Agenda Item 8: TOD COUNCIL WORK GROUP

Forum for advancing TOD implementation

1. Project-level TOD
2. Regional TOD-supportive Projects
3. TOD Implementation Tools
4. TOD Program Support
WHY THE PROPOSED WORK GROUP?

Need for game plan for State TOD implementation

INFRASTRUCTURE FINANCING TOOLS & OPTIONS

Examining necessary legislative & institutional supports needed, including interagency/interjurisdictional agreements

INFRASTRUCTURE INVESTMENT PLAN / STRATEGY

Facilitating infrastructure development to support affordable housing in TOD areas
<table>
<thead>
<tr>
<th>STATE TOD PROJECT--OAHU HAS COMPILED INFORMATION ON</th>
</tr>
</thead>
<tbody>
<tr>
<td>State and major projects anticipated in three TOD priority areas over next 30 years, including affordable housing</td>
</tr>
<tr>
<td>Regional infrastructure needs to support State and other TOD projects in priority areas over next 30 years</td>
</tr>
<tr>
<td>Estimated project costs for regional infrastructure improvements and funding gaps for first phase infrastructure projects</td>
</tr>
<tr>
<td>Preliminary ideas and analysis of financing options to address funding gap for 2020-2030 regional infrastructure needs</td>
</tr>
</tbody>
</table>
Regional infrastructure needs for TOD priority areas

- 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)

source: DRAFT Final Report, State TOD Planning & Implementation Project for Oahu, PBR Hawaii
## OP TOD East Kapolei Conceptual Cost Estimate Summary Table

<table>
<thead>
<tr>
<th>Items</th>
<th>Phase 1 (2020-2029)</th>
<th>Existing Funding 2-year CIP</th>
<th>Existing Funding 6-year CIP</th>
<th>Existing Funding Other</th>
<th>Required Net Funding Amount Phase 1 Costs</th>
<th>Phase 2 (2030-2039)</th>
<th>Phase 3 (2040+)</th>
<th>Total Unfunded Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sewer (Regional/Project Improvements) - Needed unless UH Mānoa reduces MP demand</td>
<td>$ 0.180</td>
<td>$ (0.022)</td>
<td>$ (0.044)</td>
<td>$ (0.113)</td>
<td>$ -</td>
<td>$ 0.043</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td>Water (Regional Improvements) - Needed unless UH Mānoa reduces MP demand</td>
<td>$ 0.009</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ 0.009</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
</tr>
<tr>
<td><strong>Subtotal - Sewer (with New School in Puuwai Momi parcel)</strong></td>
<td>$ 0.189</td>
<td>$ (0.022)</td>
<td>$ (0.044)</td>
<td>$ (0.113)</td>
<td>$ 0.009</td>
<td>$ 0.403</td>
<td>$ -</td>
<td>$ -</td>
</tr>
</tbody>
</table>

## OP TOD Hālawa-Stadium Conceptual Cost Estimate Summary Table

<table>
<thead>
<tr>
<th>Items</th>
<th>Phase 1 (2020-2029)</th>
<th>Existing Funding 2-year CIP</th>
<th>Existing Funding 6-year CIP</th>
<th>Existing Funding Other</th>
<th>Required Net Funding Amount Phase 1 Costs</th>
<th>Phase 2 (2030-2039)</th>
<th>Phase 3 (2040+)</th>
<th>Total Unfunded Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sewer (Regional/Project Improvements) - Needed unless UH Mānoa reduces MP demand</td>
<td>$ 0.221</td>
<td>$ (0.145)</td>
<td>$ (0.036)</td>
<td>$ (0.009)</td>
<td>$ 0.031</td>
<td>$ -</td>
<td>$ -</td>
<td>$ 0.031</td>
</tr>
<tr>
<td>Water (Regional Improvements)</td>
<td>$ 0.007</td>
<td>$ -</td>
<td>$ -</td>
<td>$ -</td>
<td>$ 0.007</td>
<td>$ -</td>
<td>$ -</td>
<td>$ 0.007</td>
</tr>
<tr>
<td><strong>Subtotal - Sewer</strong></td>
<td>$ 0.228</td>
<td>$ (0.145)</td>
<td>$ (0.036)</td>
<td>$ (0.009)</td>
<td>$ 0.036</td>
<td>$ -</td>
<td>$ -</td>
<td>$ 0.036</td>
</tr>
</tbody>
</table>

## OP TOD Iwilei-Kapālama Conceptual Cost Estimate Summary Table

<table>
<thead>
<tr>
<th>Items</th>
<th>Phase 1 (2020-2029)</th>
<th>Existing Funding 2-year CIP</th>
<th>Existing Funding 6-year CIP</th>
<th>Existing Funding Other</th>
<th>Required Net Funding Amount Phase 1 Costs</th>
<th>Phase 2 (2030-2039)</th>
<th>Phase 3 (2040+)</th>
<th>Total Unfunded Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sewer (Regional Improvements)</td>
<td>$ 0.059</td>
<td>$ -</td>
<td>$ (0.045)</td>
<td>$ -</td>
<td>$ 0.014</td>
<td>$ 0.017</td>
<td>$ 0.747</td>
<td>$ 0.777</td>
</tr>
<tr>
<td><strong>Subtotal - Roadway</strong></td>
<td>$ 0.059</td>
<td>$ -</td>
<td>$ (0.045)</td>
<td>$ -</td>
<td>$ 0.014</td>
<td>$ 0.017</td>
<td>$ 0.747</td>
<td>$ 0.777</td>
</tr>
</tbody>
</table>

## Estimated costs for regional infrastructure improvements & funding gaps

source: DRAFT Final Report, State TOD Planning & Implementation Project for Oahu, PBR Hawaii
Financial modeling of selected alternative financing options

- **One-time Construction GET**
  - Allocation of existing GET resulting from new development in TOD areas

- **New Operations GET**
  - Allocation of incremental amount of GET resulting from new expenditures or sales, e.g., retail sales, commercial/industrial rents, hotel room revenues

- **Incremental Real Property Tax Revenue**
  - Capture share of incremental increase in RPT revenue as a result of the new developments in TOD areas

- **Community Facilities District**
  - Assessments that capture share of incremental increase in RPT revenue charged to landowners in designated district

**TOTAL estimated cost of infra (2020-2050)**

- **$4.93B** (conventional funding)
- **$1.74B**
- **$3.19B** (unfunded)

Source: DRAFT Final Report, State TOD Planning & Implementation Project for Oahu, PBR Hawaii
financing & cost-sharing of regional infrastructure

infrastructure/facility need: Road A
- timing
- $$$

infrastructure/facility need: Wastewater B
- timing
- $$$

infrastructure/facility need: Electrical C
- timing
- $$$

needed: coordinated strategy to guide implementation

funding, financing options
payment mechanisms
delivery options
investment timing
INFRASTRUCTURE FINANCING TOOLS & OPTIONS

- Review TOD project financing analysis and determine study needs in terms of legal, financing, tax, and administrative requirements
- Examine necessary legislative, institutional supports for financing tools under consideration, including interagency/interjurisdictional agreements
- Develop legislative, administrative proposals, communication strategy for implementation

STATE INVESTMENT STRATEGY / PLAN FOR INFRASTRUCTURE INVESTMENTS

- Develop approach/criteria for prioritizing infrastructure investments as it relates to accelerating delivery of affordable housing
- Determine sequence, timing, funding gaps for regional infrastructure improvements
- Develop timeline and funding/financing strategy to be used for regional infrastructure investment strategy
TIMEFRAME FOR WORK GROUP

OTHER OUTCOMES

• 1 YEAR WORKPLAN
  • ORGANIZATION & SCOPING
  • 2 PARALLEL/INTER-RELATED TRACKS: FINANCING TOOLS, INVESTMENT STRATEGY
  • RESEARCH/DEVELOPMENT OF ACTIONS FOR IMPLEMENTATION: IMMEDIATE, SHORT-TERM
  • RESEARCH/DEVELOPMENT OF ACTIONS FOR LONGER-TERM RECOMMENDATIONS

• REPLICABILITY TO OTHER AREAS STATEWIDE
  • FINANCING TOOLS USED
  • ADMINISTRATIVE MECHANISMS AND INSTRUMENTS FOR IMPLEMENTATION OF FINANCING TOOLS
  • FRAMEWORK FOR DEVELOPING AND COORDINATING INVESTMENT STRATEGY
### Suggested TOD Council Work Group Members

#### TOD Members (Max 12)
- DAGS
- HHFDC
- HPHA
- DLNR
- DOT
- UH
- DOE
- OP
- City

#### Others to Invite or Consult With
- B&F
- TAXATION
- AG
discussion