amount as part of FTA’s 2025 Pilot Program for TOD Planning. The FTA grant application led to the City’s submission for and award of FY 2025 State TOD CIP Planning funds for the master planning project.

In August, OPSD TOD, HHFDC, DAGS, HPHA, HCDA, and Department of Health staff participated in a City-sponsored planning workshop for the Kūwili redevelopment area, which was conducted by the non-profit Center for Creative Land Recycling (CCLR), the U.S. EPA Region 9 contractor for brownfields technical assistance. The workshop convened City and State agencies to gather input, create a shared understanding of planning efforts underway in the Iwilei area, and identify critical barriers to redevelopment as envisioned in the City Downtown TOD Plan. Participants identified four major barriers that need to be addressed to realize the area’s TOD potential: 1) constraints on utility infrastructure; agency capacity and need for information and coordination; 2) flood hazard, poor drainage, and sea level rise; and 3) uncertain, but likely significant, levels of contamination in the area. The workshop will inform the City’s broader comprehensive master planning efforts to be initiated with funding from its FY25 TOD CIP Planning grant and FTA TOD Pilot Planning grant.

## 2.5 Review of TOD-Related CIP Requests to the 2024 State Legislature

*(5) 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. [HRS § 226-63(b)(5)]*

The TOD Council reviewed the following projects for CIP funding by the Governor and Legislature. OPSD and HHFDC briefed key legislators on the requests for CIP funding and transmitted recommendations on the funding requests to the Legislature in February 2024.

- 1. PSD900–O’ahu Community Correctional Center (OCCC), O’ahu–FY2025, \$10M [Not Funded]**  
Request for Proposals for the solicitation and delivery of the new OCCC facility. Plans, land acquisition, design, and construction for professional services to plan, develop, facilitate, and assist the State on the solicitation, procurement, and project delivery for the new OCCC.
- 2. BED160–Dwelling Unit Revolving Fund Infusion, Statewide (DURF)–FY2025, \$50M [Funded]**  
General fund infusion to HHFDC’s DURF to boost financing for affordable housing units.
- 3. BED160–Cash Infusion for Rental Housing Revolving Fund Infusion for Affordable Housing (RHRF), Statewide–FY2025, \$180M [Funded]**  
General fund infusion to HHFDC’s RHRF to provide more affordable rental housing.
- 4. BED144–Statewide TOD Planning–FY2025, \$2M [Not Funded]**  
Funds would be used for planning and feasibility studies, master plans, infrastructure assessments, cost estimation, preparation of environmental review documents as needed to advance TOD priority projects identified in the State TOD Strategic Plan, including support

for coordination and collaboration of State and county agencies to plan and implement key projects.

5. **BED150–Iwilei-Kapalama TOD Infrastructure Design, O‘ahu–FY2025, \$10M** [Not Funded]  
Support ongoing efforts to develop TOD infrastructure at Iwilei-Kapalama.
6. **BED150–UH-West O‘ahu Infrastructure, On-Site, Phase 2, Kapolei, O‘ahu–FY2025, \$25M** [Not Funded]  
For Phase 2 infrastructure development at the University of Hawai‘i–West O‘ahu non-campus lands TOD district.
7. **LNR101–East Kapolei TOD Project Plans and Design, O‘ahu–FY2025, \$500K** [Not Funded]  
Plan and designs for development of four DLNR parcels adjacent to and near Keone‘ae Rail Station.
8. **BED180–Request to Increase Stadium Development Special Fund (SDSF) to Accommodate the \$49.5M General Fund Deposit–FY2025, \$49.5M** [Not Passed]  
Transfers general funds appropriated in 2022 to SDSF for stadium redevelopment. The ceiling increase will provide SA with more flexibility to utilize these funds to support the New Aloha Stadium Entertainment District project.
9. **EDN450–Teacher Housing Construction, Various, Statewide–FY2025, \$45M** [Not Funded]
10. **BED146–Potable Water Well Construction, Kailua-Kona, Hawai‘i–FY2025, \$5M** [Not Funded]  
General fund infusion to HHFDC’s DURF to boost financing for affordable housing units.

The Legislature also appropriated funds for other TOD projects:

- **EDN407– Pāhoa Library and Transit Hub, Pāhoa, Hawai‘i–FY2025, \$1M**  
Plans and design for Pahoia Library and Transit Hub.
- **SUB501–Kapa‘a Homesteads Water Tank & Well, Kapa‘a, Kaua‘i–FY2025, \$4.8M**  
State matching funds to Kauai Department of Water for water system improvements needed to support housing and TOD projects at Samuel Mahelona Memorial Hospital.

## 2.6 Policy, Program, and Resource Recommendations for TOD Implementation

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*(6) Recommend policy, regulatory, and statutory changes, and identify resource strategies for the successful execution of the strategic plan. [HRS § 226-63(b)(6)]*

The TOD Council provides a forum to consider and advance policy, program, and regulatory tools and resource strategies to support successful TOD planning and implementation statewide. Council members and staff monitor and advocate for TOD-related legislative proposals and TOD funding requests, educate members and policymakers on models and best practices to contribute to a more TOD-supportive environment, and undertake research or studies to establish appropriate policies and program tools for effective TOD implementation.

### 2.6.1 Legislative Proposals for TOD-Related Policy and Program Supports

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During the 2024 Legislative Session, the TOD Council reviewed, discussed, and monitored measures related to TOD, including appropriations bills with requests for funding for TOD projects and TOD program support.



Key measures tracked in the 2024 Legislative Session included the following:

- HB 1800, HD1, SD1, CD1, adjusts and requests appropriations for fiscal biennium 2023-2025 funding requirements for operations and capital improvement projects of Executive Branch agencies and programs (CD1). The proposal was enacted Act 230.
- HB2365, HD1, SD1, CD1, replaces the Director of Law Enforcement with the Director of Corrections and Rehabilitation on the Hawai'i Interagency Council for Transit-Oriented Development (CD1). The proposal was enacted as Act 28.
- SB3202, SD2, HD1, CD1. Part I: Requires the counties, no later than 12/31/2026, to adopt or amend an ordinance to allow at least two accessory dwelling units, subject to certain restrictions, on all residentially zoned lots. Prohibits private covenants for residentially zoned lots within an urban district from limiting the number of accessory dwelling units below the amount allowed pursuant to State law or the long-term rental of residential units. Part II: Requires any administrative authority to act on any application for subdivision, consolidation, or resubdivision for certain parcels to be vested in the director of the county agency responsible for land use or another county officer. Part III: Amends the calculation of impact fees for certain developments (CD1). The proposal was enacted as Act 28.
- SB2066, SD2, HD2, CD1, establishes another means for a housing project to seek an exemption from laws and rules of the State that are developed under various programs of the Hawai'i Housing Finance and Development Corporation (CD1). The proposal was enacted as Act 38.
- SB1099, SD1, HD2, CD1, clarifies the authority of the counties to use county surcharge on state tax revenues for housing infrastructure costs for county-appropriated housing infrastructure costs (CD1). The proposal was enacted as Act 30.
- HB1763, HD1, SD2, CD1, prohibits the Hawai'i Housing Finance and Development Corporation from forgiving any loan made from the Rental Housing Revolving Fund unless the Corporation forecloses on the project. Amends the permitted uses of and priority for which moneys in the Rental Housing Revolving Fund are to be used. Repeals the authorization to use Rental Housing Revolving Fund to provide grants. Requires the Corporation to submit a report to the Legislature on plans to revolve funds back into the Rental Housing Revolving Fund. Applies to Rental Housing Revolving Fund applications submitted after 6/30/2024 (CD1). The proposal was enacted as Act 235.

Several legislators, including Representative Evslin, Senator Lee, and Senator Chang, in addition to staff from the Governor's Office, briefed the TOD Council on the bills they had introduced or monitored at the conclusion of the Legislature.

### **2.6.3 Presentations on Models / Best Practices for TOD Design, Development, Implementation**

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As opportunities arise, TOD Council members are presented with information on practices and approaches that promote TOD-supportive policies and regulations; resources, mechanisms, and approaches that could be applied to address barriers to successful statewide TOD planning and implementation; or serve as models for individual TOD project implementation. Presentations made to the TOD Council in 2024 are summarized below.

■ **Mass Timber -- an Attractive and Resilient Building Product for Hawai'i**

Ramona Mullahey, U.S. Department of Housing and Urban Development; Kathryn Carrigg, Woodworks/Wood Products Council

The presentation provided information to TOD Council members on potential use of mass timber products. It is a modern version of heavy timber products that have been used for over 100 years: one of several types of engineered wood available on the market, like plywood or oriented-strand board (OSB). While not common in Hawai'i, mass timber has been used to construct multi-family homes, office high rises, school facilities, and manufacturing plants in the United States. It offers an attractive, strong, and fire-resistant building product with a reduced carbon footprint—and has been tested for its disaster resilience as shelters for tornados, earthquakes, blasts, and fire.

Most of the work and cost of mass timber buildings are in the pre-fabrication stage. For concrete and light-frame buildings, the majority of the work is during construction. With mass timber, the beams and panels are pre-cut, and connectors are pre-installed in a manufacturing facility, allowing it to be assembled on-site very quickly. In Milwaukee, Wisconsin, a 25-story building (19 floors of mass timber on a concrete podium) was constructed at a rate of five to six days per floor with a crew of about 10 people, in comparison to concrete, which would have taken at least two weeks per floor. Mass timber offers time and cost savings with less waste and smaller crews, which facilitates shorter loan periods, quicker occupancy, and more buildings to be built. Under Hawaii's 2018 building code tall wood provisions, residential buildings can be built up to five-stories high and offices can be constructed up to six-stories.



Mass timber was used for housing after the 2022 Dixie Fires; its use was facilitated by using a limited number of floor designs. This could have similar applications on Maui to rebuild many of the homes and businesses lost in the August 2023 fires. To view examples of mass timber building types and obtain more information, visit [www.woodworks.org](http://www.woodworks.org) and [www.woodworksinnovationnetwork.org](http://www.woodworksinnovationnetwork.org).

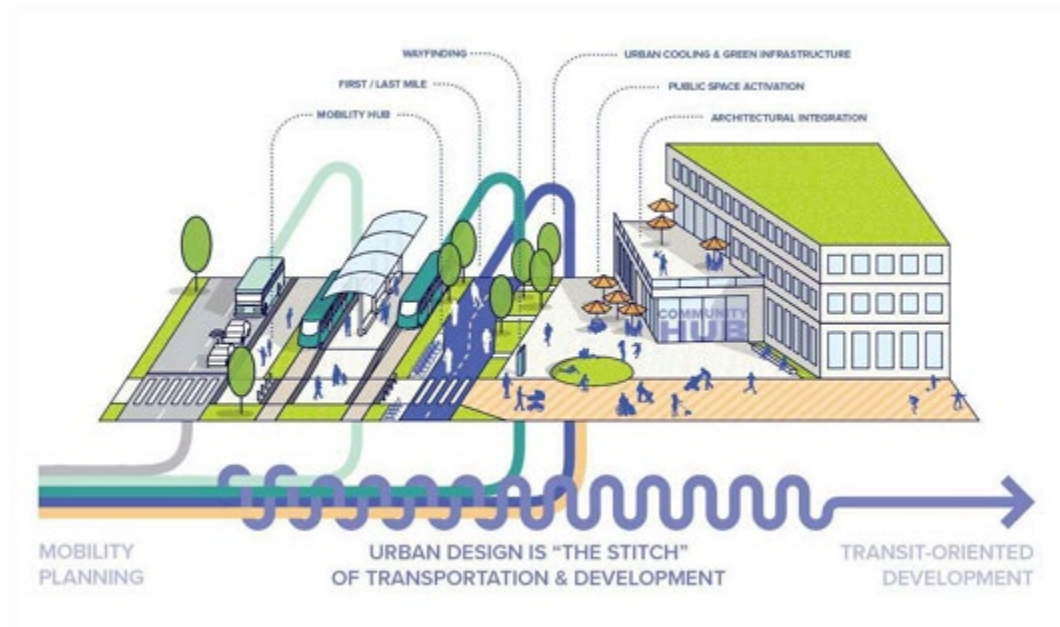
Slides for Woodworks/Wood Products Council's presentation are included in a PDF posted at: <https://files.hawaii.gov/dbedt/op/lud/20240419TODMtg/03-IntroductiontoMassTimberHawaiiHUD-TOD.pdf>

■ **Oahu Mobility Hub Study**

Kiana Otsuka, Oahu Metropolitan Planning Organization (OMPO); Derek Abe, Alta Planning + Design

The presentation provided information to TOD Council members on the outcomes of the *O'ahu Mobility Hub Study*. Conducted for the Hawai'i Climate Commission and the Hawai'i State Energy Office (HSEO), the Study first identified areas on Oahu where mobility hubs could contribute to meeting the mobility, resiliency, equity, climate, and economic needs of O'ahu's residents. Then, the study identified State-owned parking lots on O'ahu that could be potential sites for mobility hubs that could contribute to walkable, mixed-use communities. Given that the majority of driving trips on O'ahu are short, such trips can be accomplished by walking, biking, and public transit, instead of always driving one's personal vehicle. Mobility hubs can help residents use other modes of transportation by co-locating transportation services in one place—linking transit, car share, bike, and other mobility services to access other destinations.

The report doesn't commit any one site for a mobility hub. Rather, it provides information on need and suitability in terms of which sites might be explored further with interested agencies.



Slides for the presentation are posted at:

<https://files.hawaii.gov/dbedt/op/lud/20240621TODMtg/03a-StateMobilityHubStudy-StateTODCouncilPresentation.pdf>

■ **A Holistic Approach to Affordable Housing**

Michelle Dusseau Diller and Elizabeth Horen Geisler, Enterprise Community Partners

The presentation provided information to TOD Council members on how Enterprise Green Communities (Enterprise) supports the construction of affordable housing that is energy-

efficient while at the same time healthy and safe. Enterprise is the only national green building certification for affordable housing. The certification considers traditional green elements like building temperature, insulation, energy-efficient windows, and lighting. It also looks at proximity to grocery stores, green spaces, and access to transportation. Through working with Enterprise, developers have an opportunity to provide access to opportunities through connections to transportation, quality food, and critical services through green building practices.

Enterprise incentivizes or requires compact development that meets or exceeds the density in the area. When buildings are certified, the buildings perform about 20 percent better than code. Residents can enjoy lower utility bills and reduced dependence on fossil fuels. Enterprise provides grants and technical assistance to advance affordable housing development; partners with researchers to improve the health and quality of indoor environments; and engages federal, state and local leaders on policies that further green affordable housing development.



Several case studies were presented including: Metro Green Apartments in Stamford, Connecticut, and Via Verde in the South Bronx, New York. Both demonstrated the positive impact of these initiatives by incorporating features like rainwater harvesting systems and green rooftops to improve energy efficiency and enhance residents' quality of life.

Slides for the presentation are posted at:

[https://files.hawaii.gov/dbedt/op/lud/20240920TODMtg/03-EnterpriseGreenHUDTODCouncil\\_24.09.20.pdf](https://files.hawaii.gov/dbedt/op/lud/20240920TODMtg/03-EnterpriseGreenHUDTODCouncil_24.09.20.pdf)

## ■ Affordable Housing: Singapore's Experience

Sock-Yong Phang, PhD, Singapore Management University

Singapore has attracted attention worldwide for its unique housing system and its 90 percent homeownership rate. The bulk of Singapore's housing is high density and 71 percent of Singapore's housing stock has been built by a public agency, the Housing and Development Board (HDB). Ninety-four percent of HDB units are sold based on 99-year leases and only about 6 percent is rental. Private housing makes up the remaining 24 percent, which are sold as fee simple and leasehold. Data seems to show that HDB leasehold housing prices hold their value over time as compared to private leasehold prices.

A central feature of Singapore's system is the Central Provident Fund (CPF), a compulsory savings system that enables citizens to make downpayments and mortgage payments from their individual housing savings. The total savings contribution from an employee and employer is 37 percent. Government makes land available to HDB and HDB builds the units. The program has been in place since 1968 and has contributed to a rapid rise in homeownership from 30 percent in 1970 to 90 percent by the 1990s, remaining at this level for several decades. Housing in Singapore is designed to be affordable with assistance from housing grants and a tiered pricing system that ensures lower-income households receive significant subsidies. They provide various grants for first-time homeowners and those purchasing resale flats.

In terms of housing supply, Singapore differs markedly from Hawai'i: government policy helps keep non-residents and foreigners out of the HDB and private housing markets and more than 50 percent of new housing has been built as for-sale affordable units. Singapore also uses a betterment tax framework to capture land value appreciation from upzoning for housing. On the housing demand side, one of big differences between the U.S. and Singapore is Singapore's preference for grants for homeownership versus the use of rental housing vouchers in the U.S. In addition, from 2000 to 2024, Hawai'i's housing prices have increased 3.5 times while median household income has increased only 1.9 times. In Singapore, the government has a policy objective to maintain stable housing prices and has implemented 17 rounds of cooling measures since 2009 to combat housing price appreciation, such as caps on mortgage terms, loan to value and debt service ratios, transaction taxes, and duty on foreign buyers.

Presentation slides are posted at [https://files.hawaii.gov/dbedt/op/lud/20240920TODMtg/07-Phang\\_TOD\\_Honolulu\\_2024\\_1.pdf](https://files.hawaii.gov/dbedt/op/lud/20240920TODMtg/07-Phang_TOD_Honolulu_2024_1.pdf)

## 2.7 Assemble Fiscal and Demographic Information

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*(7) Assemble accurate fiscal and demographic information to support policy development and track outcomes. [HRS § 226-63(b)(7)]*

The TOD Council monitors fiscal conditions relative to rail and TOD projects and demographic information relative to housing in the course of TOD Council discussions, PIG tasks, and project update reports. The Council will continue to incorporate fiscal and demographic data into its recommendations for policy and project implementation.

House Concurrent Resolution No. 140, H.D. 1, S.D. 1 (HCR140 HD1 SD1), which was adopted by both the Senate and the House of Representatives of the Thirty-Second Legislature of the State

of Hawai'i, Regular Session of 2024, requested the OPSD to develop a scope of work or a request for proposals for bidders to perform their own analysis and methodology that determines whether development will contribute to the long-term fiscal sustainability of the State and respective county. Fiscal sustainability is the ability of a government to maintain public finances at a credible and serviceable position over the long term. New development proposals should not only be evaluated against adopted development regulations and construction standards, but also in relation to the fiscal productivity of the proposed product, e.g., new structure or infrastructure investment. New commitments to construction and maintenance should not adversely impact government's ability to satisfy existing liabilities or promised expenditures. A report with a scope of work, including findings, recommendations, and proposed legislation was submitted to the Legislature in September 2024 and shared with the TOD Council.

The report can be found on DBEDT's website: <https://files.hawaii.gov/dbedt/annuals/2024/2024-opspd-fiscal-sustainability.pdf>

## 2.8 Models for TOD Collaboration and Initiatives

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*(8) Consider collaborative transit-oriented development initiatives of other states that have demonstrated positive outcomes. [HRS § 226-63(b)(8)]*

OPSD and HHFDC staff routinely scan, monitor, and research other TOD initiatives and development projects—whether they are in Hawai'i, in other states or jurisdictions on the mainland, national, or international—for best practices that could advance and support the work of the TOD Council and contribute to successful implementation of TOD statewide. As TOD planning and implementation proceeds, this support work will continue, and new information will be brought to the TOD Council as opportunities allow.

## 3 PLANNED ACTIVITIES FOR 2025

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Planned and proposed activities and tasks for the TOD Council and TOD support staff for the next fiscal year and beyond are organized by the four strategy components of the *TOD Strategic Plan* below.

1. **TOD Project Support.** Actions and investments at the TOD project-level to facilitate TOD project implementation.
2. **Regional Project Support.** Actions and investments for projects at the regional or area-wide level that are needed to facilitate individual TOD project implementation, such as infrastructure delivery.
3. **TOD Implementation and Investment Tools.** Analysis and actions to create a TOD-supportive environment through the refinement and establishment of policy, regulatory, and program tools as well as financing tools and strategies that would facilitate and enhance effective TOD implementation.
4. **State TOD Program Support and Administration.** Actions and tasks to sustain multi-agency, multi-sector collaboration around TOD statewide and the coordination and facilitation of TOD initiatives statewide.

The TOD Council work plan for calendar year 2025 includes the following activities.

### 3.1 Support TOD Project Implementation

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**Support for TOD CIP-funded Projects.** OPSD TOD staff will continue to oversee the disbursement of FY25 CIP funds to the two projects selected for funding. OPSD will also participate in projects funded by prior TOD CIP Planning grants that will be active in 2025, facilitating project implementation as needed and monitoring and reporting project progress to the TOD Council.

**Strategic Plan and Project Facilitation and Updates.** OPSD TOD staff will continue to monitor and facilitate project discussions and coordination as needed for the TOD projects in the *TOD Strategic Plan*. TOD staff will explore the possibility of an updated *TOD Strategic Plan* to capture the lessons learned from TOD-related projects funded or implemented since 2017. An updated Strategic Plan can also capture the Council’s interest in possible rail extensions and delineate TOD areas on Neighbor Islands.

**OPSD Review of State TOD Conceptual Plan Documents.** As projects proceed, OPSD will review and provide comments on State TOD project plans during a project’s EA/EIS public comment period, as required by statute.

### 3.2 Support Regional or Area-Wide Project Implementation

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**Participation in Other Region-Serving TOD-related Initiatives.** TOD program staff will provide input to and monitor region-serving projects that have strong TOD components, including the following:

- State Iwilei Infrastructure Master Plan and EIS
- Samuel Mahelona Memorial Hospital Master Plan Update and EIS
- New Aloha Stadium Entertainment District Project
- HPHA Ka Lei Momi Projects, including Pu’uwai Momi Redevelopment
- Pāhoa Transit Hub/Pāhoa Library Co-Location Study
- Kailua-Kona Transit Hub/State Civic Center Project
- County of Kaua’i Līhu’e Civic Center Redevelopment Feasibility Study
- State Permit Hui – created after the wildfires in Maui, but now used by the Governor’s Policy Office to evaluate long-term efficiencies in State permitting processes
- Governor’s Advisory Committee on TOD
- O’ahu Metropolitan Planning Organization’s 2050 O’ahu Regional Transportation Plan: rail /bus rapid transit / roadway investment scenario planning and modelling

**East Kapolei TOD Infrastructure Planning Implementation Master Plan.** OPSD, HCDA, and partner agencies will identify public and private backbone infrastructure improvements required to support the full build-out of TOD in the East Kapolei area. The project will include recommendations for funding and delivery of the needed infrastructure. An RFP was issued in October 2023 and the project launched in early 2024.

### 3.3 Development of TOD Support Tools and Resources

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**Research and Advocacy for Tools.** The TOD Council will continue to serve as a forum to create and advocate for a more TOD-supportive environment, which would include promotion of use of critical TOD support tools, including legislation as may be needed for:

1. Establishment of an institutional framework for TOD project implementation, P3, and other alternative project delivery systems, including support for legislative proposals;

2. Expansion of funding and financing tools for TOD and TOD infrastructure and Community Facilities District or similar mechanisms;
3. Expanded use of value capture financing tools, including TIF;
4. Increasing housing opportunities in TOD areas; and
5. Use of the PRO Housing Grant to remove barriers for housing opportunities.

**Review of FY 2025 TOD CIP Budget Requests.** The TOD Council will be reviewing proposed TOD-related CIP budget requests and make recommendations for funding requests that advance identified and priority TOD projects in the 2025 legislative session.

**Monitoring and Review of TOD-related Legislation.** OPSD anticipates a bill will be introduced in the 2025 legislative session to amend the State constitution to enable county use of tax increment financing to finance public infrastructure needed to support development in planned TOD areas. OPSD will provide supportive testimony for this measure as it provides a means to pay for the large upfront costs of public infrastructure and reduce barriers to TOD project implementation. During the 2025 legislative session, OPSD and the TOD Council will review proposed bills for their impact on agency projects and activities, as well as bills that propose TOD-supportive policies and program tools. Testimony will be prepared as needed for submittal, as delegated by the TOD Council, by the TOD Council Co-Chairs. The Council and TOD staff will follow up as needed on any TOD-related legislation enacted.

### **3.4 Provide State TOD Program Support and Administration**

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**OPSD Support for TOD Council Meetings and Responsibilities.** OPSD staff will continue to provide administrative support for the TOD Council and support existing and new initiatives as resources allow. The TOD Council has seven scheduled meetings in calendar year 2025. The meetings will be conducted both in-person and with interactive conferencing technology.

**TOD Alignment Between the State and Counties.** One of the key program initiatives of 2025 will be the alignment of State and county TOD efforts to allow for more leveraging of funding and greater cooperation on TOD projects that include affordable housing and mixed-use development. With the PRO Housing Grant award in 2024 OPSD wishes to strengthen the partnership between our sister agencies to pursue housing opportunities.

**Project Management Tools and Metrics.** OPSD staff intends to pursue, as workload and resources allow, tools to monitor TOD project implementation, as well as performance metrics to monitor and assess the alignment of TOD implementation with the key principles for State investment in the *TOD Strategic Plan*. As discussed earlier in Section 2.7, OPSD was requested via HCR140, HD1, SD1 to draft a scope of work or legislation that funds the creation of a fiscal sustainability model. Such a model can assist with the evaluation of development projects and infrastructure investments.

**TOD Engagement Strategies.** OPSD will continue to research and consult with State and county TOD agencies on improving the approaches and methods by which community stakeholders, including community-based organizations, can be engaged in ensuring equitable outcomes in communities where TOD could be both disruptive and transformative for existing residents and businesses.



## **Appendix A. State and County Priority TOD Projects: Project Status and Funding**

Project costs, funding, and timeframes are based on information reported to the TOD Council as of December 2024.  
Funding requests where known are italicized.

**APPENDIX A. TOD Project Status and Funding Reported to TOD Council**

(as of 9/17/2024)

State and County Priority TOD Projects, State TOD Strategic Plan as updated

	Proj ID	Agency	TOD Station or Area	Project	Area (Acres)	Proj Phase	2024 Project Status
East Kapolei	O-01	DHHL	Kualakai (E Kapolei)	Kauluokahai Increment II-A, Multi-Family/Commercial	33	Planning	2022 Legislature appropriated \$5.132M to DHHL East Kapolei TOD & broadband. TOD Project is still on hold: AGs working on Land Court issues; Red Ilima (Abutilon Menziesii) license expired, working with DOFAW to reissue. TOD projects may be delayed after receiving the \$600 million in 2022. These projects have to be prioritized. Development team is looking into higher density and mixed use near the Skyline station. They have the sewer capacity for entire Ka'uluokaha'i development. Received \$14M from Act 279 in 2022.
	O-02	UH	Kualakai (E Kapolei), Keoneae (UHWO)	UH West Oahu University District	168	Planning	Awarded FY23 TOD Planning grant for Non-Campus Lands Development Feasibility Study. UH issued RFP to develop 35-acre parcel at the corner of Kualakai Parkway and Farrington Highway. In January 2024, they selected a group of local and mainland developers with experience in mixed-use/film studio projects on the mainland. Urban design plan is underway. Still need to workout ground leases, development agreements, etc. The site is about 200 acres, so the buildout will be done in phases. UH is making a portion available on the makai side of the Keone'ae Station for a mixed-use development. Working with the School Facilities Agency and HHFDC on an RFP and planning further studies on a 10-acre parcel located makai of the recently constructed Ho'omohala Avenue or Road "B" (next to Keone'ae HART Station). UH is working with HCDA, and HHFDC to fund/develop onsite infrastructure for about 20 acres. The feasibility study contract has been signed and should be starting in August.
	O-03	UHWO	Kualakai (E Kapolei), Keoneae (UHWO)	UH West Oahu Long Range Development Plan	500	Planning	Coordinating with DOT on Farrington Hwy widening project. Awarded FY22 TOD Planning grant for Urban Design Plan Update for Non-Campus Lands; Consultant work started in 2022.
	O-04	UHWO	Kualakai (E Kapolei), Keoneae (UHWO)	UH West Oahu TOD Infrastructure		Planning	\$35M Legislative appropriation to HCDA for FY24. Work area includes Road D and H. Design-Build RFP was released December 2023. Selection in May 2024. Ongoing coordination between UH, HHFDC, and HCDA to get Phase 1 development going for infrastructure and multi-family rentals. HCDA started the procurement process on the \$35 million to build infrastructure for roadways.
	O-05	UHWO	UH West Oahu, LCC, HCC	UH West Oahu Multi-Campus Housing (Faculty/Student/Staff)		Planning	A market study is being conducted for student housing on a different parcel along Ho'omohala Avenue.
	O-06	DLNR	Keoneae (UHWO)	East Kapolei Master Development Plan	175	Planning	Contract awarded for preparation of EIS/NTP issued; initiating development of EISPN, update of market studies & master plan refinement. Awarded FY22 TOD Planning grant for preparation of urban design plan for TOD parcel. Master plan has been completed. EISPN published in October 2022. Subcontractor is working on the conceptual urban design plan. The draft EIS will be published in 2024. Draft urban design plan is being reviewed and hopes to finalize it soon. They will need to republish the EISPN again. Several TMKs were omitted when it was initially done. This is not expected to delay the EIS or change the project They will give everyone the opportunity to comment again.
	O-07	DOE	Honouliuli (Hoopili)	East Kapolei High School	45	Planning	Undertaking environmental review & community engagement phase for design; road access will depend on final design for Farrington Hwy widening project. \$15 million (SFA) for design and construction approved in 2023. This includes ground and site improvements, equipment and appurtenances.
	O-38	HDOT	Honouliuli (Hoopili)	Farrington Highway Widening	45	Design/Const	Three-lane highway with one shared turn lane; provides room for bike lane & pedestrian walkways & avoids relocation of utilities. Notice to Proceed issued in February 2023. DOT has the rights of entry to nine parcels. Seven are outstanding. They also have long lead construction items with Board of Water Supply waterline materials and Hawaiian Electric Company custom-steel poles. Construction will begin in March 2024 with completion in July 2026.
	O-40	HCDA	Kualakai (E Kapolei), Keoneae (UHWO), Honouliuli (Hoopili)	East Kapolei Neighborhood TOD Parking Infrastructure Plan	1500	Pre-Planning	Incorporated in TOD Strat Plan in Sept 2022. Parking needs to be evaluated in East Kapolei Infrastructure Implementation Master Plan Project.

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	0-09	HHFDC/DAGS/D	Waipahu Transit	Waipahu Civic Center TOD Project	10	Pre-Planning	No change in status.
	0-11	UH-LCC	Leeward Comm	UH Leeward Community College TOD Master	50	Pre-Planning	No update.
	0-12	HPHA	Pearl Highlands	Hale Laulima Homes	4	Planning	Awarded FY24 TOD CIP Planning Funds. Part of the Ka Lei Momi Project.
Halawa-Stadium	0-13	SA/DAGS	Halawa	Aloha Stadium Redevelopment / Ancillary Development (NASED)	99	Planning	EIS accepted Sept 2022. Project will be a design-build-operate-maintain-contract delivered as one integrated public-private partnership (P3) project. \$350 million in GO bond funding for CIP and \$50 million in general funds were approved in 2022. From the \$400 million appropriated, \$350 million will be provided to the NASED developer as a State contribution to the design and construction of the new stadium. Completed two market sounding efforts and incorporating all of feedback from industry. Developer will design, build, operate, and maintain the the stadium and development real estate portion. They need to generate own revenue to finance it. Deadline for qualifications phase of the RFP was on February 14, 2024. Spending the next several weeks evaluating it. Priority Listed Offerors should be announced in March/April 2024. Proposals phase will be next. Navy Region Hawaii said development will have no impact on their operations.
	0-14	HPHA	Halawa	Puuwai Momi Homes/Conceptual Master Plan	12	Planning	\$200K for conceptual master planning earmarked from 2017 NASED funding; initial conceptual plan alternatives for housing redevelopment; possible concurrent redevelopment with future phases of NASED. Awarded FY22 TOD CIP Planning grant for master planning & environmental review; procurement of consulting services pending release of funds. City received approval for Phase 1 environmental site assessment (ESA) for site with City EPA brownfields grant money; City consultant on board to do ESA for HPHA. Part of the Ka Lai Momi (Redevelopment) Project. Project does not have the sewer capacity. They forward on master planning.
Iwilei-Kapalama	0-15	DHHL	Lagoon Drive, Middle	Moanalua Kai Conceptual Plan	14	Pre-Planning	Feasibility report completed Sep 2019; no change in status.
	0-16	DCR/DAGS	Middle St., Kalihi	Oahu Community Correctional Center (OCCC) Site Redevelopment	16	Planning	Redevelopment of OCCC at the new Halawa facility requires relocation of DOA quarantine facility from Halawa site. \$10 million approved by the Legislature in 2023 to complete a due diligence and plans for new facility, including consideration of lease buyback options. Moved from planning to design phase. DAGS completed consultant selection and holding kickoff meeting. Primary deliverable is the RFP, which is due in 2025.
	0-17	HPHA	Kalihi	Kamehameha and Kaahumanu Homes	23	Planning	Kamehameha and Kaahumanu Homes awarded FY23 TOD CIP Planning Funds for master planning for both properties. Two projects combined in Nov 2022. HPHA request for delegation/release of funds pending. Part of Ka Lei Momi Project. Close to securing consultant to do the master plan.
	0-41	HPHA	Kalihi	Kuhio Park Terrace Low-Rises and Kuhio Homes Redevelopment	10	Planning	Incorporated in State TOD Strat Plan Nov 2022. Initiating Phase 2 activities for redevelopment of Kuhio Park Terrace properties. Michaels Organization is their development partner. They are submitting an application for financing to HHFDC for the first phase (304 units). The 201H application was approved in November 2022. Kuhio Homes construction documents for Phase 1 are being finalized. Working on relocation plans for tenants. Construction expected to start in 2025.
	0-19	DHHL	Kapalama	Kapalama Project Conceptual Plan	5	Pre-Planning	Feasibility report completed Sep 2019; tenant lease expires in 2045; Conceptual planning report presented to the Hawaiian Homes Commission in August 2020; no change in status.
	0-20	UH HCC	Kapalama	UH Honolulu Community College TOD Study	23	Pre-Planning	TOD Study completed Mar 2019; no update.
	0-21	HPHA	Kapalama	School Street Administrative Offices Redevelopment	12	Design/Const	State EIS completed 2017; 201H applic approved Nov 2020; LIHTC funds approved by HHFDC in Oct 2021. Building plans and subdivision are being processed by DPP. Highridge Costa was selected as the new development partner. Believes the first phase (250 units) should start in August 2023. Had a groundbreaking in January 2024. Started demolition work.

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(as of 9/17/2024)

State and County Priority TOD Projects, State TOD Strategic Plan as updated

Proj ID	Agency	TOD Station or Area	Project	Area (Acres)	Proj Phase	2024 Project Status
0-39	HHFDC	Iwilei, Kapalama	State Iwilei Infrastructure Master Plan	34	Planning	Consultant study of infrastructure requirements for affordable housing in area underway; EISPN issued in March 2022; completion of EIS in 2023. Infrastructure master plan completed in April 2023. \$25M for design and construction of priority projects included in FY24 for HCDA budget. Procurement was awarded this past week (April 19, 2024).
0-22	HPHA	Iwilei	Mayor Wright Homes Redevelopment	15	Design/Const	State EIS completed; NHPA/NEPA clearance pending; completing master planning & design work to move project forward. Identified as the highest priority in the Ka Lei Momi Project. HPHA applied for Low Income Housing Tax Credit (LITHC) funding. They have a master plan for the project and working on getting the entitlements for phase 1.
0-23	HHFDC/DAGS	Iwilei	Liliha Civic Center Mixed-Use Project	4	Planning	Preliminary master planning of site, preparing site plan & cost estimates; preparation of EIS in 2022 concurrent with State Iwilei Infrastructure Master Plan EIS. Liliha Civic Center/Iwilei Infrastructure Master Plan EISPN published in 2022. Consolidated master plan for Iwilei-Kapalama Infrastructure and Liliha Civic Center published in 2023. Home Aid Hawai'i is planning to use part of the Liliha Civic Center site for a temporary Kauhale facility. Also, HCDA will be using the portion of the property for a laydown yard area for the upcoming \$25 million electrical upgrade project.
0-25	HHFDC	Kakaako	690 Pohukaina	2	Design	Site plan to include housing & elementary school. EISPN published in March. Highridge Costa was approved by the HHFDC Board; 625 units for households earning 30 – 120% AMI. Board approved (funding) in November 2022. LIHTC and Tier 2 Rental Housing Revolving Funds will be used to finance the project. HHFDC is planning to convey within one year 28,000 square feet to the DOE for a new public school. Executed development agreement with developer. Delivery of units in 2027 (about same time as Civic Center Rail Station). The development team (Highridge Costa & Form Partners) are working on construction drawings. HHFDC, HCDA, and other major landowners are working on a new electrical circuit that will be required to provide power to upcoming projects in Kaka'ako.
0-26	DOE/HHFDC	Kakaako	Pohukaina Elementary School	2	Planning	HHFDC-DOE MOU executed for joint housing & school development project; working with HHFDC on school programming requirements.
0-27	HCDA	Kakaako, Civic Center	Nohona Hale	0.24	Completed	Completed 2020; 111 units fully occupied; 30-60% AMI; total dev cost \$51.425M.
0-28	HCDA	Kakaako	Ola Ka Ilima Artspace Lofts	0.69	Completed	Completed 2020; 84 units fully occupied; 30-60% AMI; total dev cost \$51.39M.
0-29	HCDA	Ala Moana	Hale Kewalo Affordable Housing	0.62	Completed	Completed 2019; 128 units fully occupied; 30-60% AMI; total dev cost \$60.82M.
0-30	HHFDC/JUD	Ala Moana	Alder Street Affordable Rental Housing/Juvenile Service Center (Hale Kalele)	1.5	Completed	Project completed; opening in May 2022; occupancy underway. Judiciary construction completed in 3rd quarter 2022. HHFDC executed a lease with the Judiciary to convey the Juvenile Service Center portion.
0-31	HPHA	Ala Moana	Makua Alii & Paoakalani	9	Pre-Planning	No change in status.
0-32	CCH	Iwilei, Kapalama	Iwilei-Kapalama Infrastructure Master Plan (multiple projs)	581	Pln/Des/Const	City-led I/K Needs Assessment & Traffic Study completed; City working with HHFDC on follow-up State Iwilei Infrastructure Master Plan, and OPSD on TOD Infrastructure Finance Study. Kalihi Complete Streets in planning. I/K Drainage Study to alleviate Liliha St flooding in Dole Cannery area at 90% complete. Waiakamilo Road Trunk Sewer project completed in 2021. Hart/Waiakamilo Rd replacement sewer in design. Aawa WW Pump Station improvements project in planning. HHFDC anticipates receiving EIS for both projects from PBR Hawai'i in late summer/early fall 2024 for internal review.
0-42	CCH	Iwilei	Kuwili Station TOD Redevelopment Area Master Planning	20	Planning	Accepted as TOD Project by TOD Council. Awarded TOD CIP Planning grant for conceptual master planning for Kuwili Station area.

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City & County of Honolulu	0-33	CCH	Pearlridge	Pearlridge Bus Center/TOD Project	3	Design/Const	Land acquisition complete; EA, planning & design in process. SMA permit complete. Construction funds allocated; prep for construction in 2022-23. Planning for long-term TOD RFP. OMPO Transportation Improvement Program, Federal FYs 2025-28, included funding for construction.
	0-34	CCH	Kapalama	Kapalama Canal Catalytic Project/Linear Park	19	Design	Kapalama Canal FEIS & concept design completed. Dredging planning & design proceeding. Seeking funding for design/construction of park/trails & sea level rise adaptation strategies. Waiting to hear on a Hawai'i Emergency Management Agency (HIEMA), Building Resilient Infrastructure and Communities (BRIC) grant application to help qualify for federal funding. City is reengaging with the Federal Emergency Management Agency (FEMA) on a grant application submitted several years ago. The funding will allow them to continue the design process and federalize the project.
	0-35	CCH	Chinatown	Chinatown Action Plan (multiple projs)		Design/Const	The 21 actions are in various stages of implementation. Kekaulike Mall Improvements EA & design complete; street repaving completed & bulbouts made permanent. Kekaulike Mall construction completed. Phase 2 expected start next.
	0-36	CCH	Waipahu Transit Center	Waipahu Town Action Plan (multiple projs)		Pln/Des/Const	Hikimoe St transit center construction completed. Flood analysis conducted for area; should help with redevelopment planning. Complete Streets improvements on area streets. OMPO Transportation Improvement Program, Federal FYs 2025-28, included funding for preliminary engineering and construction for the Waipahu Depot Shared Use Path--one of several proposed improvements in the City's Waipahu Town Action Plan.
	0-37	CCH	Kakaako	Blaisdell Center Master Plan	22	Pln Complete	Master Plan completed. Some short-term and mid-term improvements under way.
	K-18	COK	Lihue	Lihue Town TOD Infill Development		Planning	Accepted as TOD Project by TOD Council. Awarded FY25 TOD CIP Planning grant for TOD multifamily housing study.
	K-01	DAGS/COK	Lihue	Lihue Old Police Station/Civic Center TOD Proof of Concept	1	Pre-Planning	DAGS contract awarded to UHDC for TOD proof of concept work to determine optimal use of site & other State parcels in area; discussion with potential stakeholders, preliminary concepts to begin early 2023. Planning to do outreach to all stakeholders to develop a master plan.
	K-02	COK/KHA	Lihue	Pua Loke Affordable Housing	2	Completed	Completed. Units fully occupied. Provided 53 workforce housing units.
	K-14	COK	Lihue	Lihue Civic Center Redevelopment	9	Planning	Awarded FY22 TOD Planning grant for conceptual master plan. They are wrapping up the project. A meeting has been scheduled on August 1, 2024, 5-7 p.m. to discuss the findings.
	K-15	COK	Lihue	Lihue Civic Center Mobility Plan	12	Pln Completed	Awarded FY21 TOD Planning grant for mobility plan. Completed November 2023.
	K-03	COK/KHA	Koloa	Koae Workforce Housing Development	11	Completed	Construction of 134 units complete; all units leased.
	K-04	COK/KHA/HHFD	Eleele	Lima Ola Workforce Housing Development	75	Design/Const	Infrastructure for Phase 1 (155 units) completed. RFPs have been published for all of the multi-family lots and development rights awarded for three projects. One is 40-unit senior housing project. Building permits have been submitted and groundbreaking is expected in early 2023. Second is 45-unit workforce housing rental project; same developer and schedule for development. County will develop a 26-unit supportive rental housing project utilizing the State 'Ohana Zone Program; will house homeless individuals with onsite supportive services. RFP published to construct 38 single family homes to close out phase 1. Housing Agency has submitted permits to build a community center & public park to serve current and future phases. NTP for construction and engineering drawing for phase 2 pending; should provide another 120 units. 600 new homes expected at total buildout.
	K-05	UH KCC	Puhi	UH Kauai Community College LRD/Potential Housing	197	Pre-Planning	Kauai CC is conducting a survey to identify the need and feasibility for housing.
	K-06	COK	Hanapepe	Hanapepe Infill Redevelopment		Pre-Planning	No change in status of project. West Kauai Community Plan provides goals & objectives for incremental residential infill development & live/work spaces in the town center, as well as transportation to support safe connections between neighborhoods & towns.

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County of Kauai	K-07	COK/DPW	Hanapepe	Hanapepe Road Resurfacing Project		Pln/Des/Const	Environmental work complete. County currently working with its consultant to complete final design for reconstructing Hanapepe Road with pedestrian facilities. Construction to start late 2024 or early 2025.
	K-08	HHSC/COK	Kapaa	Samuel Mahelona State Hospital/TOD Master Plan	34	Planning	Revision of conceptual master plan to consider adjacent State properties/facilities underway; programmatic EIS being prepared; master plan to be completed in 2022 & EIS in 2023. 2022 Legislature appropriated \$380,000 to EIS for work on entitlements (Class IV zoning permit) & determination whether to subdivide or CPR the lots. Funds appropriated by 2022 Legislature for State contribution to Wailua-Kapaa water system improvements needed to support redevelopment, total cost \$10 million; work on infrastructure improvements to start after master plan revisions completed. Project team is working on EIS. Additional funding \$4.8 million has been secured for county area water infrastructure improvements that will support implementation of the master plan. County of Kauai needs to provide matching funds. HHFDC is continuing to collaborate with PBR Hawai'i on the master plan and EIS.
	K-17	HPHA	Kapaa	Hale Nana Kai O Kea Redevelopment		Planning	Received FY24 TOD CIP Planning Funds. Alternate site for HPHA Ka Lei Momi master development agreement.
	K-09	COK/DPW	Kapaa	Kawaihau/Hauaala/Mailihuna Road Complete Streets & Safety Improvements		Construction	Notice to proceed issued to construction contractor; construction getting underway; improvements scheduled for completion in 2023.
	K-10	COK/DPW	Koloa School	Poipu Road Safety & Mobility Projects (fka Poipu Rd Multi-modal Improvements)		Design/Const	Final design underway; RAISE grant award approved and received. Anticipated to get funding obligation in May 2023. Construction expected to begin in April- June 2024.
	K-11	COK/DPW	Maluhia Rd	South Shore Shuttle		Planning	Included in Poipu Rd Safety Project, which recently received Federal RAISE Grant funding. Strategically located, accessible, ADA-compliant bus stops with passenger shelters are included in the project plans. Implementation/operational budget to be defined by end of March 2022. No action due to operational constraints.
	K-12	COK/DPW	Puhi Shuttle	Puhi Shuttle		Planning	Review of existing & proposed bus stop locations being conducted to confirm accessibility & ADA-compliance at proposed bus stop locations; service to start in 2023. No action due to operational constraints.
	K-13	COK/PD/KHA	Kekaha-Lihue Line	Waimea 400 (fka Waimea Lands Master Plan)	34	Planning	Conceptual master plan completed. Awarded FY23 TOD CIP Planning Funds to do master planning for affordable housing; 200 single and multi-family units expected. Kaaui Housing Agency is scoping the project. Project underway. Master plan on the 60-acre portion completed several years ago. They already had interdepartmental meetings, formed project advisory groups, and created a project website. Held kick-off meeting. The environmental components that need a longer lead time have been started. Community meetings are being planned.
	K-16	COK/KHA	Kilauea Gym/Anaina Hou Park-n-Ride	Kilauea Town Affordable Housing Expansion	48	Planning	Incorporated in Strat Plan in Sept 2022. Awarded FY23 TOD CIP Planning Funds to conduct master planning for approx 200 affordable housing units. County working on acquiring two adjacent lots totaling 50 acres next to Kilauea Town. County owns roadway lot surrounding property to be used for access road. County has CDBG-Disaster Recovery funds for portion of project cost. Kaaui Housing Agency is scoping the project. Planning Department will be assisting Housing Agency to integrate TOD elements in scope of work plans. Acquisitions are 99.9 percent finalized. The court ruled in favor of the County of Kaaui on the condemnation. They are reviewing the literature on archaeological and cultural assessment. They had interdepartmental meetings and formed project advisory groups. Community meetings are being planned.
	H-01	COH	Keaau	Keaau Public Transit Hub	4	Pre-Planning	Will be included in consultant study of transit hubs to support COH Transit & Multi-Modal Transportation Master Plan funded by \$3M COH GET. No update from last discussion held 6 months ago.

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County of Hawaii	H-02	COH	Keaau	Keaau Public Wastewater System		Pre-Planning	Received US EDA grant for Puna Region; Will require additional funds for final EIS, design & construction. County's programmatic EIS now underway. Feasibility & site analysis for various locations in Puna District, including Keaau.
	H-13	COH	Pahoa	Pahoa Transit Hub		Planning	Awarded FY22 TOD CIP Planning grant for site selection, conceptual master plan. Kick-off in July 2022; partnering w/ HSPLS to study co-location of public library w/ transit hub. Consultant doing site selection analysis, environmental assessment, and public meetings. Will put together a report and recommendation to purchase property, if needed. Contract amendment executed with OPSD to add \$350,000 in HSPLS funds for co-location of the Pāhoā Public Library. SSFM is preparing the materials and creating a website for public outreach. Three possible sites have been identified for community feedback. The next step will be planning and design. EA on the master plan is currently open for comments. They just had their first public meeting this past week. Legislature approved \$1M for plans and design.
	H-03	COH	Hilo	Prince Kuhio Plaza Affordable Housing	7	Pre-Planning	No change in status.
	H-04	COH	Hilo	Prince Kuhio Plaza Transit Hub	7	Pre-Planning	No change in status.
	H-05	COH	Hilo	Ka Hui Na Koa O Kawili Affordable Housing	7	Construction	Project funded (HTF/HOME/LIHTC/HMMF/RHRE); Ground breaking in February 2023. Hoping to complete the project this year. Needed some changes which meant additional permits.
	H-06	UH Hilo/HCC	Hilo	UH Hilo University Park Expansion/HCC	267	Pre-Planning	No update.
	H-07	UH Hilo	Hilo	UH Hilo Commercial/Mixed Use/Student	36	Pre-Planning	No update.
	H-14	HPHA/COH	Hilo	Lanakila Homes/Complete Streets/Multi-Modal Improvements	29	Planning	Awarded FY21 TOD CIP Planning grant; procuring consultant services for preparation of revised master plan for Phase III & County multi-modal/Complete Streets improvements; consultant selected; NTP issued. Scheduled completion in 2023. Part of the Ka Lei Momi Project. With a master developer on board, HPHA is planning to do a kickoff in about a month.
	H-08	COH	Kailua-Kona	Kailua-Kona Multimodal Transportation Plan	200	Pre-Planning	No change in status.
	H-15	DAGS/COH	Kailua-Kona	State Kailua-Kona Civic Center	TBD	Pre-Planning	Incorporated in Strat Plan in Sept 2022. Partnered with COH Mass Transit Agency on a 2022 TOD CIP Planning Grant Study to co-locate with Kailua-Kona Transit Hub. OPSD, COH, DAGS, and the County's consultant met in early June to discuss next steps for site selection and master planning for a transit hub for the Kona region. DAGS is partnering in the project to explore co-location of a State civic center with the transit hub, which could consolidate State offices currently scattered throughout the region.
Hawaii	H-09	COH	Kailua-Kona	Kona Transit Hub (formerly Old Airport Transit Station)	14	Planning	\$2.44M FTA funds & \$610K in COH GET funds available for site selection, design, land acquisition; site selection process underway; will need funding for EA, design, construction; design & construction to start late 2023. Contracting with SSFM to work on the transit hub and base yard expansion projects, to include site selection, Title VI & environmental analyses, public meetings. Awarded FY23 TOD CIP Planning Funds to conduct a planning study to include site selection to co-locate with the State Kailua-Kona Civic Center and baseyard. County is starting the planning process and will be coordinating the project with DAGS. SSFM is developing a work program. OPSD, COH, DAGS, and the County's consultant met in early June to discuss next steps for site selection and master planning for a transit hub for the Kona region. DAGS is partnering in the project to explore co-location of a State civic center with the transit hub, which could consolidate State offices currently scattered throughout the region.
	H-10	COH	North Kona	Ulu Wini Housing Improvements	8	Design/Const	ADA improvements completed July 2020; awarded FY2021 Fed CDBG funds for design & construction for laundry room expansion, certified kitchen conversion, wastewater treatment plan repairs/replacement.

**APPENDIX A. TOD Project Status and Funding Reported to TOD Council**

(as of 9/17/2024)

State and County Priority TOD Projects, State TOD Strategic Plan as updated

	Proj ID	Agency	TOD Station or Area	Project	Area (Acres)	Proj Phase	2024 Project Status
County of Hav	H-11	COH	North Kona	Kamakana Villages Senior/Low Income Housing	6	Planning	Phase 1 complete; infrastructure issues, including water supply, need to be addressed for future phases. Future development is stalled due to Commission on Water Resource Management well permit policy. HHFDC is continuing to work on securing new water source development and allocation. The conditions imposed on the well construction permit made it infeasible. They are working to amend those conditions. Planning to issue RFP in Feb/March 2023.
	H-12	HHFDC/COH	North Kona	Kukuioala and Village 9 Affordable Housing	36	Pln/Des/Const	Subdivision approved in July 2022 for Kukuioala Village/HHFDC project & access road; County is seeking approvals/permits for construction of the access road; received \$4.25M in HHFDC funds for design/construction of access road; received \$10M in federal funds for design/construction of Phase 1 of Kukuioala Village for emergency housing. County will be breaking ground in late January 2024 for Phase 1 of Kukuioala Village for emergency housing. Awarded FY24 TOD CIP Planning Funds. Resolution drafted for county council to accept the funding moving through the process. Access road to the homeless shelter is almost completed. They are going out for bid on vertical construction for the shelter. They are in negotiations for the design of the next phase of transitional housing. The TOD CIP planning grant agreement with OPSD and the County contract negotiations is ongoing. The contract is for conceptual master planning and site design for permanent transitional housing.
County of Maui	M-01	HHFDC	Lahaina	Villages of Lealii Affordable Hsg Projects	1033	Pln/Des/Const	Kaiaaalu o Kukuia, formerly known as Keawe Street Apts at the Villages of Leali'i, is under construction; estimated to be completed in 4th Quarter 2024. They are in contact with DHHL to do a joint project or convey the property to them. First tenants should be moving into the Department of Human Services' (DHS) Ka La'i Ola temporary housing project in the later part of August 2024. Tenants should be moving into the Federal Emergency Management Administration's (FEMA) temporary housing project, Kilohana, at the end of October. HHFDC's Kaiāulu o KŪku'ia permanent housing project is scheduled to receive new tenants in December. This is the first permanent housing project to be made available to Lahaina fire survivors.
	M-06	COM	Lahaina-Kaanapali	West Maui TOD Corridor Plan		Proj Completed	Awarded FY21 TOD CIP Planning grant. Nelson/Nygaard was the consultant. West Maui TOD Corridor Plan included a section on framework for resiliency and disaster recovery planning. Copy of the report has been shared with Maui Office of Recovery. Presented to the Maui MPO TAC and Policy Board in February 2024 and TOD Council in April 2024. Project completed March 2024.
	M-02	HHFDC/DAGS	Kahului	Kahului Civic Center Mixed-Use Complex	6	Plan/Design	Final EA for housing & civic center uses at the parcel published May 2022. They are proposing 303 affordable living units and master planning for the DAGS civic center portion. Delivery of living units should be FY2029. DAGS awarded FY21 TOD CIP Planning grant for study of co-location of Kahului Public Library in civic center; contract awarded to hierarchy 1p and completed. \$9 million was approved for design and construction in 2023 for civic center. HHFDC is collaborating with EAH Housing (EAH) and DAGS to refine the site design. EAH is starting to prepare the Special Management Area (SMA) use permit.
	M-03	COM	Kahului	Central Maui Transit Hub	0.5	Construction	Maui County Department of Transportation is expected to receive the Certificate of Occupancy in April for the Central Maui Transit Hub.
	M-04	DAGS/ HHFDC	Wailuku	Wailuku Courthouse Expansion/Civic Center Complex	3	Plan/Design	HHFDC funded preparation of a programmatic EA for former Post Office site; initial DEA published for HHFDC is being revised for publication under DAGS. \$1 million in planning funds approved in 2023.
	M-07	HPHA	Wailuku	Kahekili Terrace Redevelopment/Master Plan	3.9	Planning	Awarded FY22 TOD CIP planning grant for master planning & environmental reviews. RFP for pre-master planning pending. Part of the Ka Lei Momi Project. Project postponed due to Maui wildfires recovery and uncertainty.
	M-05	COM	Wailuku-Kahului	Kaahumanu Ave Community Corridor Plan		Planning	Plan serves as TOD Pilot Area and studies being used for TOD Infrastructure Financing Study. Five bus stops along the Ka'ahumanu Avenue and are looking into expanding the routes in Central Maui.
	M-08	COM	Kihei-Makena	South Maui TOD Corridor Plan		Pre-Planning	Pending funding; South Maui CP update underway; TOD Plan to build on CP.



# TOD Infrastructure Finance and Delivery Strategy

State of Hawai i | Office of Planning and Sustainable Development

## Executive Summary

Phase 4 Report | December 2023

*The full report is available at*

[https://files.hawaii.gov/dbedt/op/lud/Reports/TOD\\_InfraFin\\_Strategy\\_20231221.pdf](https://files.hawaii.gov/dbedt/op/lud/Reports/TOD_InfraFin_Strategy_20231221.pdf)

**Prepared by:**

HR&A Advisors, Inc.

PBR HAWAII

KPMG

Ashurst

Starn O'Toole Marcus & Fisher

R.M. Towill

# Executive Summary

A key concern identified in the Hawai'i State TOD Strategic Plan is the lack of infrastructure in TOD areas needed to support affordable housing and mixed-use development across the State. Several State-funded studies have revealed the magnitude of the funding required for infrastructure improvements needed in these areas.<sup>1</sup> The State Legislature has also ramped up efforts to support development of infrastructure capacity to address Hawai'i's long-standing affordable housing crisis.<sup>2</sup>

Currently, infrastructure improvements are funded and constructed by individual developers in markets with favorable conditions or through Capital Improvement Program (CIP) investments when tax revenues and political will allow. The current process, while providing substantial resources, is fragmented and can produce inequitable outcomes. The scale of infrastructure needs requires more funding than what CIP and irregular infusions from the State can yield. In addition to current resources, Counties need tools that provide access to regular, large sources of funds, and financing that does not interfere with regular County bonding activity.

The State Legislature funded this study in recognition of the lack of sufficient funding for infrastructure with a particular interest in examining the role of value capture and alternative delivery tools in filling gaps in the infrastructure funding and delivery capacity of Counties and the State to deliver TOD.<sup>3</sup>

Four TOD Pilot Areas were selected by their respective Counties for this study.<sup>4</sup>

**Existing County and State funding for infrastructure is not enough to meet housing needs.**

- Existing sources – even in good budget years – are just not sufficient for the infrastructure needed to support housing production goals.
- Counties have limited capacity to raise necessary revenues on their own.
- The State – as landowner and developer – needs to invest in infrastructure to expedite housing production.
- Additional tools are needed to supplement existing County and State resources.

<sup>1</sup> These include the 2018 “State Transit-Oriented Development (TOD) Planning and Implementation Project for the Island of O‘ahu” commissioned by the Office of Planning (now the Office of Planning and Sustainable Development (OPSD)) and 2022 “State Infrastructure Improvement Master Plan for the Iwilei Area” commissioned by the Hawai'i Housing Finance and Development Corporation (HHFDC) and Department of Accounting and General Services (DAGS)

<sup>2</sup> These include 1) Act 48, Session Laws of Hawai'i (SLH) 2023, extending the timeframe for adoption of County GET surcharge ordinances, the Legislature acknowledged the need to increase funding for the counties to provide public infrastructure for housing development and 2) Act 184, SLH 2022 authorized a new TOD Infrastructure Improvement District Program under the Hawai'i Community Development Authority (HCDA) and established a TOD Infrastructure Improvement District Special Fund.

<sup>3</sup> Act 88, SLH 2021, Section 39 Budget Proviso.

<sup>4</sup> While this effort focused on pilot areas, the findings from and the financing tools identified for these pilot areas can be applied to other projects like O‘ahu's Aloha Stadium, or West Maui.

The study required consultation with key decision-makers and stakeholders who were formed into a Project Advisory Group (PAG) for the study. County Permitted Interaction Groups (PIGs) were also consulted throughout the project (please refer to Appendix 2 for agencies and individuals in the PAG and PIGs who participated in the study).

HR&A Advisors led the study, with the support of subconsultants PBR HAWAII, KPMG LLC, Ashurst, Starn O'Toole Marcus & Fisher, and R.M. Towill (the Consultant Team).

The study started in June 2022 and spanned four phases, including:

- **Phase 1:** Reconnaissance and initial review of development opportunities and infrastructure needs in each TOD Pilot Area;
- **Phase 2:** Preliminary identification of funding, financing, and delivery instruments pertinent to the infrastructure requirements in the TOD Pilot Areas;
- **Phase 3:** An estimate of the potential funding and financing streams from funding and financing options in each TOD Pilot Area that could be implemented by County governments, consisting mostly of value capture tools such as Tax Increment Financing (TIF), assessment districts, and one-time fees, among others; and
- **Phase 4:** An implementation strategy for Counties and the State to streamline or allow for implementation of the tools and other measures to expand the funds available for TOD-related investments. This implementation strategy summarizes the findings from prior phases and recommends actions at the State and County levels to address infrastructure financing gaps and advance affordable housing and other development in TOD areas in each County and Statewide.<sup>5</sup>

Phase 4 culminated in this report. Reports for this and the other three phases will be available at the State of Hawai'i Office of Planning and Sustainable Development website.

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<sup>5</sup> As this study was in its final stages, catastrophic wildfires on Maui led to the deaths of nearly 100 people and the destruction of over 3,000 structures in August 2023. The fact that Maui officials continued to participate in this project speaks to their inner strength and understanding that now, more than ever, Maui will need infrastructure financing assistance. The full impact on Lahaina's water, sewer, and road systems is currently being assessed. Although Maui's TOD Pilot area – the Ka'ahumanu Avenue Community Corridor – was not physically impacted by the disaster, Maui's economy needs jumpstarting to ensure residents' livelihoods are protected and to promote sustainable economic growth. The concepts identified in the West Maui Community Corridor TOD planning effort may be useful to support recovery efforts. Large-scale infrastructure projects that contribute to Lahaina's rebuilding could benefit from some of the financing mechanisms discussed in this Strategy report.

**In Phase 1**, the Consultant Team identified redevelopment opportunities that would significantly expand the supply of housing, particularly of affordable units, within each of the Counties, but that first require important investments in terms of enabling infrastructure.<sup>6</sup> In particular:

- **Iwilei-Kapālama (Oahu)** has the potential to accommodate 27,500 new housing units, which require \$667 million in upfront infrastructure investment to enable their construction;<sup>7</sup>
- The **Ka'ahumanu Avenue Community Corridor (Maui)** has a pipeline of 2,200 housing units, which require a water infrastructure investment of about \$7 million;<sup>8</sup>
- The **Līhu'e Town Core (Kauai)** could accommodate the construction of 775 residential units but requires water and wastewater last-mile connections totaling \$8 million; and
- The **Ane Keohokalole Highway Corridor (Hawaii)** has a pipeline of 4,200 housing units, though it requires \$462 million in upfront capital investments.

**In Phase 2**, it was clear that no County's infrastructure requirements are fully funded through existing programs, necessitating additional funding and financing tools. The Consultant Team identified a set of potential funding options (including project-level, districtwide, and countywide sources, as well as grants and government contributions), financing options (State and County debt, Federal loan programs, private options), and delivery models (from traditional procurement to public-private partnerships) for these infrastructure projects.

Among these options, the Consultant Team identified a specific set of instruments for further analysis that Counties could implement in the TOD Pilot Areas and in other priority areas, including TIF, special assessment districts such as Community Facilities Districts (CFDs) and Special Improvement Districts (SIDs), one-time fees (such as impact fees or development fees), Business Improvement Districts (BIDs), and earmarking of revenues produced from collecting General Excise Tax (GET) and Transient Accommodation Tax (TAT) County surcharges over retail and hotel expenditures derived from new real estate development activity in the TOD Pilot Areas.

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<sup>6</sup> The infrastructure costs identified are from a single point in time. These costs will naturally change, but the numbers provide insight into order-of-magnitude financing needs.

<sup>7</sup> The Consultant Team has not received complete information as to how much of this amount is already funded.

<sup>8</sup> There is likely additional water and wastewater infrastructure required to accommodate new growth, but individual projects have not yet been identified by the County.

**In Phase 3**, the Consultant Team then modeled the potential proceeds from implementing these instruments. From the analysis in Phase 1 to 3, the Consultant Team concluded that:

- 1. Counties have a limited set of tools to raise the funds necessary to enable TOD**, given that a) in matters of taxation, they are only allowed to determine the rate of property taxes; and b) districtwide TOD funding tools – such as TIF, special assessment districts, etc. – are not suitable for all areas. Policy changes at the State level could provide Counties with new tools, while policy changes at the County level could streamline the implementation of tools already within their reach.
- 2. As opposed to most conventional funding sources, value capture tools typically allow for ring-fencing<sup>9</sup> resources for specific TOD-enabling infrastructure**, which signals the commitment of public resources for infrastructure improvements in a designated area and increases certainty for developers to pursue housing and commercial development in those areas. Moreover, ring-fencing revenues generated within an area to pay for infrastructure for that area means that new development directly helps pay for the cost of that public investment.
- 3. The implementation potential of districtwide tools is nuanced and varies depending on the market dynamics of each area and policies at the State and County levels.** In particular:
  - a. TIF and CFDs can only yield significant revenues in areas with strong market and development potential, and their potential in areas where demand for market-rate residential and commercial development is low is limited. Moreover, the State constitution prevents implementation of TIF.
  - b. Special Assessment Districts are viable only for market-rate developments with profit margins that are high enough for investors, tenants, and owners to absorb the cost of additional taxes or assessments (limiting their potential in affordable housing developments).
  - c. One-Time Fees are applicable in the same financial circumstances as special assessment districts, but the existing regulatory frameworks in all Counties do not facilitate their widespread and systemic implementation. Moreover, one-time fees cannot support bond issuances and therefore are not viable for upfront financing.
  - d. Earmarking GET and TAT surcharge proceeds originating from local development is not allowed by existing legislation, which determines the use of those proceeds by Counties. Moreover, State legislation does not

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<sup>9</sup> “Ring-fencing” means reserving funds for a specific purpose.

authorize TIF districts to capture proceeds from these taxes, including both their base and surcharge components.

- e. BIDs in commercial centers can help increase market demand for residential and commercial development and thereby be a first step towards creating the market and financial conditions that make other districtwide funding tools viable.

- 4. State-level measures are needed to provide further funding for TOD and supplement revenues from districtwide tools available to Counties.** These tools may not yield enough funds to support local infrastructure, given that their funding and financing capacity relies on market-rate and commercial development, which may not be in demand or may be financially unfeasible in areas requiring infrastructure investments.
- 5. Value capture tools can provide greater flexibility in the eligibility of their uses than some traditional public funding** (such as GO Bonds, CIP, State grants, or Federal programs), which gives Counties more versatility in funding priority projects.

**Phase 4 Recommendations.** Based on this analysis, and as detailed in this report, the Consultant Team recommends ten legislative and administrative actions at the State and County levels to accelerate the funding, financing, and delivery of TOD-enabling infrastructure in the State.

While the key TOD financing recommendations focus on increasing the amount and reliability of funding available for infrastructure and housing development, this strategy also recognizes that implementing infrastructure financing and delivery programs requires understanding an area's development potential, the costs and timing of infrastructure improvements needed to support that development, and the entities best positioned to deliver the infrastructure. This typically requires preparing an infrastructure master plan to guide decisions about the funding, financing, schedule, and delivery methods for planned infrastructure. As a baseline, the State and Counties should continue collaboration via CIP investments and general fund appropriations as needed to advance infrastructure projects.

**Five recommended State-level actions** are aimed at creating new sources of funds for investments that unlock TOD and the advancement of affordable housing goals, including:

- 1. Expand the infrastructure funding capacity of the State conveyance tax by amending State Law**, increasing its rate and allocating a fixed share of proceeds to TOD investments and affordable housing.
- 2. Expand the infrastructure funding capacity of tourism-related taxes by amending State Law**, increasing the existing cap on TAT surcharge proceeds and authorizing counties to charge a surcharge on car rentals.
- 3. Authorize a ballot measure for a constitutional amendment that permits TIF and amend State legislation to allow the allocation of TIF revenues for**

**infrastructure in priority areas**, allowing TIF districts to have non-contiguous boundaries and enabling the use of revenues outside the TIF district, particularly in areas that the State or Counties wish to prioritize for improvements, and to capture State GET revenues to encourage counties to use TIF and increase its impact. Once authorized, Counties can consider TIF ordinances that include a “but-for” test to avoid TIF being utilized in communities in which development could happen without the use of TIF and that require a net fiscal impact finding from TIF implementation.

4. **Create a TOD infrastructure revolving fund** capitalized by dedicated revenue sources, with a governance structure that includes all Counties and fund distribution criteria that incorporate equity and historic disparities in access to resources.
5. **Expand the infrastructure funding capacity of GET surcharge revenues by amending State Law**, particularly by providing more flexibility on the use of County GET surcharge revenues, removing the sunset over GET surcharge collection, and increase the existing cap on the surcharge rate Counties are authorized to adopt. Because the City and County of Honolulu’s GET surcharge revenues are currently fully allocated to the Honolulu rail project, this recommendation is initially targeted to the Neighbor Islands.

**Five recommended County-level actions** are aimed at unlocking the funding capacity of tools they are already authorized by the State to adopt, including:

6. **Encourage the formation of CFDs to finance development-enabling infrastructure**, by identifying the areawide critical infrastructure needs, streamlining the entitlement process, and, when market circumstances permit, tying rezonings to the formation of a CFD or other district-level financing that can partly fund areawide infrastructure.
7. **Promote the creation of BIDs to improve land value and development feasibility**, since BIDs can fund services, minor streetscape improvements, and public parking that can enhance real estate demand in the area and the feasibility of infill development, particularly in existing commercial and mixed-used areas.
8. **Consider the implementation of countywide impact fees programs**, starting by conducting impact fee studies to determine their potential range of rates.
9. **Assess the potential modification of property tax exemptions in the City and County of Honolulu**, conducting a countywide rental housing market and feasibility study to evaluate and potentially reassess the existing RPT exemption on all units within mixed-income residential projects with a minimum of 20% of affordable units ahead of the exemption’s expiration in 2030.
10. **Assess the progressiveness of the structure of property tax rates in the City and County of Honolulu**, studying the potential fiscal and housing market impacts of implementing a progressive property tax structure, akin to those implemented on the Neighbor Islands.

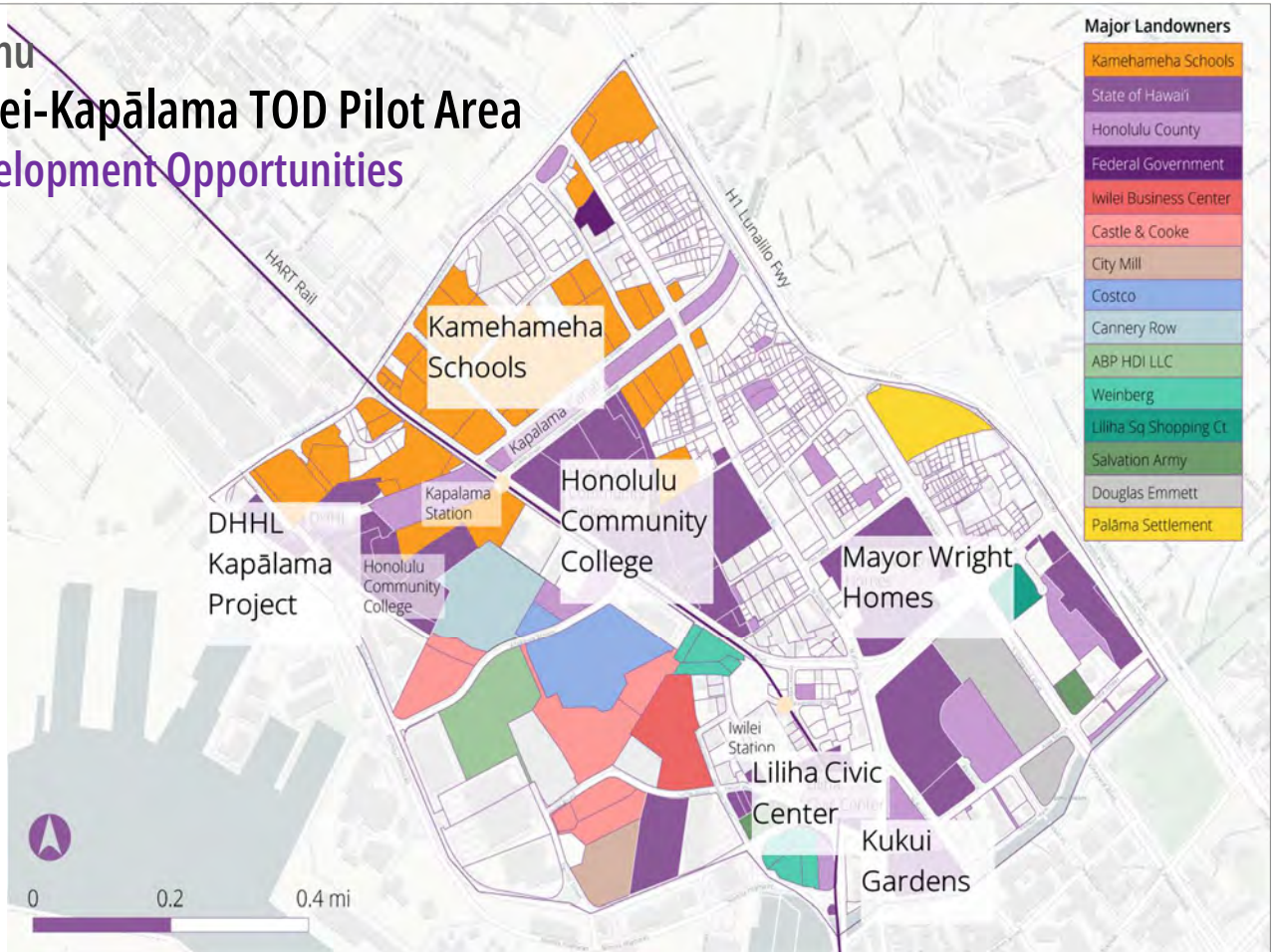
In addition to the TOD Pilot Areas, the financing tools evaluated and the study recommendations will have value to other priority projects across the State, such as the New Aloha Stadium Entertainment District (NASED) project being undertaken by the State Stadium Authority. The NASED project envisions the creation of a vibrant live-work-play-thrive destination on O'ahu with a new multi-use State stadium serving as the centerpiece for a mixed-use real estate development on the 98-acre Aloha Stadium site located in the State Halawa TOD Priority Area.

Significant infrastructure investments will be required to achieve this vision, and financing mechanisms, such as TIF, may be explored as part of the financing strategy for the infrastructure improvements and NASED development program. Meetings with agency administrators and staff to discuss and respond to questions and concerns about specific tools, such as TIF for the Aloha Stadium site, have been conducted and will be an important part of the outreach to follow the issue of the final study report.

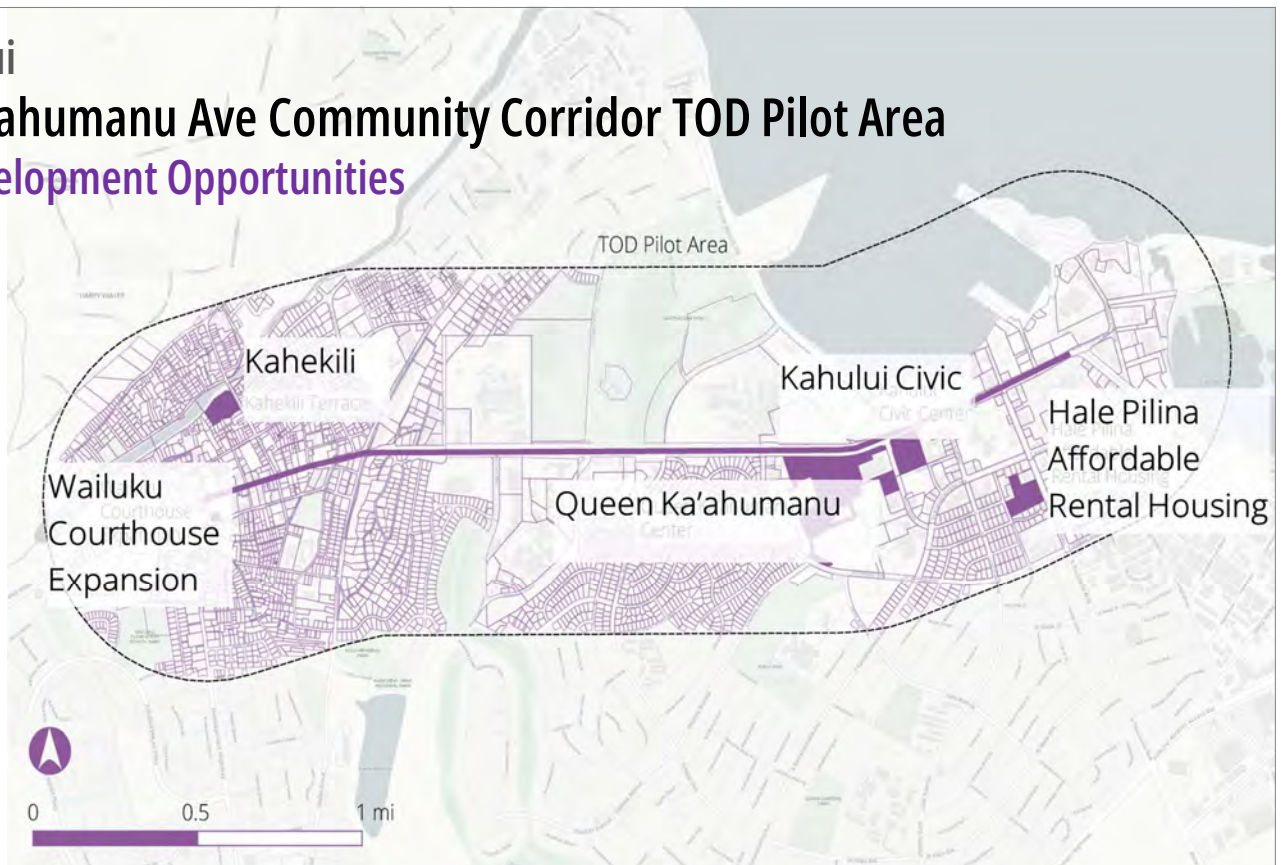
These recommendations will take time to implement. For the recommendations to be fully realized, policies will need to be changed, government's implementation capacity will need to be expanded, and new ideas will need to be further examined. While the State and Counties work on long-term strategies, they should continue to work together via the County and State CIP process and general fund appropriations to continue to push infrastructure projects forward.



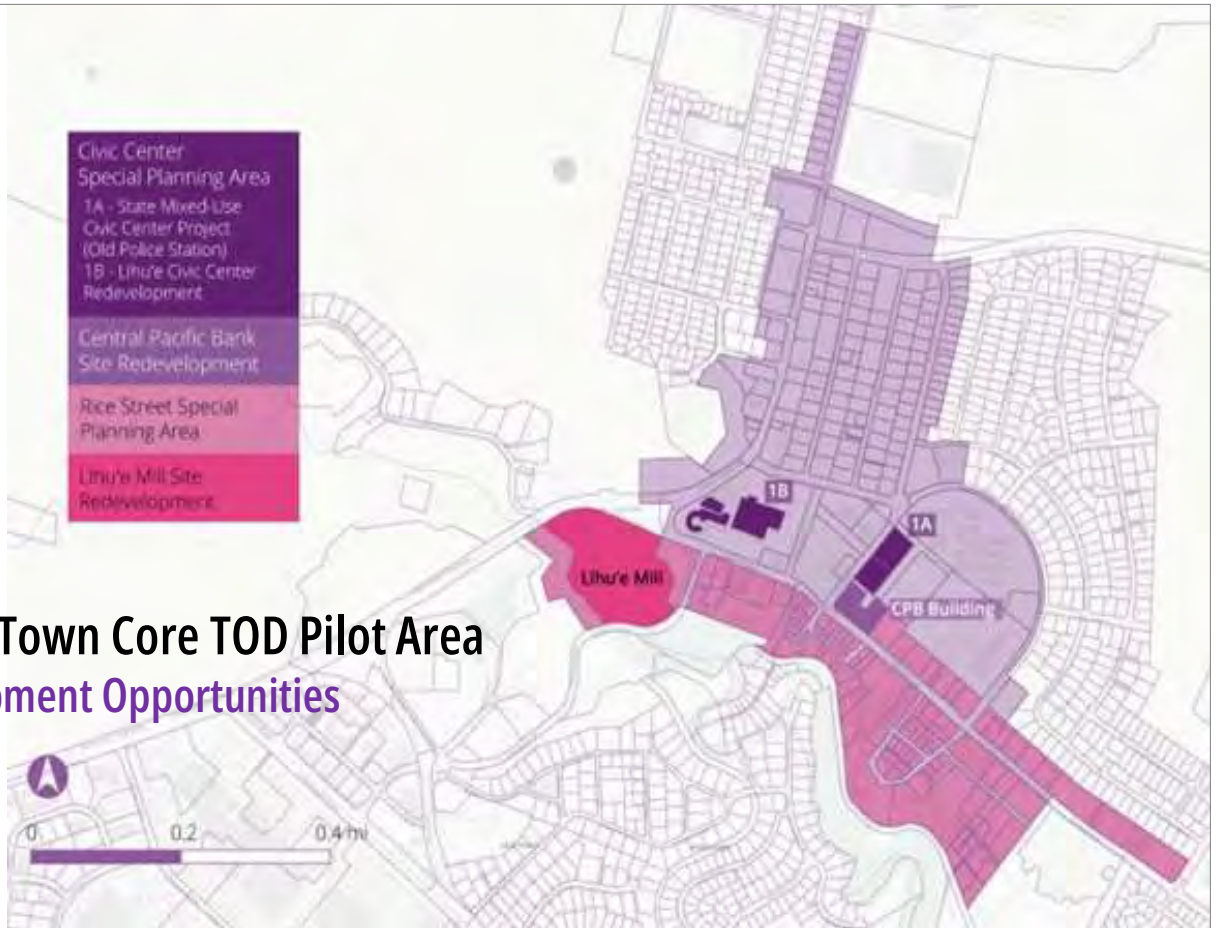
# O'ahu Iwilei-Kapālama TOD Pilot Area Development Opportunities



# Maui Ka'ahumanu Ave Community Corridor TOD Pilot Area Development Opportunities



**Kauaʻi**  
**Līhuʻe Town Core TOD Pilot Area**  
**Development Opportunities**



**Hawaiʻi**  
**Ane Keohokalole Hwy TOD Pilot Area**  
**Development Opportunities**

