STATE TOD PLANNING & IMPLEMENTATION FOR THE ISLAND OF O‘AHU

TOD COUNCIL REPORT BACK
Tuesday, February 11, 2020
HCDA Community Room

OFFICE OF PLANNING
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, & TOURISM
Project Purposes

- Coordinate approach between all stakeholders
- Coordinate regional infrastructure investments
- Identify source(s) of financing and best practices for TOD Implementation
- Consider incentives for landowner participation
- Identify sustainable development practices
Phase 1: Preferred Land Use Alternative to identify infrastructure requirements

PIG Meetings Held
- July 2018 – Project Overview & Information Compiled
- September 2018 – Charrettes
- February 2019 – Preferred Plan
- March 2019  o Disband
# Phase 1: Meetings Held

<table>
<thead>
<tr>
<th>Group</th>
<th>Date(s)</th>
<th>Topics Covered</th>
</tr>
</thead>
</table>
| Project Coordinating Committee (PCC) | • June 1, 2018  
• June 22, 2018  
• August 16, 2018  
• September 21, 2018  
• November 2, 2018  
• December 4, 2018 and January 23, 2019 | • Kick-off meeting  
• Work Plan  
• Charrette Preparation  
• Charrette Summary  
• Project Boundary  
• Land Use Scenario Review – PIG 3 |
| Permitted Interaction Groups (PIGs) | • July 12 – 20, 2018  
• July 30, 2018  
• September 20 & 21, 2018  
• **February 26, 2019** | • Info Compiled to Date  
• Farrington Widening  
• Charrettes  
• **Preferred Conceptual Land Use Scenario** |
Phase 2: Infrastructure Investment & Delivery Strategy to inform implementation and financing

PIG Meetings Held
- May 2019 – Regional Infrastructure Needs
- October 2019 – Estimated Infrastructure Costs
- January 2020 – Financial assessment, focused on Phase 1 of development

Today:
- February 2020 - PIG Report Back

*Subject to change
# Phase 2: Meetings Held to Date

<table>
<thead>
<tr>
<th>Group</th>
<th>Date(s)</th>
<th>Topics Covered</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Coordinating Committee (PCC)</td>
<td>• May 13, 2019&lt;br&gt;• August 30, 2019&lt;br&gt;• September 5, 2019&lt;br&gt;• January 7, 2020</td>
<td>• Alternatives / Costs / Timing of Infrastructure Projects&lt;br&gt;• Infrastructure Financing&lt;br&gt;• Sequencing&lt;br&gt;• Financing / Funding Tools and Options</td>
</tr>
<tr>
<td>Permitted Interaction Groups (PIGs)</td>
<td>• May 23, 2019&lt;br&gt;• October 8-11, 2019&lt;br&gt;• January 14-15, 2020</td>
<td>• Alternatives / Costs / Timing of Infrastructure Projects&lt;br&gt;• Sequencing and Financing / Funding Tools and Options&lt;br&gt;• Financing / Funding Tools, Potential Yields, and Recommendations</td>
</tr>
</tbody>
</table>
TOD
Opportunities and Study Efforts
TOD Opportunities: State Lands Along the Rail

Priority Areas:

- East Kapolei
- Hālawa-Stadium
- Iwilei-Kapālama
Priority Areas and State Goals

• 47,000+ new/rebuilt homes, disproportionally affordable
• New and improved community facilities
• New Aloha Stadium Entertainment District (NASED)
• Revenues for mission driven agencies
• Connection to employment centers
• Reduced transportation costs, congestion, and energy consumption
• Preservation of ag lands and Keep The Country Country!!
• Value created in Phase 1 alone exceeds $10.3B in 2019 dollars
East Kapolei
TOD Priority Area
Preferred Alternative: East Kapolei

- Proceed with current conceptual land use scenarios for each of the various landowners
- Improve currently planned connections/intersections
## Preferred Alternative: East Kapolei Anticipated Development Model

<table>
<thead>
<tr>
<th></th>
<th>Residential (Units)</th>
<th>Commercial (SF)</th>
<th>Industrial (SF)</th>
<th>Hotel (rooms)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Existing</td>
<td>840</td>
<td>1,990,000</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Phase 1:</strong> Additional (0-10 Years)</td>
<td>9,740</td>
<td>3,460,000</td>
<td>1,190,000</td>
<td>180</td>
</tr>
<tr>
<td><strong>Phase 2:</strong> Additional (11-20 Years)</td>
<td>6,740</td>
<td>1,770,000</td>
<td>1,150,000</td>
<td>~190</td>
</tr>
<tr>
<td><strong>Phase 3:</strong> Additional (20-40+ Years)</td>
<td>1,640</td>
<td>1,100,000</td>
<td>490,000</td>
<td>Possibly another</td>
</tr>
<tr>
<td><strong>Total Anticipated Buildout</strong></td>
<td><strong>18,960</strong></td>
<td><strong>8,320,000</strong></td>
<td><strong>2,830,000</strong></td>
<td>~370</td>
</tr>
</tbody>
</table>

*Development estimates subject to change. Includes existing inventories.*
East Kapolei: Phase 1 Plan (2020-2029)

Net new development*

• Residential – 9,740 homes
• Commercial/Mixed-Use – 3.46 million SF
• Hotel – 180 rooms
• Industrial – 1.19 million SF
• Schools

* Figures based on preferred plans by agency and other stakeholders and represent new facilities NET OF existing facilities expected to be demolished.
East Kapolei Infrastructure Needs and Costs
EAST KAPOLEI STATE LANDS: NEW-UPGRADED FACILITIES

Legend
- Future Rail Stations
- Rail Line
- State Parcels
- State TOD Projects
- Proposed Electrical Substation
- New Sewer Line
- Upgraded Sewer Line
- New Water Lines
- Non-Potable Water Improvements
- Drain Lines (Future)
- Regional Corridors for Development Support
- Multi-Modal Connection (including sidewalks/separated pathways and/or bicycle lanes/cycle tracks/multi-use pathways)
### East Kapolei – Total Regional and Regional-Project Costs by Phase (2019 dollars, in millions)

<table>
<thead>
<tr>
<th>Phase</th>
<th>Phases 2-3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>$969.4</td>
<td>$1,683.1</td>
<td>$2,652.6</td>
</tr>
</tbody>
</table>

- Developed from detailed analysis from engineering consultant based on preferred plans, existing, needed, and deficit infrastructure
- $729.5 million funding already committed to Phase 1 projects

*Note: This table does not include onsite project infrastructure.

** Subject to change based on UHWO Mauka MP demand.
Hālawa-Stadium
TOD Priority Area
Preferred Alternative: Hālawa-Stadium

- Stadium redevelopment on site with additional ancillary mixed-use development
- Puʻuwai Momi at maxed out density
- Additional public-school capacity
- Assume OCCC relocates to Hālawa
## Preferred Alternative: Hālawa-Stadium Anticipated Development Model

<table>
<thead>
<tr>
<th></th>
<th>Residential (Units)</th>
<th>Commercial (SF)</th>
<th>Industrial (SF)</th>
<th>Hotel (rooms)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Existing</td>
<td>1,140</td>
<td>---</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Phase 1: Additional</strong> (0-10 Years)</td>
<td>1,400</td>
<td>333,000</td>
<td>0</td>
<td>~230</td>
</tr>
<tr>
<td><strong>Phase 2: Additional</strong> (11-20 Years)</td>
<td>1,940</td>
<td>413,500</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Phase 3: Additional</strong> (20-40+ Years)</td>
<td>2,590</td>
<td>973,500</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total Anticipated Buildout</strong>*</td>
<td><strong>7,070</strong></td>
<td><strong>1,720,000</strong></td>
<td>0</td>
<td>~230</td>
</tr>
</tbody>
</table>

*Development estimates subject to change. Includes existing inventories.
Hālawa-Stadium: Phase 1 Plan (2020-2029)

Net new development*

- Residential – 1,400 homes
- Commercial/Mixed-Use – 0.3 million SF
- Hotel – 230 rooms
- New stadium – 35,000 seats

* Figures based on preferred plans by agency and other stakeholders and represent new facilities NET OF existing facilities expected to be demolished.
HĀLAWA-STADIUM STATE LANDS: NEW-UPGRADED FACILITIES
Hālawa Stadium – Total Regional and Regional-Project Costs by Phase (2019 dollars, in millions)

<table>
<thead>
<tr>
<th>Phase 1</th>
<th>Phases 2-3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>$385.1</td>
<td>$662.0</td>
<td>$1,047.1</td>
</tr>
</tbody>
</table>

- Developed from detailed analysis from engineering consultant based on preferred plans, existing, needed, and deficit infrastructure
- $271.3 million funding already committed to Phase 1 projects

*Note: This table does not include onsite project infrastructure.
** Subject to change.
Iwilei-Kapālama TOD Priority Area
Preferred Alternative: Iwilei-Kapālama

- Baseline = TOD identified zoning without Sea Level Rise
- Order of magnitude costs for the region, based on Adaptation Pathway hypotheticals
- Additional public-school capacity: two 3-acre DOE sites
- Assume OCCC relocates to Hālawa and the property is rezoned for TOD
# Preferred Alternative: Iwilei-Kapālama Anticipated Development Model

<table>
<thead>
<tr>
<th></th>
<th>Residential (Units)</th>
<th>Commercial (SF)</th>
<th>Industrial (SF)*</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Existing</strong></td>
<td>8,810</td>
<td>19,764,700</td>
<td>---</td>
</tr>
<tr>
<td><strong>Phase 1: Additional (0-10 Years)</strong></td>
<td>6,950</td>
<td>1,067,000</td>
<td>1,482,000</td>
</tr>
<tr>
<td><strong>Phase 2: Additional (11-20 Years)</strong></td>
<td>9,880</td>
<td>3,856,000</td>
<td>635,000</td>
</tr>
<tr>
<td><strong>Phase 3: Additional (20-40+ Years)</strong></td>
<td>6,030</td>
<td>2,986,000</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total Anticipated Buildout</strong>*</td>
<td>24,870</td>
<td>20,037,300</td>
<td>2,117,000</td>
</tr>
</tbody>
</table>

*Development estimates subject to change. Includes existing inventories.
Net new development*

- **Residential** – 3,400* homes
  - 4,500 total re/development
- **Commercial** – 0.5 million* SF
  - 0.9 million SF total re/development
- **Industrial** – (0.2) million* SF decline
  - 0.5 million SF total re/development

* Figures subject to change based on stakeholder inputs; and represent new facilities NET OF existing facilities expected to be demolished.
Iwilei-Kapālama Infrastructure Needs and Costs
IWILEI-KAPĀLAMA STATE LANDS: NEW-UPGRADED FACILITIES

[Map of IWILEI-KAPĀLAMA State Lands with new-upgraded facilities.]
## Iwilei-Kapālama–Total Regional and Regional-Project Costs by Phase

<table>
<thead>
<tr>
<th>Phase</th>
<th>Description</th>
<th>Cost (2019 dollars, in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phase 1</td>
<td>Developed from detailed analysis from engineering consultant based on preferred plans, existing, needed, and deficit infrastructure</td>
<td>$444.6</td>
</tr>
<tr>
<td>Phase 2-3</td>
<td></td>
<td>$1,340.5</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>$1,785.1</td>
</tr>
</tbody>
</table>

- **Note:** This table does not include onsite project infrastructure.
- **Subject to change based on UHWO Mauka MP demand.**

**Phase 1 Projects:***

- **Developed from detailed analysis from engineering consultant based on preferred plans, existing, needed, and deficit infrastructure:**
- **$240.2 million funding already committed to Phase 1 projects**
Priority Areas Combined: Infrastructure Costs
# Plans Require an Estimated $5.5 billion in Infrastructure Investments (2019 dollars)

In millions:

<table>
<thead>
<tr>
<th>Location</th>
<th>Phase 1</th>
<th>Phases 2-3</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>East Kapolei</td>
<td>$909.9</td>
<td>$1,683.1</td>
<td>$2,593.0</td>
</tr>
<tr>
<td>Hālawa-Stadium</td>
<td>$393.6</td>
<td>$662.0</td>
<td>$1,055.6</td>
</tr>
<tr>
<td>Iwilei-Kapālama</td>
<td>$493.7</td>
<td>$1,340.5</td>
<td>$1,834.2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$1,797.3</strong></td>
<td><strong>$3,685.6</strong></td>
<td><strong>$5,482.8</strong></td>
</tr>
</tbody>
</table>

Source: RM Towill Corporation. Figures in 2019 dollars. Rough order of magnitude estimates based on preferred plans as identified by agency and other stakeholders; all figures subject to change.
Phase 1 Costs by Type and TOD Area:
Estimated $1.8 billion (2019 dollars, in millions)

East Kapolei
$909.9 million
- Schools, $443.5
- Roads / Complete Streets, $345.7
- Water, $63.4
- Electrical, $15.6
- Drainage, $37.8
- Sewer, $4.0

Hālawa-Stadium
$393.6 million
- Roads / Complete Streets, $188.7
- Water, $4.3
- Sewer, $4.0
- Electrical, $13.2
- Drainage, $6.1

Iwilei-Kapālama
$493.7 million
- Roads / Complete Streets, $227.9
- Water, $32.9
- Sewer, $227.9
- Electrical, $31.4
- Drainage, $13.1

Source: RM Towill Corporation. Figures in 2019 dollars. Rough order of magnitude estimates based on preferred plans as identified by agency and other stakeholders; all figures subject to change.
Current Phase 1 Funding by Project Type and TOD Area:
Estimated $1.24 billion (2019 dollars, in millions)

<table>
<thead>
<tr>
<th>Area</th>
<th>Estimated Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>East Kapolei</td>
<td>$729.5 million</td>
</tr>
<tr>
<td>Hālawa-Stadium</td>
<td>$271.3 million</td>
</tr>
<tr>
<td>Iwilei-Kapālama</td>
<td>$240.2 million</td>
</tr>
</tbody>
</table>

- **East Kapolei ($729.5 million)**
  - Schools, ($443.5)
  - Roads / Complete Streets, ($219.3)
  - Water, ($62.7)
  - Sewer, ($4.0)

- **Hālawa-Stadium ($271.3 million)**
  - Roads / Complete Streets, ($86.6)
  - Sewer, ($179.6)
  - Water, ($4.3)

- **Iwilei-Kapālama ($240.2 million)**
  - Roads / Complete Streets, ($45.0)
  - Sewer, ($190.1)
  - Water, ($5.1)

Source: RM Towill Corporation. Figures in 2019 dollars. Rough order of magnitude estimates based on preferred plans as identified by agency and other stakeholders; all figures subject to change.
## Phase 1 Remainder to be Funded: Estimated $0.56 billion (2019 dollars)

### In millions:

<table>
<thead>
<tr>
<th>Category</th>
<th>New</th>
<th>Deficit</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Roads / Complete Streets</td>
<td>$251.7</td>
<td>$112.8</td>
<td>$364.5</td>
</tr>
<tr>
<td>Water</td>
<td>$5.3</td>
<td>$23.2</td>
<td>$28.5</td>
</tr>
<tr>
<td>Sewer</td>
<td>$42.0</td>
<td>$4.9</td>
<td>$46.9</td>
</tr>
<tr>
<td>Drainage</td>
<td>$40.1</td>
<td>$16.2</td>
<td>$56.3</td>
</tr>
<tr>
<td>Electrical</td>
<td>$47.0</td>
<td>$13.2</td>
<td>$60.2</td>
</tr>
<tr>
<td>Schools</td>
<td>$0.0</td>
<td>$0.0</td>
<td>$0.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$386.1</td>
<td>$170.3</td>
<td>$556.4</td>
</tr>
</tbody>
</table>

Source: RM Towill Corporation. Figures in 2019 dollars. Rough order of magnitude estimates based on preferred plans as identified by agency and other stakeholders; all figures subject to change.
Financing / Funding Tools
For a project to be financeable now, it needs a clear revenue stream in the future.

**Financing** is the raising of this upfront capital to expedite the process.

**Funding** is the revenue stream in the future to repay the financing.
Review of Public Finance Alternatives: Potential Funding Sources

Allocating Existing Revenue Sources
- Tax Increment
- PILOT
- GET
- COP/Lease
- Revenue Bonds

New Revenue Sources
- Revenue Bonds
- Community Facilities Districts
- Improvement Districts
- Impact Fees

Outside Funding Sources
- GO Bonds
- P3
- Grants and Loans

Developer Incentives
- Opportunity Zones
- Low Income Housing Credit
- New Market Tax Credits
## Public Finance Alternatives Modeled: No Reduction to Existing Public Revenues

<table>
<thead>
<tr>
<th><strong>Value capture</strong></th>
<th><strong>Brief Description</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>One-time State GET on construction *</td>
<td>Allocation of existing GET resulting from new development in TOD areas</td>
</tr>
</tbody>
</table>
| Recurring State GET on operations * | Allocation of incremental amount of GET resulting from new expenditures or sales. Modeled for:  
  - Retail sales  
  - Commercial and industrial space rents  
  - Hotel room revenues |
| County real property taxes (RPT) * | Capture share of incremental increase in RPT revenue as a result of the new developments in TOD areas |
| Community Facilities Districts (CFDs) | District authorized by property owners and County to levy special taxes to fund public improvements |

Similar tools have been successfully implemented elsewhere, implementation in Hawaii would require further investigation and legal counsel to determine how to structure.

* Most value capture methods may be structured for administrative purposes as a Payment in Lieu of Taxes, or PILOT.
Financing / Funding Scenarios
Framework of the Financing Model*

• Corridor approach, Phase 1 only (2020-2029)
• Goal is to fund the unfunded portion - $0.56 B
• Constant 2019 dollars
• Model tested combinations of various alternative mechanisms

*Subject to change based on assumptions related to costs and timing of TOD infrastructure, development projections, and other input parameters
**Alternative Financing Tools Evaluated**

- **Value Capture** – share of future new revenues:
  - GET on new construction
  - GET on new operations
  - RPT on new/redeveloped properties

- **CFD - Special Tax**

*Subject to change based on development scenarios and timing, tax policy changes and other; does not represent recommended funding approach. Based on Phase 1 development yields from 2021 through 2040.*
### Scenario 1: Preferred Value Capture Tools
Applied to new facilities in TOD Priority Areas only (2019 dollars, in billions)

<table>
<thead>
<tr>
<th>Construction GET:</th>
<th>Recurring GET:</th>
<th>Incremental RPT:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Relative Potential:</strong> 13%</td>
<td>On-going GET from retail sales, space leases, and hotel operations in the priority areas</td>
<td>Incremental new RPT from new developments in the priority areas</td>
</tr>
<tr>
<td>One-time GET applied as new facilities are developed in the three priority areas</td>
<td>+ Unpredictable; difficult to bond</td>
<td>+ Predictable once facilities are operational</td>
</tr>
<tr>
<td>+ Readily related to the three priority TOD areas</td>
<td>- Yields delayed until facilities are operational (2023+ for most)</td>
<td>+ Can be bonded, if yield amounts warrant</td>
</tr>
<tr>
<td>+ Yields may begin relatively early in Phase 1</td>
<td>- Honolulu RPT rates are relatively low</td>
<td>- Yields delayed until facilities are operational and assessments updated</td>
</tr>
<tr>
<td>- Unpredictable; difficult to bond</td>
<td>- Many exempt classes, including public facilities and affordable housing</td>
<td></td>
</tr>
<tr>
<td>- Yields occur only when projects get built</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Yields end in 2029</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Affordable housing and certain other property classes are exempt</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Estimated funding yield when employed from 2020-2040:**

- **$0.30 billion** at 100% capture
- **$0.49 billion** at 50% capture
- **$0.08 billion** at 30% capture
Scenario 1: Selected Value Capture Tools

**OP TOD Project and Financing Summary for Phase 1 Infrastructure**

Three Priority TOD Areas

<table>
<thead>
<tr>
<th>Year</th>
<th>Annual Revenues (in millions)</th>
<th>Annual Infrastructure Expenditure (in millions)</th>
<th>Annual Surplus/(Deficit) (in millions)</th>
<th>Cumulative Surplus/(Deficit) (in millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2009</td>
<td>(59.7)</td>
<td>(93.0)</td>
<td>(37.3)</td>
<td>(37.3)</td>
</tr>
<tr>
<td>2010</td>
<td>(49.7)</td>
<td>(53.5)</td>
<td>(53.5)</td>
<td>(53.5)</td>
</tr>
<tr>
<td>2011</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2012</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Figures in 2019 dollars. Numbers based on current maximum funding scenario as shown; all figures subject to change.
Scenario 2: Enhance Scenario 1 for Gap and Long-Term Funding

- GET surcharge was suggested by stakeholders as “gap” solution
- Allocate these monies to public/regional infrastructure needs of the TOD Priority Areas
- 0.10% of State GET revenues on O‘ahu for 10 years meets goals
- If implemented as a **surcharge**, will not impact revenues available to State General Fund or other uses, but will represent a rate increase to taxpayers
- Surcharge could sunset once initial gap funding needs are met
Scenario 2: Enhance Scenario 1 for Gap and Long-Term Funding

OP TOD Project and Financing Summary for Phase 1 Infrastructure
Three Priority TOD Areas

Figures in 2019 dollars. Numbers based on current maximum funding scenario as shown; all figures subject to change.
Review of Policy Considerations
## Policy Considerations: Value Capture

### State GET
- Unpredictable, so difficult to bond – likely to require full faith and credit and/or general obligations
- GET on construction occurs relatively early, is short-term
- GET on operations is delayed but has biggest & long-term potential

### County RPT
- Some share must be retained to address operations and maintenance of new infrastructure
- Low County RPT generally
- TOD goals include many exempt uses
- More readily bondable once established

### How to structure new value capture methods??
- PILOTs (to a public or a P3 fund) or allocations from general fund?
- Implementation would require further investigation and legal counsel.
Policy Considerations: CFDs

Benchmark based on maximum revenue potential as defined:

• $65 million potential from Phase 1 developments through 2040, at 15% surcharge to RPT (with bonding)

• How would CFD affect marketability of properties on State lands?
  • Is a CFD more appropriate for amenities that enhance value?

• What should it apply to? (All new housing; commercial; industrial; hotels; public facilities; etc.)

• Greater yield if do not bond

Figures in 2019 dollars. Numbers based on current maximum funding benchmark as presented; does not represent recommended funding approach; all figures subject to change.
## Policy Considerations:
### Other Potential Funding Sources

Change laws to permit new revenue sources – options identified by PIG members:

- Legalize and tax recreational marijuana
- Legalize and tax lotteries and/or gambling
- Other

**New taxes or fees:**

- Increase in GET or GET surcharge
- Special user fees for stadium or other facilities
- Expand application of impact or user fees

*Potential other funding sources; does not represent recommended scenario.*
For requests for materials and project-related questions, please contact dbedt.op.lud@hawaii.gov or Rodney Funakoshi at: rodney.y.funakoshi@hawaii.gov

If you have additional comments, thoughts, or materials to share, please e-mail Nathalie Razo at: nrazo@pbrhawaii.com

Mahalo!