

HAWAI‘I INTERAGENCY COUNCIL FOR TRANSIT-ORIENTED DEVELOPMENT

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

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March 2, 2026

The Honorable Ronald D. Kouchi, Senate
President, and Members of the Senate
State Capitol, Room 409
Honolulu, Hawai‘i 96813

The Honorable Nadine K. Nakamura, Speaker,
and Members of the House of Representatives
State Capitol, Room 431
Honolulu, Hawai‘i 96813

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

On behalf of the Hawai‘i Interagency Council for Transit-Oriented Development (TOD Council) established pursuant to Act 130, Session Laws of Hawai‘i 2016, we are pleased to transmit for legislators’ consideration a list of transit-oriented development (TOD)-related budget requests recommended for funding, which are included in the proposed Executive Budget (House Bill 1800/Senate Bill 2500).

The TOD Council is charged with reviewing TOD-related CIP budget requests to the Legislature pursuant to Hawai‘i Revised Statutes Section 226-63. At its February 20, 2026 meeting, the TOD Council reviewed and endorsed the following TOD-related CIP and general fund requests for funding by the Legislature for Fiscal Year 2027. The funding requests below will: (1) advance projects that promote TOD around existing or proposed transit stations, or (2) greatly expand funding and financing available for affordable housing, water and wastewater infrastructure improvements, and road improvements in TOD areas. These investments will spur housing production, job creation, and the overall improvement of neighborhoods in these areas. Please note that the revolving funds are available for housing and infrastructure in both TOD and non-TOD areas.

Expending Agency	Summary	Program ID	FY 2027
HHFDC – Cash Infusion for Dwelling Unit Revolving Fund (DURF), Statewide	Construction. General fund infusion to HHFDC’s DURF to boost financing for affordable housing units. It has multiple uses including funding infrastructure and infrastructure master plans.	BED160	\$40,000,000
HHFDC – Cash Infusion for Rental Housing Revolving Fund Infusion for Affordable Housing (RHRF), Statewide	Construction. General fund infusion to HHFDC’s RHRF to boost financing for affordable housing units. RHRF is typically used in conjunction with Low-Income Housing Tax Credit (LIHTC) Projects. LIHTC funds housing projects to serve households with 60 percent AMI or below.	BED160	\$50,000,000

Expending Agency	Summary	Program ID	FY 2027
	RHRF provides gap funding, so that they can help people at 30 percent AMI where there is a strong need.		
HHFDC – Cash Infusion for RHRF Tier II, Statewide	Construction. General fund infusion to HHFDC’s RHRF to build more workforce housing for people who fall between 60-140 percent AMI.	BED160	\$50,000,000
HCDA – East Kapolei TOD Infrastructure, O’ahu	CIP: Funding to prepare a Programmatic EIS for the East Kapolei TOD Infrastructure Implementation Master Plan (in progress).	BED150	\$1,000,000
DCR – New O’ahu Community Correctional Center Facility (OCCC), O’ahu	CIP: Plans, land acquisition, design, and construction for the project management support and financial participation by the State of Hawaii to fund and construct the new OCCC facility at the current site of Hālawā Animal Quarantine Station. Funding will allow DCR to continue the design process of their new facility. Completion of new facility will allow redevelopment of existing Dillingham OCCC site for mixed-use TOD.	PSD900	\$15,000,000
UH - Kaua’i Community College, Student, Faculty/Staff, and Workforce Housing, Kaua’i	CIP: Plans, design, and construction for student, faculty/staff, and workforce housing.	UOH800	\$10,000,000
Department of Accounting and General Services (DAGS), Public Works-Planning, Design & Construction	Three permanent positions to establish the Special Projects Branch within the Public Works Division.	DAGS221	\$728,927

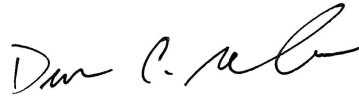
The TOD Council is comprised of 25 members representing State agencies, the Counties, the Senate and House of Representatives, the Honolulu office of the U.S. Department of Housing and Urban Development, and affordable housing, business, and development interest groups. The TOD Council is charged with coordinating and facilitating State agency TOD planning and facilitating consultation and collaboration between the State and the Counties in support of State and County TOD and Smart Growth initiatives. If you have any questions, please contact Mary Alice Evans at (808) 587-2833, maryalice.evans@hawaii.gov.

Thank you for your consideration of the TOD Council recommendations.

Sincerely,



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, MD, Office of the Governor
Seth Colby, PhD, Department of Budget and Finance
Senator Sharon Moriwaki, Senate Ways and Means Vice-Chair/CIP Manager
Representative Lisa Kitagawa, House Finance CIP Manager