

Hawai'i Interagency Council for Transit-Oriented Development
July 16, 2021

**Agenda Item 3. Permitted Interaction Groups (PIGs)
for State & County TOD Implementation**

Summary

The Office of Planning & Sustainable Development (OPSD) and the TOD Council Co-chairs recommend the following course of action to establish and task Permitted Interaction Groups (PIGs) with setting TOD priorities, aligning State and County TOD investments, and developing implementation plans/strategies for State TOD implementation in each county.

A. 2018-2020 Permitted Interaction Groups

At its July 16, 2021 meeting, the TOD Council will receive final reports from all PIGs established in the 2018-2020 period for which final reports have not been issued. These PIGs include: the West Hawaii, East Hawaii, Maui, and Kauai PIGs established in 2018; the East Kapolei, Halawa-Stadium, Iwilei-Kapalama, and Neighbor Island PIGS re-established in 2019; and the Affordable Housing and Infrastructure Investment Strategy PIGs established in 2020. A status table for the 2018 PIGs is included with this *Summary*. Final reports for the PIGs will be provided at the July 16 TOD Council meeting.

The OPSD/Co-chairs recommendation is for the TOD Council to accept the PIG reports as reported to the TOD Council and PIG report recommendations to dissolve each PIG, and for the Council to formally adopt dissolution of these PIGs at its next meeting on September 17, 2021. This supports the OPSD/Co-chairs proposal for the establishment of consolidated PIGs to undertake tasks to determine how State/County TOD implementation should proceed in each county; see Item 3.B below.

B. Proposed Permitted Interaction Groups for State/County TOD Implementation

The OPSD/Co-chairs recommend the establishment of the following PIGs to undertake tasks related to defining TOD Project and TOD infrastructure priorities and investments for State/County TOD implementation in each county. Please refer to the attached *Draft TOD Council Permitted Interaction Groups, Tasks & Work Plans* for additional information on proposed members, tasks, and timeframes.

- Affordable Housing/State TOD Implementation PIG, Oahu
- Hawaii County/State TOD Alignment and Implementation PIG
- Kauai County/State TOD Alignment and Implementation PIG
- Maui County/State TOD Alignment and Implementation PIG

The OPSD/Co-chairs recommend the TOD Council approve the following at the July 16, 2021 meeting:

- a. Establishment of the four Implementation PIGs, with any modifications to members, tasks, and timeframes; and
- b. Designation of the following proposed co-chairs for the respective PIGs:
 - Affordable Housing/State TOD Implementation PIG, Oahu co-chairs:
 - HHFDC, Denise Iseri-Matsubara
 - House of Representatives, Representative Nadine Nakamura
 - Hawai'i, Kaua'i, and Maui County/State TOD Alignment and Implementation PIG, co-chairs for the respective counties:
 - OPSD, Mary Alice Evans
 - County, County Planning Department Representative

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TOD Council Permitted Interaction Group (PIG) Work Plans (Adopted 6/12/18)

Permitted Interaction Group	Members	Tasks	Timeline
East Kapolei <u>Charge for Investigation:</u> Problem-solving Financing & Implementation of State TOD Infrastructure & State TOD Projects on Oahu	1) OP Director 2) HHFDC Executive Director 3) UH President 4) DHHL, Chairperson HHC 5) DLNR, Chairperson BLNR 6) DOE Superintendent 7) DOT Director 8) HCDA Executive Director 9) City and County of Honolulu Mayor	<u>TOD CIP Project: Phase I Charge Tasks:</u> <ul style="list-style-type: none"> Develop preferred master land use plan to identify infrastructure requirements Identify infrastructure deficiencies & requirements for preferred plan Identify public outreach strategy for TOD implementation Refine evaluative criteria, develop performance metrics Identify infrastructure implementation plan, phasing & financing strategy <p>PIG WORK FINISHED</p>	<u>JUN 2018 – NOV 2018 – TASKS</u> <u>DEC 2018 mtg</u> –REPORT Recs & Disband PIGs <u>JAN 2019 mtg</u> –ACTION: APPROVE Recs & Establish PIGs to work on next Report to Council: 3-12-19 Dissolved by Council: 4-9-19
		<u>TOD CIP Project: Phase II Charge Tasks:</u> <ul style="list-style-type: none"> Identify infrastructure costs, financing options, phasing for preferred plan Develop preferred infrastructure implementation plan, phasing & financing strategy Develop preferred infrastructure implementation plan, phasing & financing strategy <p>PIG WORK FINISHED</p>	<u>JAN 2019 – OCT 2019 – TASKS</u> <u>NOV 2019 mtg</u> –REPORT Recs & Disband PIGs <u>DEC 2019 mtg</u> –ACTION: APPROVE Recs & Establish PIGs to work on next Report to Council: 7-16-21 To be dissolved: 9-17-21
		<u>Charge Tasks:</u> Implementation	<u>DEC 2019 – TDD – TASKS</u>
Halawa-Stadium <u>Charge for Investigation:</u> Problem-solving Financing & Implementation of State TOD Infrastructure & State TOD Projects on Oahu	1) OP Director 2) HHFDC Executive Director 3) Stadium Authority Chairperson 4) DAGS Comptroller 5) HPHA Executive Director 6) DOE Superintendent 7) PSD Director 8) DOT Director 9) HCDA Executive Director 10) City and County of Honolulu Mayor 11) Housing Advocate 12) Developer Representative	<u>TOD CIP Project: Phase I Charge Tasks:</u> <ul style="list-style-type: none"> Develop preferred master land use plan to identify infrastructure requirements Identify infrastructure deficiencies & requirements for preferred plan Identify public outreach strategy for TOD implementation Refine evaluative criteria, develop performance metrics Identify infrastructure implementation plan, phasing & financing strategy <p>PIG WORK FINISHED</p>	<u>JUN 2018 – NOV 2018 – TASKS</u> <u>DEC 2018 mtg</u> –REPORT Recs & Disband PIGs <u>JAN 2019 mtg</u> –ACTION: APPROVE Recs & Establish PIGs to work on next Report to Council: 3-12-19 Dissolved by Council: 4-9-19
		<u>TOD CIP Project: Phase II Charge Tasks:</u> <ul style="list-style-type: none"> Identify infrastructure costs, financing options, phasing for preferred plan Develop preferred infrastructure implementation plan, phasing & financing strategy Develop preferred infrastructure implementation plan, phasing & financing strategy <p>PIG WORK FINISHED</p>	<u>JAN 2019 – OCT 2019 – TASKS</u> <u>NOV 2019 mtg</u> –REPORT Recs & Disband PIGs Report to Council: 7-16-21 To be dissolved: 9-17-21
		<u>Charge Tasks:</u> Implementation	<u>DEC 2019 – TBD – TASKS</u>

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TOD Council Permitted Interaction Group (PIG) Work Plans (Adopted 6/12/18)

Permitted Interaction Group	Members	Tasks	Timeline
Iwilei-Kapalama <u>Charge for Investigation:</u> Problem-solving Financing & Implementation of State TOD Infrastructure & State TOD Projects on Oahu	1) OP Director 2) HHFDC Executive Director 3) DAGS Comptroller 4) HPHA Executive Director 5) DHHL, Chairperson HHC 6) DOE Superintendent 7) UH President 8) DOT Director 9) HCDA Executive Director 10) City and County of Honolulu Mayor 11) Business Community Rep. 12) Developer Representative	<u>TOD CIP Project: Phase I Charge Tasks:</u> <ul style="list-style-type: none"> Develop preferred master land use plan to identify infrastructure requirements Identify infrastructure deficiencies & requirements for preferred plan Identify public outreach strategy for TOD implementation Refine existing and develop preferred project alternatives Identify transportation and utility recommendations to 2019 Legislature, as needed 	<u>JUN 2018 – NOV 2018 – TASKS</u> DEC 2018 mtg –REPORT Recs & Disband PIGs <u>JAN 2019 mtg</u> –ACTION: APPROVE Report to Council: 3-12-19 Dissolved by Council: 4-9-19
		<u>TOD CIP Project: Phase II Charge Tasks:</u> <ul style="list-style-type: none"> Identify infrastructure costs, financing options, phasing for preferred plan Develop preferred infrastructure implementation plan, phasing & financing Develop preferred infrastructure implementation plan, phasing & financing requests 	<u>JAN 2019 – OCT 2019 – TASKS</u> NOV 2019 mtg –REPORT Recs & Disband PIGs Report to Council: 7-16-21 To be dissolved: 9-17-21
		<u>Charge Tasks: Implementation</u>	<u>DEC 2019 – TBD – TASKS</u>
Neighbor Islands <u>Charge for Investigation:</u> Increase Awareness of & Resources (funding, technical assistance) for NI TOD planning	1) Hawaii County Mayor 2) Kauai County Mayor 3) Maui County Mayor 4) OP Director 5) HHFDC Executive Director 6) State Senate 7) House of Representatives	<u>Charge Tasks:</u> <ul style="list-style-type: none"> Research appropriations options for TOD project funding; prepare recommendations for submittal to 2019 Leg & county budgets Identify strategy for outreach to 2019 Leg & county councils as needed Identify legislative and funding opportunities; identify & mobilize resources 	<u>JUN 2018 – AUG 2018 – TASKS</u> SEPT 2018 mtg –REPORT Recs & Disband PIG Report to Council: 3-12-19 Dissolved by Council: 4-9-19
		<u>Charge Tasks:</u> <ul style="list-style-type: none"> Implement funding request for NI TOD planning support for 2019 legislative session Implement outreach strategy for 2019 Leg & councils Schedule & implement technical assistance & training recs as opportunities & resources allow Identify regulatory and funding opportunities; identify & mobilize resources 	<u>OCT 2018 – AUG 2019 – TASKS</u> SEPT 2019 mtg –REPORT Recs & Disband PIG <u>OCT 2019 mtg</u> –ACTION: APPROVE Report to Council: 7-16-21 To be dissolved: 9-17-21
		<u>Charge Tasks:</u> <ul style="list-style-type: none"> Implement funding requests for 2020 session Implement outreach strategy for Leg & councils Schedule & implement TA & training recs as opportunities & resources allow 	<u>OCT 2019 – TBD – TASKS</u>

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TOD Council Permitted Interaction Group (PIG) Work Plans (Adopted 6/12/18)

Permitted Interaction Group	Members	Tasks	Timeline
		<ul style="list-style-type: none"> Identify recommendations for outreach strategy & funding requests for 2021 Leg & county budgets 	
West Hawaii <u>Charge for Investigation:</u> Identifying Potential & Needs for TOD Planning & Projects in Hawaii County & Problem-solving Implementation of TOD Projects on Hawaii	1) OP Director 2) HHFDC Executive Director 3) DHHL, Chairperson HHC 4) DLNR, Chairperson BLNR 5) UH President 6) DOT Director 7) DOH Director 8) DOE Superintendent 9) Hawaii County Mayor 10) State Senate	<p>PIG NOT CONVENED</p> <p><u>Charge Tasks:</u></p> <ul style="list-style-type: none"> Update TOD project priorities & identify needs Identify other potential TOD projects Identify actions required for priority project implementation, including potential project CIP budget requests for TOD Council recommendation to 2019 Legislature 	<p>Report on status: 7-16-21 To be dissolved: 9-17-21</p> <p><u>JAN 2019 mtg?</u>–ACTION: APPROVE Recs & Establish PIG</p>
		<p><u>Charge Tasks:</u></p> <ul style="list-style-type: none"> Problem-solve project funding & implementation Continue project identification as needed Identify potential CIP budget requests for 2020 leg session 	<p><u>JAN 2019 – DEC 2019?</u>– TASKS</p>
East Hawaii <u>Charge for Investigation:</u> Identifying Potential & Needs for TOD Planning & Projects in Hawaii County & Problem-solving Implementation of TOD Projects on Hawaii	1) OP Director 2) HHFDC Executive Director 3) DHHL, Chairperson HHC 4) DLNR, Chairperson BLNR 5) HPHA Executive Director 6) UH President 7) DOT Director 8) DOH Director 9) DOE Superintendent 10) Hawaii County Mayor 11) State Senate	<p>PIG NOT CONVENED</p> <p><u>Charge Tasks:</u></p> <ul style="list-style-type: none"> Update TOD project priorities & identify needs Identify other potential TOD projects Identify actions required for priority project implementation, including potential project CIP budget requests for TOD Council recommendation to 2019 Legislature 	<p>Report on status: 7-16-21 To be dissolved: 9-17-21</p> <p><u>JAN 2019 mtg?</u>–ACTION: APPROVE Recs & Establish PIG</p>
		<p><u>Charge Tasks:</u></p> <ul style="list-style-type: none"> Problem-solve project funding & implementation; project development support Continue project identification as needed Identify potential CIP budget requests for 2020 leg session 	<p><u>JAN 2019 – DEC 2019?</u>– TASKS</p>

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TOD Council Permitted Interaction Group (PIG) Work Plans (Adopted 6/12/18)

Permitted Interaction Group	Members	Tasks	Timeline
Maui <u>Charge for Investigation:</u> Identifying Potential & Needs for TOD Planning & Projects & Problem-solving Implementation of TOD Projects in Maui County	1) OP Director 2) HHFDC Executive Director 3) DAGS Comptroller 4) DHHL, Chairperson HHC 5) DOE Superintendent 6) DLNR, Chairperson BLNR 7) DOT Director 8) DOH Director 9) Maui County Mayor	<u>Charge Tasks:</u> <ul style="list-style-type: none"> Update TOD project priorities & project needs Identify other potential TOD projects <ul style="list-style-type: none"> Identify actions required for priority project implementation, including potential project CIP budget requests for TOD Council recommendation to 2019 Legislature 	JUN 2019 - NOV 2019 - TASKS Report to Council: 7-16-21 To be dissolved: 9-17-21 <u>JAN 2019 mtg?</u> -ACTION: APPROVE Recs & Establish PIG
		<u>Charge Tasks:</u> <ul style="list-style-type: none"> Problem-solve project funding & implementation; project development support Continue project identification as needed Identify potential CIP budget requests for 2020 leg session 	<u>JAN 2019 - DEC 2019?</u> - TASKS
Kauai <u>Charge for Investigation:</u> Identifying Implementation Requirements & Problem-solving Implementation of TOD Projects on Kauai	1) OP Director 2) HHFDC Executive Director 3) DAGS Comptroller 4) DLNR, Chairperson BLNR 5) DOH Director 6) UH President 7) DHHL, Chairperson HHC 8) DOT Director 9) DOE Superintendent 10) Kauai County Mayor 11) House of Representatives	<u>Charge Tasks:</u> <ul style="list-style-type: none"> Update TOD project priorities, project needs & project delivery gaps Identify other potential TOD projects <ul style="list-style-type: none"> Identify actions required for priority project implementation, including potential project CIP budget requests for TOD Council recommendation to 2019 Legislature Mobilize resources & coordinate actions & schedules for project implementation 	JUN 2019 - NOV 2019 - TASKS Report on status: 7-16-21 To be dissolved: 9-17-21 <u>JAN 2019 mtg?</u> -ACTION: APPROVE Recs & Establish PIG
		<u>Charge Tasks:</u> <ul style="list-style-type: none"> Problem-solve project funding & implementation; project development support Continue project identification as needed Identify potential CIP budget requests for 2020 leg session 	<u>JAN 2019 - DEC 2019?</u> - TASKS

Hawaii Interagency Council for Transit-Oriented Development
**East Kapolei, Halawa-Stadium, and Iwilei-Kapalama
Permitted Interaction Groups [April 2019]
Consolidated Final Report and Recommendations
July 16, 2021**

This written report consolidates the final reporting of activities and findings from the East Kapolei, Halawa-Stadium, and Iwilei-Kapalama Permitted Interaction Groups as presented to the Hawaii Interagency Council for Transit-Oriented Development (TOD Council) at its February 11, 2020 meeting. Slides from the presentation can be found in *Attachment B*.

I. Permitted Interaction Groups Purpose and Members

The three Permitted Interaction Groups (PIGs) were formed by the TOD Council on April 9, 2019 as forums for consultation and input on the State TOD Planning and Implementation Project, Oahu (State TOD Project), initiated to address TOD implementation issues on State lands in the three TOD priority areas along the Honolulu rail corridor—East Kapolei, Halawa-Stadium, and Iwilei-Kapalama. See *Attachment A* for the PIG member lists.

Co-chairs for the respective PIGs were Craig Hirai/HHFDC, Carleton Ching/UH, and Bonnie Arakawa/UH West Oahu for East Kapolei; Leo Asuncion/Mary Alice Evans/OP, Rodney Funakoshi/OP, and Chris Kinimaka/DAGS for Halawa-Stadium PIG; and Leo Asuncion/Mary Alice Evans/OP, Rodney Funakoshi/OP, and Craig Hirai/HHFDC for Iwilei-Kapalama. The PIGs were staffed by Rodney Funakoshi and Ruby Edwards, assisted by PBR Hawaii, the prime consultant for the State TOD Project.

II. Summary of Tasks and Activities in Performance of Tasks

The three Oahu PIGs were charged with assisting in the following tasks for Phase 2 of the State TOD Implementation Project:

- a. Provide input on:
 1. Infrastructure costs, financing options, and phasing for infrastructure improvements required for the preferred TOD land use scenarios developed in Phase 1 for each area;
 2. A preferred infrastructure implementation plan, phasing, and financing strategy for the TOD priority areas; and
 3. Recommendations for TOD-related CIP or other budget requests to fund infrastructure improvements required for the TOD priority areas, including CIP requests to the Legislature, as needed;
- b. Identify near-term infrastructure and State TOD project implementation issues to be addressed by the PIGs or other entities, develop and implement strategies to address these near-term issues as needed, and ensure that actions taken are integrated with

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options being considered and recommendations being developed in Phase 2 of the State TOD Project; and

- c. Develop recommendations, as needed, for a public outreach strategy for State TOD implementation for this priority area.

Each PIG participated in a series of three meetings held in May 2019, October 2019, and January 2020.

May 2019 PIG Meetings. The May meeting was structured for PIGs to review and consult on the following:

- The preferred land use alternative for each priority area for Phase 1 of TOD buildout, 2020-2029;
- Data developed by infrastructure consultant, RM Towill Corporation, on priority area infrastructure deficiencies, needs, rough order of magnitude costs, and estimated time and phasing for improvements; and
- Financing tools and options being considered by the financing consultant, David Taussig & Associates, in the study.

October 2019 PIG Meetings. The October meeting was structured for PIGs to review and consult on the following:

- More detailed information on infrastructure needs, required improvements, costs, and timing and phasing of improvements for each priority area;
- Finetuning near-term infrastructure timing and sequencing; and
- Barriers and preferences for existing funding/financing tools and alternative funding or financing tools being recommended by consultant team for the study's financial analysis.

January 2020 PIG Meetings. The January meeting was structured for PIGs to review, refine, and consult in depth on the following:

- Data from the infrastructure assessment—needs, required improvement projects, costs—and specific infrastructure needs and financing gaps anticipated for the first ten years of TOD buildout, Phase 1, 2020-2029;
- Funding and financing combinations modeled by the consultant team and key policy variables associated with each funding/financing scenario; and
- Preliminary results of financial analysis of selected funding/financing scenarios performed for Phase 1 infrastructure needs.

III. Study Outcomes Resulting from PIG Participation

With the PIGs' assistance and involvement, the study team was able to: (1) complete a high-level infrastructure needs assessment and cost estimate for required improvements for the three TOD priority areas; and (2) model potential value created by TOD infrastructure investments and alternative cash flow scenarios for Phase 1 buildout based on PIG input on the funding/financing tools used by the consultant team.

Infrastructure Assessments. Infrastructure needs and rough order of magnitude costs and infrastructure barriers are summarized for each priority area here. *Attachment C* provides summary tables of anticipated development for each priority area, as well as major infrastructure system improvements required to support this buildout. The following findings are extracted from the State TOD Project Report's *Executive Summary* (PBR HAWAII, 2020).

East Kapolei TOD Priority Area

Within the next 30 years, the East Kapolei TOD priority area could add about 18,000 new housing units, 6.3 million square feet of new commercial/institutional/mixed-use space, 2.8 million square feet of new industrial space, hotel facilities, a film studio, and more educational facilities for the DOE and UHWO. According to analysis of the preferred development scenario finalized in the last quarter of 2019, upon completion the development identified as new in this study would represent 95% of total residential units and 76% of total commercial/institutional/mixed-use space in the East Kapolei TOD priority area.

Sewer, non-potable water system, drainage, roadways and circulation, public schools, and sustainability and district systems are the key regional infrastructure issues that need to be addressed in the East Kapolei TOD priority area, with estimated infrastructure costs of approximately \$2.37 billion over the next 30 years. Specific infrastructure projects and associated costs can be found in the study report. All the infrastructure in East Kapolei was previously master planned and capacities have been reserved according to these plans. If proposed development density exceeds the existing allocations, landowners will need to consult with the City and utility providers and make agreements with surrounding property owners to reallocate capacities or the master plans for the infrastructure systems in the region will need to be revised.

Hālawa-Stadium TOD Priority Area

Within the next 30 years, the Hālawa-Stadium TOD priority area is expected to include nearly 6,000 new housing units, 1.7 million square feet of new commercial/institutional/mixed-use space, hotel facilities, new schools, and a new, state-of-the-art stadium. According to analysis of the preferred development scenario finalized in the last quarter of 2019, upon completion the development identified as new in this study would represent nearly 94% of total residential units in the Hālawa-Stadium TOD priority area. The amount of total commercial/institutional/mixed-use space cannot be provided due to information on floor area by existing uses in the priority area being unavailable.

Sewer, roadways and circulation, and public schools are the key regional infrastructure issues that need to be addressed in the Hālawa-Stadium TOD priority area, with estimated infrastructure costs of approximately \$0.95 billion over the next 30 years. Improving infrastructure capacity of these systems will be critical in achieving TOD potential here. There are significant barriers and concerns related to the timing and concurrency of needed infrastructure improvements for TOD development in this area, particularly related to wastewater facility improvements needed to support full buildout. Specific infrastructure projects and associated costs can be found in the study report.

Iwilei-Kapālama TOD Priority Area

Within the next 30 years, the Iwilei-Kapālama TOD priority area is expected to include nearly 24,000 new housing units, nearly 7.2 million square feet of new commercial/institutional/mixed-use space, and nearly 1.1 million square feet of new industrial space. Overall, the number of

housing units is anticipated to increase, while the total amount of commercial/institutional and industrial space is expected to remain constant or decrease as the lands underlying such uses transition to residential or mixed-uses. According to analysis of the preferred development scenario finalized in the last quarter of 2019, upon completion the State and Kamehameha Schools’ Kapālama Kai and other redevelopment properties would represent 55% of overall new residential development and 7.5% of overall new commercial/institutional/mixed-use space within the Iwilei-Kapālama TOD priority area.

Sewer, electrical system capacity, drainage, and public schools are the key regional infrastructure issues that need to be addressed in the Iwilei-Kapālama TOD priority area with estimated infrastructure costs of approximately \$1.58 billion over the next 30 years. Improving infrastructure capacity of these systems will be critical in achieving TOD potential. There are significant barriers and concerns related to the timing and concurrency of needed infrastructure improvements for TOD development in this area, particularly related to wastewater facility improvements needed to support full buildout in this TOD priority area. Specific infrastructure projects and associated costs can be found in the study report. The Iwilei-Kapālama TOD priority area will also be acutely impacted by anticipated sea level rise (SLR). A Flexible Adaptation Pathway (FAP) Approach was developed by Arup to consider long-term impacts of SLR on infrastructure systems, and its application and value to investment in infrastructure improvements that could address SLR are discussed further in the study report.

Infrastructure Costs, Value Creation, and Financial Analysis. Alternative cash flow scenarios were developed and modeled to better understand the utility of various funding and financing mechanisms in filling the gap in infrastructure funds required for Phase 1 TOD buildout for all priority areas. The results of the analysis are summarized here. The following summary of the results of the analysis is extracted from the State TOD Project Report’s *Executive Summary* (PBR HAWAII, 2020).

Value Creation

The opportunities brought by rail service and TOD planning not only support TOD goals but are also expected to generate over \$26 billion in direct construction value, in 2019 dollars, over an approximately 30-year period.

Table 1: Estimated Value Creation in the Three TOD Priority Areas by Phase (2019 dollars, in billions)

TOD Priority Area	Phase 1: 2020-2029	Phase 2: 2030-2039	Phase 3: 2040-2049	Total
East Kapolei	\$5.88	\$4.02	\$1.51	\$11.41
Hālawā-Stadium	\$1.07	\$0.60	\$1.27	\$2.94
Iwilei-Kapālama	\$3.88	\$4.84	\$3.10	\$11.82
Total	\$10.82	\$9.46	\$5.88	\$26.17

Note: Totals may not add exactly due to rounding.

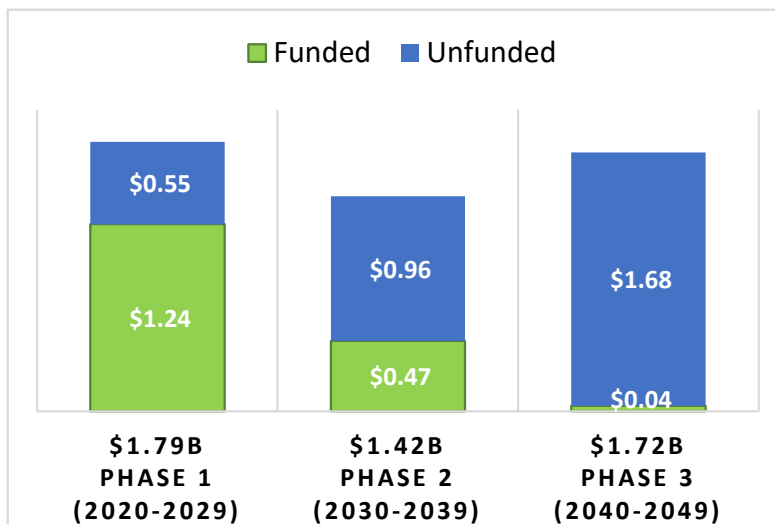
The anticipated development projects are considered valuable in themselves, but they also support fiscal benefits that can be tapped to capture some of the value created by public infrastructure investment, to help fund the associated public infrastructure need. To the extent

that desired development is not realized, there is missed opportunity for such value capture in support of public infrastructure delivery.

Infrastructure Need and Costs

The cost of the additional regional infrastructure required to support State agency goals in the three TOD priority areas is estimated at \$4.93 billion over the next 30 years, in 2019 dollars. To date, an estimated \$1.74 billion in funding has been identified from existing funding sources, including 2- and 6-year Capital Improvement Project (CIP) funds, anticipated yields of sewer and water revenue bonds, ‘Ewa Highway Impact Fees, and anticipated Department of Education (DOE) funding. This leaves an unfunded balance, or remaining cost after accounting for the existing funding sources, of some \$3.19 billion.

Figure 1: Overview of Shared Regional Funding Need for the Three TOD Priority Areas (2019 dollars, in billions)



Recommended Financing Tools

David Taussig and Associates, Inc. (DTA) examined tools that could be viable options for government to bridge funding shortfalls while meeting stated goals of State agencies and other stakeholders in the TOD priority areas. Numerous issues and challenges unique to this development were addressed with the support of agency participants and other regional stakeholders during discussions and in DTA’s research. These included the multi-jurisdictional nature of the infrastructure projects (City and State); concerns for political viability and public acceptance; land ownership status; timing and the availability of funds, among others.

DTA’s analysis focused on Phase 1 (2020-2029) infrastructure funding needs, because of their immediacy, and because the design options, costs, and available funding resources are most well-known in the near-term. DTA and the study team focused on three value capture tools that were most promising to address the \$0.55 billion in unfunded infrastructure need for Phase 1 (2020-2029) development. The selected tools and their recommended capture rates are:

- **100% of General Excise Taxes (GET) on development expenditures** related to new construction within the TOD priority areas;
- **50% of GET on spending** at new retail, space leasing, and hotel operations within the TOD priority areas; and
- **30% of the additional County Real Property Taxes (RPT)** collected on new development within the TOD priority areas.

Together these would generate \$0.79 billion over time; however, most revenues would not be collected until facilities are developed and operating.

Recognizing that infrastructure capacity is required before project development can be completed, the combination of recommended tools still left a near-term shortfall of some \$0.22 billion. Some of the study stakeholders suggested an Oahu-wide GET surcharge for the short-

term purpose of addressing this funding gap. As a surcharge, the proposed additional tool would not impact current revenues to the State general fund, but it would represent a tax increase spread among Oahu residents and visitors. Based on historical GET collections, a 0.1% surcharge on Oahu GET revenue for just 10 years could be expected to generate approximately \$50 million per year, or \$0.5 billion over the ten-year period the surcharge would be in effect, more than filling this funding gap.

Table 2: Summary of Preferred Scenario Revenue Sources, Phase 1 (2020-2029) (2019 dollars, in millions)

Revenue Sources	% of New Revenue Allocated to Fund Infrastructure	New Revenue Allocated to Fund Infrastructure (in Millions)
Construction GET	100%	\$227.6
Ongoing GET	50%	\$486.2
Property Taxes	30%	\$80.9
Community Facilities District (CFD) Special Tax	0%	\$0.0
<i>GET Surcharge</i>	<i>Additional 0.1% GET for 10 Years</i>	<i>\$500.0</i>
Total	NA	\$1,294.7

Source: DTA, 2020

By filling the gap of the initially negative cash flows of Scenario 2, the GET surcharge in this Scenario allows the more gradual value capture revenue yields to accumulate. Thus, in addition to mitigating the early shortfalls, this surcharge also generated a surplus in future years that could be applied to Phases 2 (2030-2039) and 3 (2040-2049), or to other TOD investments or needs. As modelled, Phase 1 (2020-2029) would generate a surplus of approximately \$0.4 billion by 2031, and another approximately \$0.4 billion by 2041.

The identified tools are not the only potentially viable alternatives, and each entails policy and implementation considerations that are discussed further in the study report.

New Tools for Consideration in Infrastructure System Design and Climate Change Adaptation. The PIGs were also briefed on the use of district systems for infrastructure and a flexible adaptation pathways (FAP) approach for infrastructure systems at risk from sea level rise. Both models require significant interagency and public-private collaboration to achieve the benefits of either approach, but these remain opportunities for TOD stakeholders to advance such systems to the benefit of each TOD priority area as well as to the broader public.

IV. Recommendation

Each PIG was polled as to the need to continue to meet beyond the January 2020 meetings. There was no consensus to meet since the study was nearing completion and a final study report was being prepared.

Therefore, the recommendation is the TOD Council accept this consolidated PIGs report and act to dissolve the East Kapolei, Halawa-Stadium, and Iwilei-Kapalama PIGs at the Council’s September 17, 2021 meeting.

Attachment A. Permitted Interaction Groups Membership

▶ Iwilei-Kapalama	▶ Halawa-Stadium	▶ East Kapolei
(1) Office of Planning Director	(1) Office of Planning Director	(1) Office of Planning Director
(2) Hawaii Housing Finance and Development Corporation (HHFDC) Executive Director	(2) Hawaii Housing Finance and Development Corporation (HHFDC) Executive Director	(2) Hawaii Housing Finance & Development Corporation (HHFDC) Executive Director
(3) Department of Accounting & General Services (DAGS) Comptroller	(3) Stadium Authority (SA) Chairperson	(3) University of Hawaii (UH) President
(4) Hawaii Public Housing Authority (HPHA) Executive Director	(4) Department of Accounting & General Services (DAGS) Comptroller	(4) Department of Hawaiian Home Lands Director (DHHL) Director/Chairperson of the Hawaiian Homes Commission
(5) Department of Hawaiian Home Lands Director (DHHL) Director/ Chairperson of the Hawaiian Homes Commission	(5) Hawaii Public Housing Authority (HPHA) Executive Director	(5) Department of Land & Natural Resources (DLNR) Director/Chairperson of the Board of Land & Natural Resources
(6) University of Hawaii (UH) President	(7) Department of Public Safety (PSD) Director	(6) Department of Education (DOE) Superintendent
(7) Department of Education (DOE) Superintendent	(8) Department of Transportation (DOT) Director	(7) Department of Transportation (DOT) Director
(8) Department of Transportation (DOT) Director	(9) Hawaii Community Development Authority (HCDA) Executive Director	(8) Hawaii Community Development Authority (HCDA) Executive Director
(9) Hawaii Community Development Authority (HCDA) Executive Director	(10) City and County of Honolulu (City) Mayor	(9) City and County of Honolulu (City) Mayor
(10) City and County of Honolulu (City) Mayor	(11) Housing Advocate	(10) Office of the Governor
(11) Developer Representative	(12) Developer Representative	
(12) Housing Advocate		

July 16, 2021

Attachment B.

Presentation to TOD Council: Project Final Report, February 11, 2020

Prepared by PBR HAWAII

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

STATE OF HAWAII
 dta
 CALLISON RTKL FEHR + PEERS ARUP

1

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

2

OP TOD INFRASTRUCTURE MASTER PLAN PROJECT SCHEDULE*

**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
- Disband

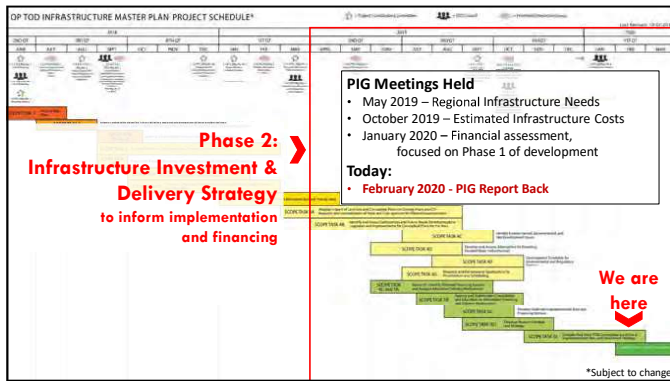
Subject to change

3

Phase 1: Meetings Held

Group	Date(s)	Topics Covered
Project Coordinating Committee (PCC)	<ul style="list-style-type: none"> • June 1, 2018 • June 22, 2018 • August 16, 2018 • September 21, 2018 • November 2, 2018 • December 4, 2018 and January 23, 2019 	<ul style="list-style-type: none"> • Kick-off meeting • Work Plan • Charrette Preparation • Charrette Summary • Project Boundary • Land Use Scenario Review – PIG 3
Permitted Interaction Groups (PIGs)	<ul style="list-style-type: none"> • July 12 – 20, 2018 • July 30, 2018 • September 20 & 21, 2018 • February 26, 2019 	<ul style="list-style-type: none"> • Info Compiled to Date • Farrington Widening • Charrettes • Preferred Conceptual Land Use Scenario

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Phase 2: Meetings Held to Date

Group	Date(s)	Topics Covered
Project Coordinating Committee (PCC)	<ul style="list-style-type: none"> • May 13, 2019 • August 30, 2019 • September 5, 2019 • January 7, 2020 	<ul style="list-style-type: none"> • Alternatives / Costs / Timing of Infrastructure Projects • Infrastructure Financing • Sequencing • Financing / Funding Tools and Options
Permitted Interaction Groups (PIGs)	<ul style="list-style-type: none"> • May 23, 2019 • October 8-11, 2019 • January 14-15, 2020 	<ul style="list-style-type: none"> • Alternatives / Costs / Timing of Infrastructure Projects • Sequencing and Financing / Funding Tools and Options • Financing / Funding Tools, Potential Yields, and Recommendations

6



7

TOD Opportunities: State Lands Along the Rail

Priority Areas:

East Kapolei

Hālawā-Stadium

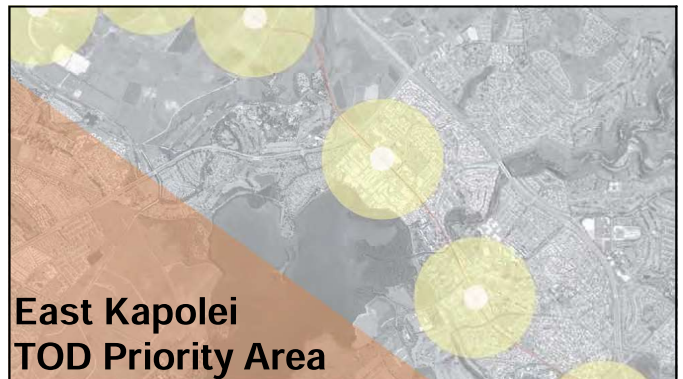
Iwilei-Kapālama

8

Priority Areas and State Goals

- 47,000+ new/rebuilt homes, disproportionately 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

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Preferred Alternative: East Kapolei

- ✓ Proceed with current conceptual land use scenarios for each of the various landowners
- ✓ Improve currently planned connections/intersections

Anticipated Land Uses Legend:
 - Blue: Medium Density Residential
 - Orange: High Density Residential
 - Green: Medium Density Commercial
 - Yellow: High Density Commercial
 - Red: Medium Density Industrial
 - Purple: High Density Industrial
 - Light Green: Parks and Open Space
 - Dark Green: Schools
 - Grey: Community Facilities
 - Light Blue: Regional Parks
 - Dark Blue: Parks and Open Space
 - White: Schools

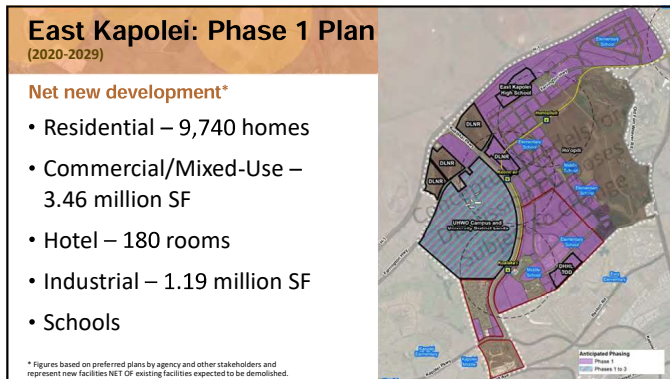
11

Preferred Alternative: East Kapolei Anticipated Development Model

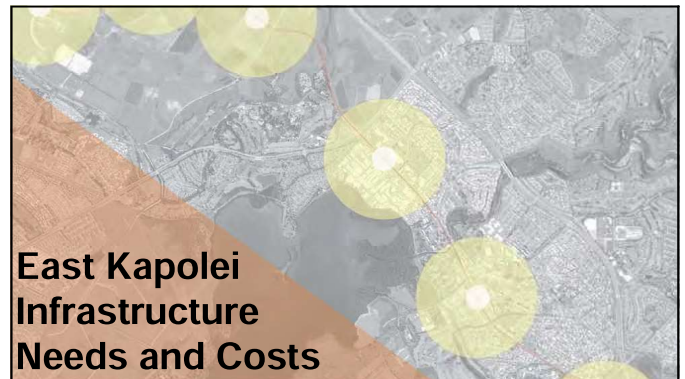
	Residential (Units)	Commercial (SF)	Industrial (SF)	Hotel (rooms)
Existing	840	1,990,000	0	0
Phase 1: Additional (0-10 Years)	9,740	3,460,000	1,190,000	180
Phase 2: Additional (11-20 Years)	6,740	1,770,000	1,150,000	-190
Phase 3: Additional (20-40+ Years)	1,640	1,100,000	490,000	Possibly another
Total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

*Development estimates subject to change. Includes existing inventories.

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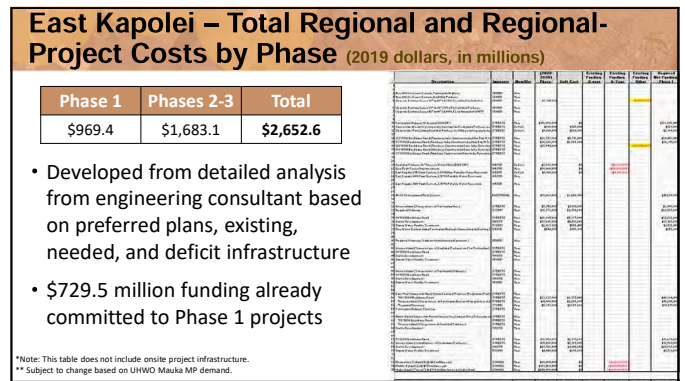
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Preferred Alternative: Hālawā-Stadium

- ✓ Stadium redevelopment on site with additional ancillary mixed-use development
- ✓ Pu‘uwai Momi at maxed out density
- ✓ Additional public-school capacity
- ✓ Assume OCCC relocates to Hālawā

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Preferred Alternative: Hālawā-Stadium Anticipated Development Model

	Residential (Units)	Commercial (SF)	Industrial (SF)	Hotel (rooms)
Existing	1,140	---	0	0
Phase 1: Additional (0-10 Years)	1,400	333,000	0	-230
Phase 2: Additional (11-20 Years)	1,940	413,500	0	0
Phase 3: Additional (20-40+ Years)	2,590	973,500	0	0
Total Anticipated Buildout*	7,070	1,720,000	0	-230

*Development estimates subject to change. Includes existing inventories.

19

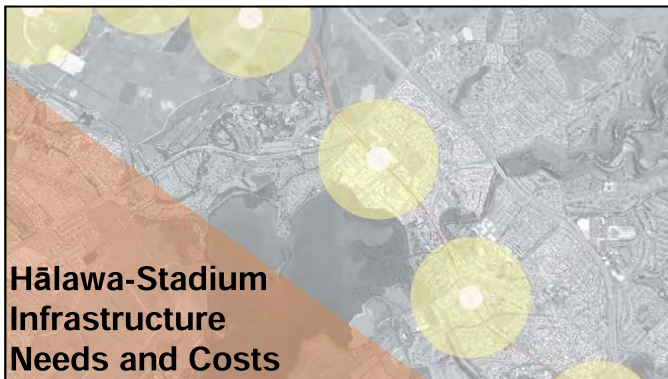
Hālawā-Stadium: Phase 1 Plan (2020-2029)

Net new development*

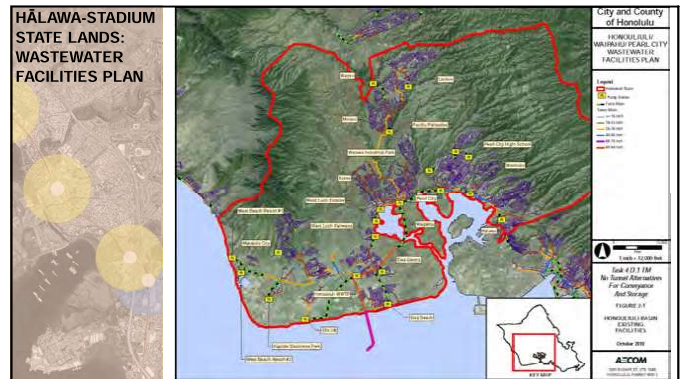
- Residential – 1,400 homes
- Commercial/Mixed-Use – 0.3 million SF
- Hotel – 230 rooms
- New stadium – 35,000 seats

* Figures based on preferred plans by agency and other stakeholders and represent new facilities NET OF existing facilities expected to be demolished.

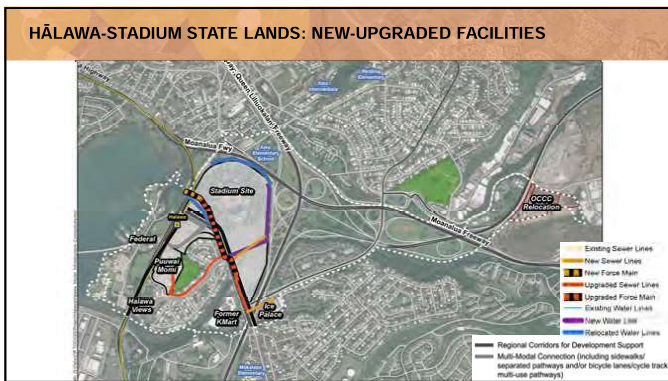
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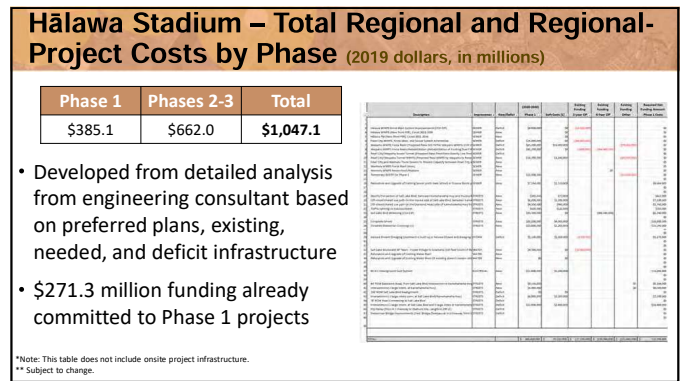
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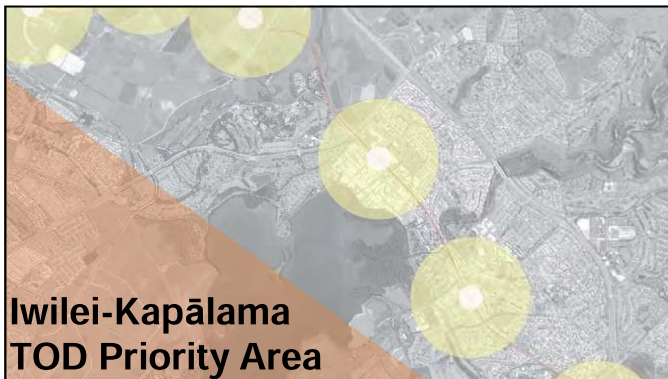
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Preferred Alternative: Iwilei-Kapālama

- ✓ 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 Hālawā and the property is rezoned for TOD

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Preferred Alternative: Iwilei-Kapālama Anticipated Development Model

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

*Development estimates subject to change. Includes existing inventories.

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Iwilei-Kapalama: Phase 1 Plan (2020-2029)

Net new development*

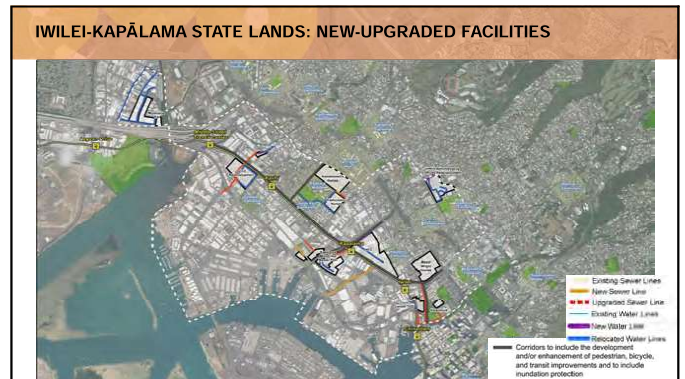
- Residential – 3,400* homes
 - 4,500 total re/development
- Commercial – 0.5 million* SF
 - 0.9 million SF total re/development
- Industrial – (0.2) million* SF decline
 - 0.5 million SF total re/development

* Figures subject to change based on stakeholder inputs, and represent new facilities NET OF existing facilities expected to be demolished.

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Iwilei-Kapālama– Total Regional and Regional-Project Costs by Phase (2019 dollars, in millions)

Phase 1	Phases 2-3	Total
\$444.6	\$1,340.5	\$1,785.1

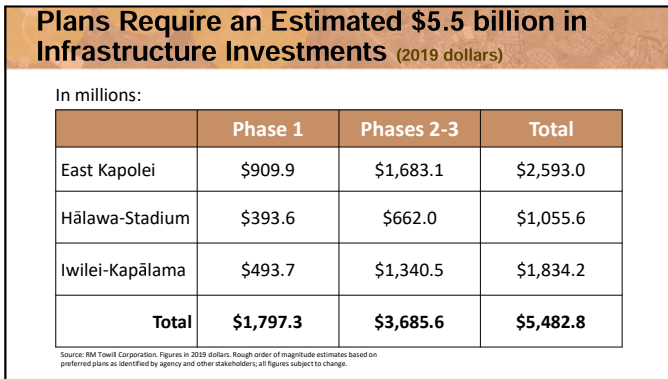
- Developed from detailed analysis from engineering consultant based on preferred plans, existing, needed, and deficit infrastructure
- \$240.2 million funding already committed to Phase 1 projects

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

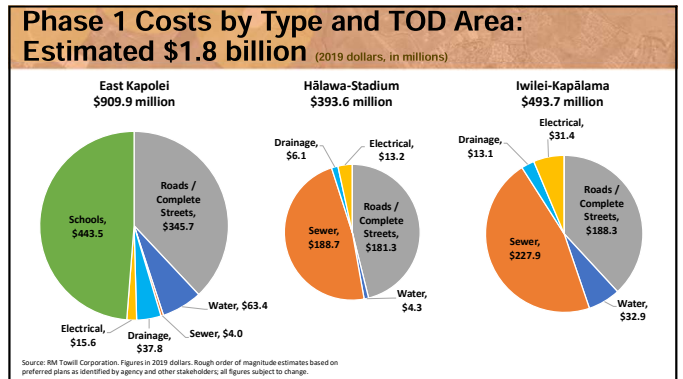
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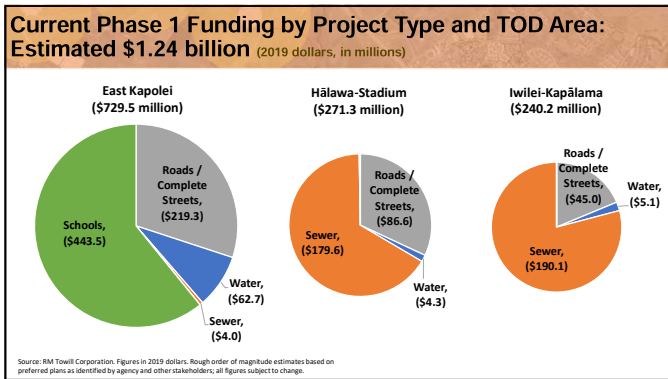
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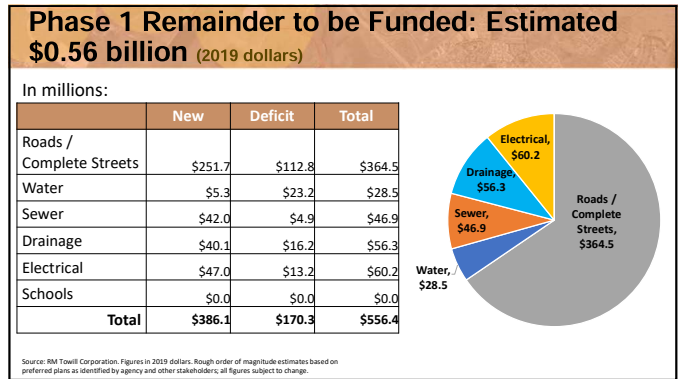
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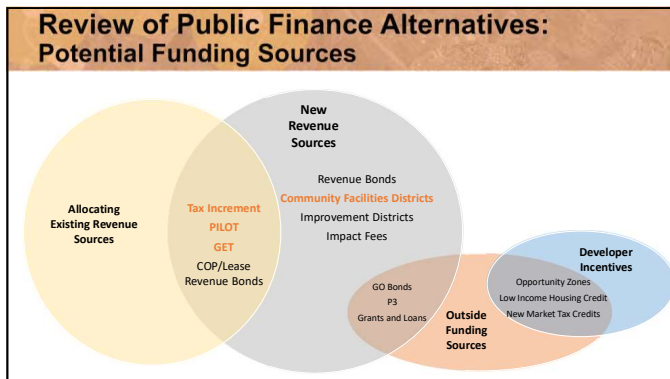


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Review of Public Finance Alternatives: Funding vs. Financing

- 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

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Public Finance Alternatives Modeled: No Reduction to Existing Public Revenues

	Brief Description
Value capture: One-time State GET on construction *	Allocation of existing GET resulting from new development in TOD areas
Value capture: Recurring State GET on operations *	Allocation of incremental amount of GET resulting from new expenditures or sales. Modeled for: <ul style="list-style-type: none"> • Retail sales • Commercial and industrial space rents • Hotel room revenues
Value capture: 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.

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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

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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

Benchmark capacity of VC tools: 2019 dollars, in millions

Tool	Capacity (Millions)
Construction GET	~200
Recurring GET	~950
Incremental RPT	~350
CFD Special Tax	~100

*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.

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Scenario 1: Preferred Value Capture Tools

Applied to new facilities in TOD Priority Areas only (2019 dollars, in billions)

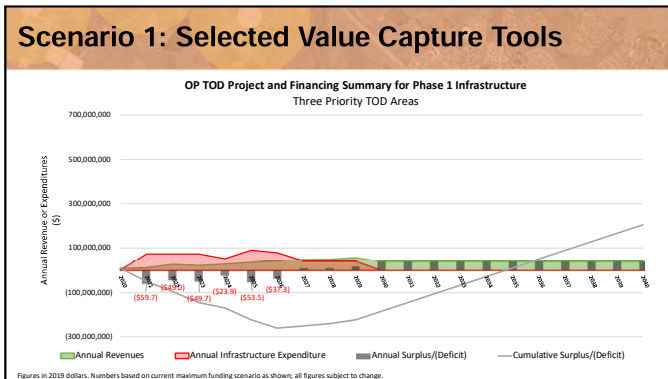
Tool	Relative Potential	Estimated Funding Yield (2020-2040)
Construction GET:	12%	\$0.30 billion (at 100% capture)
Recurring GET:	67%	\$0.49 billion (at 50% capture)
Incremental RPT:	20%	\$0.08 billion (at 30% capture)

Construction GET: One-time GET applied as new facilities are developed in the three priority areas. + Readily related to the three priority TOD areas. + Yields may begin relatively early in Phase 1. - Unpredictable, difficult to bond. - Yields occur only when projects get built. - Yields end in 2029. - Affordable housing and certain other property classes are exempt.

Recurring GET: On-going GET from retail sales, space leases, and hotel operations in the priority areas. + Robust source levied on most transactions. - Unpredictable, difficult to bond. - Yields delayed until facilities are operational (2023+ for most).

Incremental RPT: Incremental new RPT from new developments in the priority areas. + Predictable once facilities are operational. Can be bonded, if yield amounts warrant. - Honolulu RPT rates are relatively low. - Yields delayed until facilities are operational and assessments updated. - Many exempt classes, including public facilities and affordable housing.

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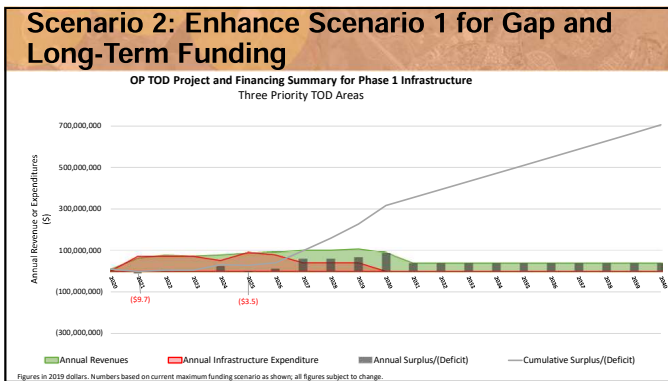


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Scenario 2: Enhance Scenario 1 for Gap and Long-Term Funding

- 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

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Policy Considerations: Value Capture

State GET	County RPT
<ul style="list-style-type: none"> • 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 	<ul style="list-style-type: none"> • 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?? <ul style="list-style-type: none"> • PILOTS (to a public or a P3 fund) or allocations from general fund? • Implementation would require further investigation and legal counsel. 	

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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.

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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.

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Next Steps / Q&A

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July 16, 2021

Attachment C.
Summary Tables for Land Use & Infrastructure Needs for Priority Areas

Source: *State Transit-Oriented Development Planning and Implementation Project for the Island of O‘ahu*, PBR HAWAII, prepared for the Office of Planning, July 2020.

July 16, 2021

Table C-1: East Kapolei TOD Priority Area Preferred Land Use Scenario: Anticipated Development and Phasing¹

Preferred Land Use Scenario: Anticipated Development and Phasing							
East Kapolei TOD Priority Area							
Project	Land Use Type	Existing	Phase 1 (2020-2029)	Phase 2 (2030-2039)	Phase 3 (2040-2049)	Total New	Total Buildout
East Kapolei Master Plan (DLNR) (TMK: 9-1-016:008; 9-1-017:097; 9-1-018:008 and 014)	Residential (Units)	-	720	280	-	1,000	1,000
	Commercial/Institutional (SF)	-	134,000	-	-	134,000	134,000
	Industrial (SF)	-	-	1,147,350	491,350	1,638,700	1,638,700
	Hotel (Rooms)	-	180	-	-	180	180
Makai Long Range Development Plan (UHWO) ² (TMK: 9-1-016:179, 220, 222, and 223)	Residential (Units)	-	820	1,640	1,640	4,100	4,100
	Commercial/Institutional (SF)	247,280	552,000	1,104,000	1,104,000	2,760,000	3,007,280
	Industrial (SF)	-	391,000	-	-	391,000	391,000
Ka'uluokaha'i Increment IIA TOD (DHHL) (TMK: 9-1-017:159)	Residential (Units)	-	250	-	-	250	250
	Commercial/Institutional (SF)	-	140,000	-	-	140,000	140,000
	Industrial (SF)	-	-	-	-	-	-
Ho'opili (private) (TMK: multiple within Plat Section 9-1-017)	Residential (Units)	177	6,423	4,820	-	11,243	11,420
	Commercial/Institutional (SF)	48,931	2,523,012	664,777	-	3,187,789	3,236,720
	Industrial (SF)	-	795,300	-	-	795,300	795,300
Ka'uluokaha'i (DHHL) (TMK: multiple within Plat Section 9-1-017)	Residential (Units)	308	1,483	-	-	1,483	1,791
	Commercial/Institutional (SF)	80,000	15,684	-	-	15,684	95,684
	Industrial (SF)	-	-	-	-	-	-
Ka Makana Ali'i (DHHL) (TMK: 9-1-016:142)	Residential (Units)	-	-	-	-	-	-
	Commercial/Institutional (SF)	1,400,000	-	-	-	-	1,400,000
	Industrial (SF)	-	-	-	-	-	-

July 16, 2021

Preferred Land Use Scenario: Anticipated Development and Phasing							
East Kapolei TOD Priority Area							
Project	Land Use Type	Existing	Phase 1 (2020-2029)	Phase 2 (2030-2039)	Phase 3 (2040-2049)	Total New	Total Buildout
Kānehili (DHHL) (TMK: multiple within Plat Sections 9-1-151, 152, and 153)	Residential (Units)	359	44	-	-	44	403
	Commercial/Institutional (SF)	123,833	100,000	-	-	100,000	223,833
	Industrial (SF)	-	-	-	-	-	-
Hawai'i Tokai International College (private) (TMK: 9-1-016:221)	Residential (Units)	-	-	-	-	-	-
	Commercial/Institutional (SF)	91,808	-	-	-	-	91,808
	Industrial (SF)	-	-	-	-	-	-
TOTALS	Residential (Units)	844	9,740	6,740	1,640	18,120	18,964
	Commercial/Institutional (SF)	1,991,852	3,464,696	1,768,777	1,104,000	6,337,473	8,329,325
	Industrial (SF)	-	1,186,300	1,147,350	491,350	2,825,000	2,825,000
	Hotel (Rooms)	-	180	-	-	180	180

¹ Development estimates based on 2019 consultation; subject to change.

² The anticipated residential development in this assessment was based on the previously approved 2018 Proposed UHWO Campus Land Plan, as presented to the Board of Regents, and is subject to change.

Table C-2: East Kapolei TOD Priority Area ROM Infrastructure Costs

Improvement Type	Phase 1 (2020-2029) (\$million)	Phase 2 (2030-2039) (\$million)	Phase 3 (2040-2049) (\$million)	TBD (\$million)	Funded
Regional/Project Sewer Improvements					
Keahumoa Trunk Sewer Improvements (upsized from 36-inch to 42-inch)	3.3	-	-	-	No
Kualaka'i Trunk Sewer Extension (30-inch)	-	5.79	-	-	No
New 18-inch Sewer System along Farrington Highway	-	3.01	-	-	No
Kualaka'i Trunk Sewer Upgrade (upsized from 30-inch to 36-inch)	-	-	0.92	-	No
Kapolei Interceptor Sewer Upgrade (upsized from 42-inch to 48-inch)	-	-	6.24	-	No
Regional/Project Water Improvements					
'Ewa Shaft Tunnel Improvements	50.0	-	-	-	Yes
East Kapolei 215-Foot System, 3.0 MG Non-Potable Water Reservoir	9.1	-	-	-	Yes
Kualaka'i Parkway 16-inch Recycle Water Main	3.6	-	-	-	Yes
East Kapolei 440-Foot System, 2.5 MG Potable Water Reservoir	-	-	7.58	-	No
East Kapolei 440-Foot System, 3.5 MG Potable Water Reservoir (needed unless UH Mauka reduces MP demand)	-	-	10.62	-	No
Regional/Project Drainage Improvements					
DLNR Transit Station Mixed-Use (Kalo'i Gulch)	18.77	-	-	-	No
DLNR Kualaka'i East and Kualaka'i West TMK: 9-1-018: 008 (Kalo'i Gulch and Hunehune Gulch)	-	11.12	-	-	No
UHWO Makai (Hunehune Gulch)	8.39	-	-	-	No
Regional/Project Roadway Improvements					
DLNR Transit Station Mixed-Use (Intersection)	5.75	-	-	-	No
D.R. Horton Ho'opili 122 feet ROW Backbone Road	42.3	-	-	-	Yes
D.R. Horton Ho'opili 108 feet ROW Backbone Road	-	35.32	-	-	Yes
D.R. Horton Ho'opili 78 feet ROW Backbone Road	30.33	43.32	-	-	Yes
UHWO Makai, East-West Connector Road (108 feet ROW Backbone Road and Intersection)	44.64	-	-	-	No
UHWO Makai, North-South Connector Road (78 feet ROW Backbone Road and Intersection)	-	32.41	-	-	No
UHWO Makai, Farrington Highway Frontage	-	-	38.2	-	No

Improvement Type	Phase 1 (2020-2029) (\$million)	Phase 2 (2030-2039) (\$million)	Phase 3 (2040-2049) (\$million)	TBD (\$million)	Funded
Regional Roadway Improvements					
Farrington Highway Widening	142.0	-	-	-	Yes
Conversion of existing temporary bus stops on Keahumoa Parkway, new bus bays and crosswalk improvements along Kualaka'i Parkway fronting Kualaka'i (East Kapolei) Rail Station and Keone'ae (UHWO) Rail station	0.6	-	-	-	No
Shared-Use Path along Kualaka'i Parkway	1.8	-	-	-	No
Regional Electrical Improvements					
46-kV Underground Duct System	-	-	-	13.0	No
Project Improvements (for individual projects) ¹					
DLNR Transit Station Mixed-Use	57.96	-	-	-	No
DLNR Kualaka'i East and Kualaka'i West TMK: 9-1-018: 008	-	65.51	-	-	No
DLNR Kualaka'i West TMK: 9-1-016: 008	-	-	27.52	-	No
UHWO Makai	60.51	121.02	121.02	-	No
DHHL TOD TMK: 9-1-017: 097	46.87	-	-	-	No
DOE Schools (Regional)					
Elementary School (5)	60.0	120.0	120.0	-	No
Middle (2)	133.5	-	170.0	-	No
East Kapolei High School (1)	250.0	225.0	225.0	-	No
Total ²	969.4	662.5	727.1	13.0	
Grand Total ²	2,372.0				

¹ "Project Improvements" refers to the sum of all project-specific infrastructure improvement costs associated with individual TOD projects in the TOD priority area listed.

² Total and grand total infrastructure costs are rounded to the nearest 0.1 million from Appendix D, Attachment B, of the report.

**Table C-3: Hālawā-Stadium TOD Priority Area Preferred Land Use Scenario:
Anticipated Development and Phasing¹**

Preferred Land Use Scenario: Anticipated Development and Phasing							
Hālawā-Stadium TOD Priority Area							
Project	Land Use Type	Existing	Phase 1 (2020-2029)	Phase 2 (2030-2039)	Phase 3 (2040-2049)	Total New	Total Buildout
Aloha Stadium Redevelopment and NASED (Stadium Authority) (TMK: 9-9-003:061, 070, and 071)	Residential (Units)	-	700	635	635	1,970	1,970
	Commercial/Institutional (SF)	INA ²	333,000	413,500	413,500	1,160,000	1,160,000
	Industrial (SF)	-	-	-	-	-	-
	Hotel (Rooms)	-	230	-	-	230	230
Hālawā OCCC Relocation Site (PSD) (TMK: 9-9-010:057, 058, 006 portion, 046 portion, and Hālawā Interchange portion-no TMK)	Residential (Units)	-	-	700 ³	-	700	700
	Commercial/Institutional (SF)	INA	-	-	-	-	-
	Industrial (SF)	-	-	-	-	-	-
Pu'uwai Momi (HPHA) (TMK: 9-9-003:056)	Residential (Units)	260	180	600	720	1,500	1,760
	Commercial/Institutional (SF)	-	-	-	-	-	-
	Industrial (SF)	-	-	-	-	-	-
Hālawā View Apartments (private) (TMK: 9-9-003:026)	Residential (Units)	121	524	-	-	524	645
	Commercial/Institutional (SF)	-	-	-	-	-	-
	Industrial (SF)	-	-	-	-	-	-
Stadium Mall (private) ⁴ (TMK: 9-9-076:007)	Residential (Units)	-	-	-	350	350	350
	Commercial/Institutional (SF)	INA	-	-	160,000	160,000	160,000
	Industrial (SF)	-	-	-	-	-	-

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Preferred Land Use Scenario: Anticipated Development and Phasing							
Hālawā-Stadium TOD Priority Area							
Project	Land Use Type	Existing	Phase 1 (2020-2029)	Phase 2 (2030-2039)	Phase 3 (2040 2049)	Total New	Total Buildout
Stadium Marketplace (private) ⁴ (TMK: 9-9-002:035)	Residential (Units)	-	-	-	880	880	880
	Commercial/Institutional (SF)	INA	-	-	400,000	400,000	400,000
	Industrial (SF)	-	-	-	-	-	-
TOTALS	Residential (Units)	381	1,404	1,935	2,585	5,924	6,305
	Commercial/Institutional (SF)	-	333,000	413,500	973,500	1,720,000	1,720,000
	Industrial (SF)	-	-	-	-	-	-
	Hotel (Rooms)	-	230	-	-	230	230

¹ Development estimates based on 2019 consultation; subject to change.

² INA – Information Not Available.

³ OCCC redevelopment estimates 1,380 beds and 650 staff. 700 residential units was selected as the metric based on EPs for infrastructure use.

⁴ Additional private landowner development throughout the priority area based on modeling redevelopment assumptions.

Table C-4: Hālawā-Stadium TOD Priority Area ROM Infrastructure Costs

Improvement Type	Phase 1 (2020-2029) (\$million)	Phase 2 (2030-2039) (\$million)	Phase 3 (2040-2049) (\$million)	TBD (\$million)	Funded
Hālawā-Stadium TOD Priority Area Improvements					
Regional Sewer Improvements					
Hālawā WWPS Force Main System Improvements	4.6	-	-	-	Yes
Hālawā WWPS (New)	-	18.26	-	-	No
Hālawā FM (New)	-	7.51	-	-	No
Temporary WWTP for Phase 1 (2020-2029)	15.0	-	-	-	No
Regional/Project Sewer Improvements					
Relocation and Upgrade of Existing Sewer ¹	7.55	-	-	-	No
Regional/Project Water Improvements					
Relocation and Upgrade of Existing Water Main (Stadium)	-	4.43	-	-	No
Regional Drainage Improvements					
Hālawā Stream Dredging	5.1	-	-	-	Yes
Regional/Project Roadway Improvements					
Complete Street along Kamehameha Highway	20.0	-	-	-	No
Elevated Pedestrian Crossings at Kamehameha Highway	11.0	-	-	-	No
Stadium Site	33.1	6.0	-	-	No
Stadium Marketplace Site	-	-	6.0	-	No
Regional Roadway Improvements					
Modify the section of Salt Lake Blvd. between Kamehameha Highway and Pu'uloa Road to include bus only and/or bicycle lanes	0.36	-	-	-	No
Off-street shared use path on the mauka side of Salt Lake Blvd. between Kamehameha Highway and Kahuapā'ani Street	6.0	-	-	-	No
Off-street shared use path on the Diamond Head side of Kamehameha Highway from the Hālawā Stream bridge to the rail station	4.8	-	-	-	No
Traffic calming on Kalaloa Street	0.6	-	-	-	No
Regional Electrical Improvements					
46-kV Underground Duct System				11.0	No

Improvement Type	Phase 1 (2020-2029) (\$million)	Phase 2 (2030-2039) (\$million)	Phase 3 (2040-2049) (\$million)	TBD (\$million)	Funded
Project Improvements (for individual projects) ²					
Stadium Site	43.79	49.9	23.08	-	No
Pu'uwai Momi	2.76	9.37	10.85	-	No
Hälawa View Apartments	4.17	-	-	-	No
Stadium Marketplace Site	-	-	14.87	-	No
Stadium Mall Site	-	-	20.6	-	No
DOE Schools (Regional)					
Elementary School (1)		60.0			No
Hälawa-Stadium TOD Priority Area Subtotal ³	158.8	155.5	75.4	11.0	
Hälawa-Stadium TOD Priority Area Total ³	400.7				
Non-Hälawa-Stadium Area Improvements					
Regional Sewer Improvements					
Pearl City WWPS, Force Main, and Sewer System Alternative	16.8	-	-	-	Yes
Waipahu WWPS Force Main	65.0	-	-	-	Yes
Waipahu WWPS Force Mains Rehabilitation	45.2	-	-	-	Yes
Pearl City/Waipahu Sewer Tunnel	-	122.7	-	-	No
Pearl City/Waipahu Tunnel WWPS	16.7	-	-	-	No
Pearl City and Waimalu Trunk Sewers	-	148.14	-	-	No
Waimalu WWPS Force Main (New)	-	16.14	-	-	No
Waimalu WWPS Reconstruct/Replace	-	22.79	-	-	No
Regional Water Improvements					
Salt Lake Boulevard 36-inch Main – Foster Village to Āliamanu	4.3	-	-	-	Yes
Regional Roadway Improvements					
Salt Lake Boulevard Widening – Maluna Street to Ala Lilikoi Street ⁴	93.3	-	-	-	Yes
Non-Hälawa-Stadium Area Subtotal ³	241.3	309.8	-	-	
Non-Hälawa-Stadium Area Total ³	551.1				
Subtotal ³	400.1	465.3	75.4		
Grand Total ³	951.8				

¹ Relocation and upgrade of existing sewer may follow the project phasing schedule.

² "Project Improvements" refers to the sum of all project-specific infrastructure improvement costs associated with individual TOD projects in the TOD priority area listed.

³ Subtotal, total, and grand total infrastructure costs are rounded to the nearest 0.1 million from Appendix D, Attachment B, of the report.

⁴ Salt Lake Boulevard Widening – Maluna Street to Ala Lilikoi Street are grouped together because City has proposed to expand Salt Lake Boulevard between Maluna Street and Ala Lilikoi Street from two lanes to 4 lanes (two east bound and two west bound). The project is intended to reduce traffic congestion and address the projected traffic volumes.

**Table C-5: Iwilei-Kapālama TOD Priority Area Preferred Land Use Scenario:
Anticipated Development and Phasing¹**

Preferred Land Use Scenario: Anticipated Development and Phasing						
Iwilei-Kapālama TOD Priority Area						
Project	Land Use Type	Existing	Phase 1 (2020-2029)	Phase 2 (2030-2039)	Phase 3 (2040-2049)	Total New ²
Mayor Wright Homes (HPHA) (TMK: 1-7-029:003)	Residential (Units)	INA ³	1,500	1,000	-	2,500
	Commercial/Institutional (SF)	INA	80,000	-	-	80,000
	Industrial (SF)	INA	-	-	-	-
School Street Administrative Offices Redevelopment (HPHA) (TMK: 1-6-009:003)	Residential (Units)	INA	800	-	-	800
	Commercial/Institutional (SF)	INA	40,000	-	-	40,000-
	Industrial (SF)	INA	-	-	-	-
Liliha Civic Center (HHFDC/DAGS) (TMK: 1-5-007:001)	Residential (Units)	INA	200	-	-	200
	Commercial/Institutional (SF)	INA	50,000	-	-	50,000
	Industrial (SF)	INA	-	-	-	-
Honolulu Community College (HCC) (TMK: multiple within Plat Sections 1-5-005, 006, 017, 018, 020)	Residential (Units)	INA	-	-	-	-
	Commercial/Institutional (SF)	INA	-	-	-	-
	Industrial (SF)	INA	47,479 ⁴	-	-	47,479
Kamehameha Schools Kapālama Kai Project and Other Redevelopment (private) (TMK: multiple within Plat Sections 1-5-003, 004, 005, 019, 020, 021, 022, 023, 027, 028, 029, 030, and 1-6-002, 003, 016)	Residential (Units)	INA	3,700	2,400	-	6,100
	Commercial/Institutional (SF)	INA	205,000	62,000	-	267,000
	Industrial (SF)	INA	194,000	-	-	194,000

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Preferred Land Use Scenario: Anticipated Development and Phasing						
Iwilei-Kapālama TOD Priority Area						
Project	Land Use Type	Existing	Phase 1 (2020-2029)	Phase 2 (2030-2039)	Phase 3 (2040-2049)	Total New ²
Kapālama TOD (DHHL) (TMK: 1-5-020:006 and 014; and 1-5-033:009)	Residential (Units)	INA ²	500	-	-	500
	Commercial/Institutional (SF)	INA	18,500	-	-	18,500
	Industrial (SF)	INA	-	-	-	-
Kalanihūia Homes (HPHA) (TMK: 1-7-026:006)	Residential (Units)	150	-	350	-	350
	Commercial/Institutional (SF)	INA	-	-	-	-
	Industrial (SF)	INA	-	-	-	-
Kalihi OCCC Site Redevelopment (PSD) (TMK: 1-2-013:022 and 1-2-026:032)	Residential (Units)	INA	-	-	-	-
	Commercial/Institutional (SF)	INA	-	-	-	-
	Industrial (SF)	INA	-	-	-	-
Kamehameha Homes (HPHA) (TMK: 1-5-001:001)	Residential (Units)	221	350	750	750	1,850
	Commercial/Institutional (SF)	INA	-	-	-	-
	Industrial (SF)	INA	-	-	-	-
Ka'ahumanu Homes (HPHA) (TMK: 1-5-024:001)	Residential (Units)	INA	-	325	325	650
	Commercial/Institutional (SF)	INA	-	-	-	-
	Industrial (SF)	INA	-	-	-	-
Moanalua Kai TOD (DHHL) (TMK: 1-1-064:008 through 022, and 031 through 035; 20 parcels total)	Residential (Units)	INA	-	-	-	-
	Commercial/Institutional (SF)	INA	65,000	20,000	-	85,000
	Industrial (SF)	INA	435,000	435,000	-	870,000

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Preferred Land Use Scenario: Anticipated Development and Phasing						
Iwilei-Kapālama TOD Priority Area						
Project	Land Use Type	Existing	Phase 1 (2020-2029)	Phase 2 (2030-2039)	Phase 3 (2040-2049)	Total New ²
State and Kamehameha Schools Kapālama Kai and Other Redevelopment Properties Subtotal	Residential (Units)	INA	7,050	4,825	1,075	13,200
	Commercial/Institutional (SF)	INA	458,500	82,000	-	540,500
	Industrial (SF)	INA	676,479	435,000	-	1,111,479
Other "Opportunity Sites" ⁴	Residential (Units)	INA	1,102	4,959	4,959	11,020
	Commercial/Institutional (SF)	INA	663,562	2,986,029	2,986,029	6,635,620
	Industrial (SF)	INA	-	-	-	-
TOTALS	Residential (Units)	INA	8,152	9,784	6,034	23,970
	Commercial/Institutional (SF)	INA	1,122,062	3,068,029	2,986,029	7,176,120
	Industrial (SF)	INA	676,479	435,000	-	1,111,479

¹ Development estimates based on 2019 consultation; subject to change.

² The Iwilei-Kapālama TOD Priority Area does not include "Total Buildout" because of the uncertainty related to redevelopment of existing parcels and how many facilities will be demolished and replaced.

³ INA – Information Not Available.

⁴ According to available information at the time of this study, the proposed facility a laboratory for science purposes. While the HCC facility is an institutional use, the infrastructure required for the proposed laboratory facility are most similar to industrial infrastructure requirements, which is why it was classified as such in this analysis.

⁵ Estimated additional private landowner development based on development model assumptions for other land uses contained in the City's respective TOD Plans overlaying this TOD priority area.

Table C-6: Iwilei-Kapālama TOD Priority Area ROM Infrastructure Costs

Improvement Type	Phase 1 (2020-2029) (\$million)	Phase 2 (2030-2039) (\$million)	Phase 3 (2040-2049) (\$million)	TBD (\$million)	Funded
Iwilei-Kapālama TOD Priority Area Improvements					
Regional Sewer Improvements					
Awa Street WWPS, Force Main, and Sewer System Improvements – Phase 1 including Waiakamilo Road Relief Sewer Line	145.4	-	-	-	Yes
Awa Street Pump Station, Force Main, and Sewer System Improvements – Phase 2	35.4	-	-	-	Yes
Hart Street WWPS Force Main Improvements – Phase 3 (Rehabilitation Work for the Force Main System and Appurtenances)	22.9	-	-	-	Yes
Hart Street/Waiakamilo Road Replacement Sewer	8.5	-	-	-	Yes
Iwilei, King Street, Kokea Street Areas Sewer Improvements	8.8	-	-	-	Yes
Regional/Project Sewer Improvements					
Relocation and Upgrade of Existing Sewer (vicinity of Liliha Civic Center TOD, Kalanihuia, and Mayor Wright Homes)	4.05	-	-	-	No
Kamehameha Schools Kapālama Kai and Other Redevelopment Projects	-	6.0	-	-	No
Kapālama TOD (DHHL)	0.77	-	-	-	No
Regional Water Improvements					
North Nimitz Highway 16-inch Main	6.2	-	-	-	Partial
Regional/Project Water Improvements					
Kamehameha Schools Kapālama Kai and Other Redevelopment Projects	-	4.95	-	-	No
Moanalua Kai TOD (DHHL)	5.08	-	-	-	No
Regional Drainage Improvements					
Reroute Pua Lane Runoff to Nuʻuanu Stream	9.04	-	-	-	No
Regional Roadway Improvements					
Iwilei Road Extension	2.4	-	-	-	No
Kapālama Canal Catalytic Project	46.6	-	-	-	Yes
Interstate Route H-1 Freeway Widening	-	14.0	-	-	No
North Nimitz Highway (Route 92), High Occupancy Vehicle (HOV) Flyover	-	-	622.2	-	No

Improvement Type	Phase 1 (2020-2029) (\$million)	Phase 2 (2030-2039) (\$million)	Phase 3 (2040-2049) (\$million)	TBD (\$million)	Funded
Regional/Project Roadway Improvements					
School Street Administrative Offices Redevelopment (HPHA) (Intersection)	12.0	-	-	-	No
Ka'ahumanu Homes (HPHA) (Intersection)	1.68	5.16	5.16	-	No
Kalanihuiua Homes (HPHA) (Intersection)	-	12.0	-	-	No
Kamehameha Homes (HPHA) (Intersection)	2.18	6.71	6.71	-	No
Kamehameha Schools Kapālama Kai and Other Redevelopment (Intersection and Road Improvements)	-	40.28	-	-	No
Kapālama TOD (DHHL) (Intersection)	12.0	-	-	-	No
Liliha Civic Center (HHFDC/DAGS) (Intersection)	9.6	-	-	-	No
Mayor Wright Homes (HPHA) (Intersection)	17.28	11.52	-	-	No
Moanalua Kai TOD (DHHL) (Intersection)	9.6	9.6	-	-	No
Regional Electrical Improvements					
46-kV Transmission Upgrades	-	-	-	45.6	No
25-kV Distribution Network	11.0	50.8	-	-	No
Project Improvements ¹					
School Street Administrative Offices Redevelopment (HPHA)	11.64	-	-	-	No
UH Honolulu Community College	0.83	-	-	-	No
Ka'ahumanu Homes (HPHA)	2.72	2.86	2.86	-	No
Kalanihuiua Homes (HPHA)	-	1.33	-	-	No
Kamehameha Homes (HPHA)	2.54	6.51	6.51	-	No
Kapālama TOD (DHHL)	13.65	-	-	-	No
Liliha Civic Center (HHFDC/DAGS)	2.68	-	-	-	No
Mayor Wright Homes (HPHA)	25.8	17.17	-	-	No
Moanalua Kai TOD (DHHL)	17.27	6.46	-	-	No

Improvement Type	Phase 1 (2020-2029) (\$million)	Phase 2 (2030-2039) (\$million)	Phase 3 (2040-2049) (\$million)	TBD (\$million)	Funded
DOE Schools (Regional)					
Elementary School (1)	-	-	-	-	No
Middle (1)	-	-	170.0	-	No
Iwilei-Kapālāma TOD Priority Area Subtotal ²	447.6	45.6	813.5	45.6	
Iwilei-Kapālāma TOD Priority Area Total ²	1579.0				
Non-Iwilei-Kapālāma Area Improvements					
Regional Water Improvements					
Honolulu District 42-inch Mains	17.0	-	-	-	Yes
Non-Iwilei-Kapālāma Area Subtotal ¹	17.0	-	-	-	
Non-Iwilei-Kapālāma Area Total ¹	17.0				
Subtotal ²	464.6	255.4	813.5	45.6	
Grand Total ²					

¹“Project Improvements” refers to the sum of all project-specific infrastructure improvement costs associated with individual TOD projects in the TOD priority area listed.

²Subtotal, total, and grand total infrastructure costs are rounded to the nearest 0.1 million from Appendix D, Attachment B of the report.

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Hawaii Interagency Council for Transit-Oriented Development
Maui Permitted Interaction Group [April 2019]
Summary Report and Recommendations

Members of the Maui Permitted Interaction Group (PIG) were represented as follows:

Mary Alice Evans, OP
Craig Hirai, HHFDC
Deepak Neupane, HHFDC
Dean Minakami, HHFDC
Ken Masden, DOE
Robyn Loudermilk, DOE

Pam Eaton, Maui Planning Department
David Yamashita, Maui Parks Department
Lauren Armstrong, Maui MPO
David Rodriguez, DOT
Heidi Hansen-Smith, DOH

Primary staff support: Rodney Funakoshi, Ruby Edwards, Carl Miura.

The Maui Permitted Interaction Group (Maui PIG) was formed by the TOD Council on June 12, 2018, to address the following tasks: (1) update TOD project priorities and project needs; (2) identify other potential TOD projects; and (3) identify actions required for priority project implementation, including TOD CIP budget requests.

The Maui PIG met once on June 18, 2019. Rodney Funakoshi and Pam Eaton were selected as co-chairs. The primary purpose of the meeting was to discuss the kickoff of the Wailuku-Kahului Transit Corridor Master Plan project, project approach and timeframe, and the potential role of the Maui PIG in supporting this and other Maui TOD projects.

I. Wailuku-Kahului Transit Corridor Master Plan Project

Pam Eaton reported that \$500,000 was appropriated by the 2019 Legislature for a corridor master plan between Wailuku and Kahului. The Maui County Council appropriated \$100,000 for the project. The project has strong support of Council members. The goal is to create a transit spine along the corridor, and to be able to capture and capitalize on movement of people along corridor. The project complements other Maui projects: the Maui Long Range Transportation Plan; the County's Kahului 2070 initiative; rewriting of the zoning code to enable mixed-use, and the Central Maui Transit Hub. They're also looking at affordable housing opportunities, integrating Complete Streets and Vision Zero along the corridor.

Eaton sought guidance on formulating the scope of the project, determining the type of consulting team that should be sought, and identifying who needs to be involved at the outset. Comments included those provided by Harrison Rue as to study area definition, consultant experience and analysis desired. There was discussion of needing to engage community members, as well as housing and environmental and other local agencies in the project. She also requested assistance from OP in navigating the request to release State CIP funds.

II. Role for PIG

As to the role of the PIG with respect to the project, the sentiment of County staff was that it was too early for the Maui PIG to meet, and that County staff needed to do more outreach to others on Maui first, including State agencies like DAGS and the DOT District Engineer. It was felt that the County needed to identify all the projects in play, the different project types along the corridor—thinking broadly about who’s doing what.

III. Actions Taken

- A. OP provided sample documents and contact information for County use in requesting release of State CIP funds from the Governor.
- B. The County submitted request to release CIP funds, which was approved by the Governor, and proceeded with procurement of a consultant team for the Wailuku-Kahului Transit Corridor Project. The project—now the Kaahumanu Avenue Corridor Plan—is expected to be completed by December 2021. It will be used as a model for the County’s West Maui Transit Corridor Plan, which was awarded FY 2021 State TOD CIP Planning funds and will be initiated in FY 2022.

IV. Recommendation

The Maui PIG co-chairs recommend the TOD Council accept this report from the 2018 Maui PIG and act to dissolve this PIG at the Council’s September 17, 2021.

REPORT TO TOD COUNCIL -- AFFORDABLE HOUSING WORK GROUP

The Affordable Housing Work Group was formed by the TOD Council in January 2020 to formulate an achievable strategy for prioritizing and maximizing the development of affordable housing in TOD areas along the Honolulu rail line. Tasks include setting goals for affordable housing development and clarifying plans and development timelines, focusing on the next 10 years to Year 2030. Work Group meetings were held on April 20, May 19, and July 14, 2020 with the following outcomes:

1. The 2019 HHFDC Housing Planning Study projects the need for 17,000 affordable units on Oahu by 2025, with a strong surveyed preference to live close to a rail station.
2. **Inventory of State TOD Affordable Housing** Along Honolulu Rail Corridor. The Work Group developed a preliminary inventory of near-term, 5- and 10-year production estimates for affordable housing projects. Updated status, schedule and number of affordable housing units for State and major private sector development. Approximately 10,000 units were identified which represent affordable housing opportunities; these are subject to infrastructure availability and the need to compete for a limited amount of available funding.
3. **Criteria for Prioritizing Projects.** Refined criteria from *State TOD Strategic Plan* for determining priority projects: public/community benefit, agency/project readiness, catalytic impact, and site considerations.
4. **Project Priority Evaluation:** Conducted a prioritization exercise using the refined Criteria for Prioritizing Projects. Prioritization Exercise combined housing (HHFDC) and TOD (OP) perspectives, including summarized infrastructure costs.
5. **Financing Priority Projects:** Reviewed preliminary estimates of development costs, potential financing sources and amounts, and regional infrastructure needs and costs. This was based on HHFDC financing mechanisms and infrastructure needs/costs from the just-completed State TOD Implementation Plan for TOD priority areas of East Kapolei, Halawa-Stadium, and Iwilei-Kapalama.
6. **Recommendation for Next Steps:** Transition to the Infrastructure Investment Strategy Work Group for refinement of financing priority projects and regional infrastructure.

Work Group Members:

1. *Governor Sara Lin (Co-chair)*
 2. *Legislature Rep. Nadine Nakamura (Co-chair)*
 3. *HHFDC Denise Iseri-Matsubara, Deepak Neupane*
 4. *HPHA Hakim Ouansafi, Ben Park, Kevin Auger*
 5. *HCDG Garret Kamemoto*
 6. *DAGS Chris Kinimaka, David Deponte*
 7. *DLNR Russell Tsuji, Ian Hirokawa, Lauren Yasaka*
 8. *DOE Kenneth Masden, Robyn Laudermilk*
 9. *UH Carleton Ching, Bonnie Arakawa, Kevin Ishida*
 10. *DHHL Darrell Ing*
 11. *Housing Betty Lou Larson, Jillian Okamoto*
 12. *Developer Bill Brizee*
- Guest: Dave Arakawa, LURF*
- TOD Staff: Mary Alice Evans, Rodney Funakoshi, Ruby Edwards, Carl Miura*

Project Prioritization / Criteria

Agency/Developer:		Priority Score
Project Name:	Max Pts: 100	50
Public/Community Benefit	max pts: 40	20
<ul style="list-style-type: none"> ● Provision of affordable/rental housing, including greater percentage of lowest AMI units ● Job and business creation and industry expansion ● Mixed-use, co-location of public facilities/services, economic opportunities, access to basic goods & services, community amenities & housing ● Access to social infrastructure: schools, services, etc. ● Intermodal connectivity, accessibility ● Sustainable development / green building / climate change / resiliency factors ● Improvement of public realm, streetscapes 		

Comments

Agency/Project Readiness	max pts: 30	15
<ul style="list-style-type: none"> ● Site availability (no/few lease/uses/deed restriction issues) ● Status of project planning (advanced) ● Development partners/partnership (identified/formed) ● Financial resources/tools available, being secured/secured (including location in improvement district/OZ, etc.) ● Market readiness in area / development timing ● Serves agency mission & provides public benefits (see below) 		

Comments

Catalytic Impact	max pts: 20	10
<ul style="list-style-type: none"> ● Expansion of infrastructure & service capacity for area-wide development/redevelopment ● Advancement of priority State redevelopment/development objectives in neighborhood/region (mixed-use/mission-serving communities on State lands or growth/revitalization interests) ● Alignment with county plans / county catalytic projects/investments in TOD, smart growth 		

Comments

Site Considerations	max pts: 10	5
<ul style="list-style-type: none"> ● Proximity to station or commercial center with scheduled public transportation service ● Development potential (access, size, configuration, adjacent land uses) ● County Plan land use designation & zoning ● Site constraints: <ul style="list-style-type: none"> ● Environmental, hazards, cultural/archaeological ● Infrastructure capacity 		

Comments

Evaluator:

State TOD Affordable Housing Along Honolulu Rail Corridor

	SP No.	Lead	TOD Area	Project	Land Area (ac.)	2025 Afford 5 yrs	2025 Total 5 yrs	2030 Afford 10 yrs	2030 Market 10 yrs	2030 Total 10 yrs	2031-50 Afford 11-30yr	2031-50 Total 11-30yr	TOTAL UNITS	Infrastructure Barriers/Other Barriers	
East Kapolei	1	DHHL	E. Kapolei	Kaaluokahai Multi-Fam & Commercial	33	250	250	250	-	250			250	RFP late 2020, C: 2022-23 Aff. % undetermined	
		DHHL	E. Kapolei	Kaaluokahai Single-Family Subdivision	149	130	130	297	-	297	658	658	955	Backbone infrastructure completed	
	3	UHWO	E. Kapolei	UH West Oahu Long Range DP	500			410	410	820			3,280	4,100	LRDP pending BOR approval; University District Dev. Agreement negotiations terminated
	6	DLNR	E. Kapolei	East Kapolei Master Development Plan	175			360	360	720			280	1,000	MP almost done; EIS funded; Drainage, Farrington Hwy widening. 50% affordable assumed
		DR-Hor	E. Kapolei	Hoopili		750	2,500	1,500	3,500	5,000	2,025	6,750	11,750	500 units/yr, 30% aff (10% <80%AMI, 20% 81-120% AMI)	
	8	HPHA	Waipahu	Waipahu I & II Redevelopment	1						1,000		1,000		
	9	HHFDC	Waipahu	Waipahu Civic Center TOD Project	10			1,000	-	1,000			<i>tbd</i>	MP and Infrastructure assessment funded	
		KS	Waipahu	Kamehameha Schools Waipahu Transit		250	500	250	250	500			500	500 units if height limit raised to 200 ft. (otherwise 200 units)	
	11	UH LCC	Aiea-Pearl City	Leeward Community College TOD MP	50									LRDP pending BOR approval	
	12	HPHA	Aiea-Pearl City	Hale Laulima Homes	4							1,000	1,000		
Stadium	13	SA/DAGS	Halawa	New Aloha Stadium Entertainment Dis	99			350	350	700		1,270	1,970	EIS, MP, P3 RFP pending for Ph.1 stadium/ancillary dev; 50% affordable assumed.	
	14	HPHA	Halawa	Puuwai Momi Homes	12			180		180		1,320	1,500	MP in coordination w/DAGS-Stadium MP	
			Halawa	Halawa View II & III		302	302	302	-	302			302	HHFDC financed, 100% affordable	
			Pearl Harbor	Navy Mixed-Use Development										pending RFP	
		HPHA	Kalihi	Kuhio Park Terrace Lowrises		434	434	434	-	434			434	MDA completed, pending EIS, funding; Not in TOD area	
	16	PSD/DAGS	Kalihi	Oahu Community Correctional Center	16									pending relocation to Halawa	
	17	HPHA	Kalihi	Kamehameha Homes	16							1,500	1,500		

State TOD Affordable Housing Along Honolulu Rail Corridor

	SP No.	Lead	TOD Area	Project	Land Area (ac.)	2025 Afford 5 yrs	2025 Total 5 yrs	2030 Afford 10 yrs	2030 Market 10 yrs	2030 Total 10 yrs	2031-50 Afford 11-30yr	2031-50 Total 11-30yr	TOTAL UNITS	Infrastructure Barriers/Other Barriers
	18	HPHA	Kalihi	Kaahumanu Homes	7							800	800	
Iwilei-Kapalama	19	DHHL	Kapalama	Kapalama Mixed Use Master Plan	3						500	500		Lease exp. 2045
	20	UH	Kapalama	Honolulu Community College TOD MP	23								<i>tbd</i>	LRDP revision pending, no housing planned
	21	HPHA	Kapalama	HPHA Admin Offices - School St.	12	550	550	800	-	800			800	MDA in place, start Feb 2021, 550 units by 2025
	KS	Kapalama	Kamehameha Schools Kapalama			600	600	1,050	1,050	2,100	2,300	2,300	4,400	sewer/elect shortfall after Phase 1; 80-140% AMI
	CKE	Iwilei	Castle & Cooke Homes			140	140	620	320	940	480	800	1,740	60% of units at <140% AMI
	22	HPHA	Iwilei	Mayor Wright Homes	16	535	800	870	430	1,300	800	1,200	2,500	sewer/elect shortfall after Phase 1; 67% units <120% AMI
	23	DAGS	Iwilei	Liliha Civic Center	4			600	-	600				HHFDC-DAGS MOU
	24	HPHA	Iwilei	Kalanihulia Homes	2								350	
	25	HHFDC	Kakaako	690 Pohukaina	2	390	390	590	-	590			590	Dev Agreement expected mid-2020
	26	DOE	Kakaako	Pohukaina Elementary School	2									Alakai to construct school
	30	HHFDC	Ala Moana	Alder Street Aff. Rental & Juvenile Ctr	1.5	200	200	200		200			200	Dev awarded; complete by 2022
	31	HPHA	Ala Moana	Makua Alii & Paokolani	9						1,000		1,000	
		UH	Aiea-Pearl	Pearl City Urban Gardens	29								<i>tbd</i>	
TOTALS						4,531	6,796	10,063		16,733	8,763	22,008	38,641	<i>Note: Affordable defined as <140% AMI</i>

10-year Affordable Housing
Private Development
State TOD Priority Area

REPORT TO TOD COUNCIL –

INFRASTRUCTURE INVESTMENT STRATEGY WORK GROUP

The Infrastructure Investment Strategy Work Group was formed by the TOD Council in May 2020 to formulate a coordinated high-level strategy to guide decisions on how, when, and where to invest in infrastructure to facilitate and expedite TOD implementation along. This work has two interrelated components:

- **Schedule.** Development of a generalized project and cost schedule for required TOD investments – immediate/near-term and long-term actions.
- **Funding & Delivery.** Development of infrastructure financing tools and delivery options for OTD infrastructure improvement projects – immediate/near term and long-term actions.

One Work Group meeting was held on September 11, 2020 with the following reports and outcomes:

1. **Infrastructure Delivery Issues.** Updates were received on issues and concerns related to infrastructure delivery, including DAGS, DLNR, HHFDC, DOT and HPHA projects in East Kapolei, Halawa/Stadium, and Iwilei-Kapalama.
2. **City-State Coordination.** An MOU has been executed between the City & County of Honolulu and HHFDC to coordinate infrastructure delivery in the Iwilei-Kapalama area. HHFDC is pursuing development of the Liliha Civic Center and an Iwilei Infrastructure Master Plan.
3. **Need for establishing project priorities.** The need was expressed for determining and prioritizing projects which will be funded for implementation as a basis for determining infrastructure needs and priorities.
4. **Recommendation for Next Steps:** Combine the Affordable Housing Work Group and the Infrastructure Investment Strategy Work Group for refinement of financing priority projects and regional infrastructure.

Work Group Members:

1. *Legislature Rep. Nadine Nakamura (Co-chair)*
 2. *HHFDC Denise Iseri-Matsubara (Co-chair), Deepak Neupane, Dean Minakami*
 3. *Governor Sara Lin*
 4. *HPHA Kevin Auger*
 5. *DOT David Rodriguez, Pradip Pant*
 6. *DAGS Chris Kinimaka, David Deponte*
 7. *DLNR Russell Tsuji, Ian Hirokawa, Lauren Yasaka*
 8. *DOE Randy Tanaka, Roy Ikeda*
 9. *UH Carleton Ching*
 10. *City & County of Honolulu: Kathy Sokugawa, Harrison Rue, Min Bu*
 11. *OP Mary Alice Evans, Rodney Funakoshi, Ruby Edwards, Carl Miura*
- Guests: Phillip Garboden (UHERO/DURP), Dave Arakawa (LURF)*

DRAFT: July 14, 2021

Proposed TOD Council Permitted Interaction Group (PIG) & Work Plans, July 16, 2021

Permitted Interaction Group	Members	Tasks	Timeline
<p>Affordable Housing/State TOD Implementation, Oahu</p> <p><u>Charge for Investigation:</u> Review lands for TOD/affordable housing potential, develop action plan for TOD investment & implementation along rail corridor</p>	<ol style="list-style-type: none"> 1) House – Rep. Nadine Nakamura, Co-Chair 2) HHFDC – Denise Iseri-Matsubara, Co-Chair 3) Governor's Office 4) OPSD 5) HPHA 6) DLNR 7) DOE 8) HCDA 9) DAGS 10) UH 11) Affordable Housing Advocate 12) City DPP 	<ul style="list-style-type: none"> • Agency meetings to determine extent and availability of underutilized State lands along Honolulu Rail line for affordable housing and TOD. • Data compilation and verification with City regarding infrastructure • Formulation of an action plan for TOD implementation: <ul style="list-style-type: none"> ○ Review affordable housing potential, master plan/infrastructure needs, costs ○ Establish targets, prioritize housing and infrastructure projects ○ Develop implementation strategy and implementation recommendations ○ Identify needed legislation/CIP requests • Stakeholder forums in conduct of OP TOD Infrastructure Financing Study 	<p>JUL-AUG: Agency meetings, Data compilation & mapping</p> <p>AUG-OCT: Meetings-TBD</p> <p>JAN 2022-on: Forum for OPSD TOD Infrastructure Financing Study</p>
<p>HAWAI'I County/State TOD Alignment and Implementation</p> <p><u>Charge for Investigation:</u> Align County/State TOD priorities and develop action plan for TOD implementation</p>	<ol style="list-style-type: none"> 1) OPSD – Mary Alice Evans, Co-Chair 2) Hawai'i County Planning Representative, Co-Chair 3) HHFDC 4) HPHA 5) DLNR 6) DOE 7) HCDA 8) DAGS 9) UH 10) DHHL 11) DOT 12) 	<ul style="list-style-type: none"> • Identification/update of County/State TOD opportunities and TOD and investment priorities for County and State agencies, including TOD pilot area for OPSD TOD Infrastructure Financing Study • Alignment of State and County TOD implementation and infrastructure priorities, including budget priorities • Consultation with County and State agencies on TOD infrastructure needs, delivery, and financing • Formulation of a joint County/State TOD Implementation Strategy/Action Plan to guide actions, inform timing of investments: <ul style="list-style-type: none"> ○ Determine actions and resources needed to support TOD implementation ○ Problem-solve barriers and gaps in support of TOD implementation ○ Identify outreach strategies to gain support for implementation and investment 	<p>JUL-OCT: County meeting TBD, data compilation, infrastructure agency consultations</p> <p>NOV-DEC: Alignment/Action Plan mtgs TBD</p> <p>JAN-FEB 2022 mtg: Report Recs to TOD Council or TBD</p>

DRAFT: July 14, 2021

Proposed TOD Council Permitted Interaction Group (PIG) & Work Plans, July 16, 2021

Permitted Interaction Group	Members	Tasks	Timeline
<p>KAUA'I County/State TOD Alignment and Implementation</p> <p><u>Charge for Investigation:</u> Problem-solving County/State TOD Alignment and Implementation</p>	<ol style="list-style-type: none"> 1) OPSD – Mary Alice Evans, Co-Chair 2) Hawai'i County Planning Representative, Co-Chair 3) HHFDC 4) HPHA 5) DLNR 6) DOE 7) HCDA 8) DAGS 9) UH 10) DHHL 11) DOT 12) 	<ul style="list-style-type: none"> • Identification/update of County/State TOD opportunities and TOD and investment priorities for County and State agencies, including TOD pilot area for OPSD TOD Infrastructure Financing Study • Alignment of State and County TOD implementation and infrastructure priorities, including budget priorities • Consultation with County and State agencies on TOD infrastructure needs, delivery, and financing • Formulation of a joint County/State TOD Implementation Strategy/Action Plan to guide actions, inform timing of investments: <ul style="list-style-type: none"> ○ Determine actions and resources needed to support TOD implementation ○ Problem-solve barriers and gaps in support of TOD implementation ○ Identify outreach strategies to gain support for implementation and investment 	<p>JUL-OCT: County meeting TBD, data compilation, infrastructure agency consultations</p> <p>NOV-DEC: Alignment/Action Plan mtgs TBD</p> <p>JAN-FEB 2022 mtg: Report Recs to TOD Council or TBD</p>
<p>MAUI County/State TOD Alignment and Implementation</p> <p><u>Charge for Investigation:</u> Problem-solving County/State TOD Alignment and Implementation</p>	<ol style="list-style-type: none"> 1) OPSD – Mary Alice Evans, Co-Chair 2) Hawai'i County Planning Representative, Co-Chair 3) HHFDC 4) HPHA 5) DLNR 6) DOE 7) HCDA 8) DAGS 9) UH 10) DHHL 11) DOT 12) 	<ul style="list-style-type: none"> • Identification/update of County/State TOD opportunities and TOD and investment priorities for County and State agencies, including TOD pilot area for OPSD TOD Infrastructure Financing Study • Alignment of State and County TOD implementation and infrastructure priorities, including budget priorities • Consultation with County and State agencies on TOD infrastructure needs, delivery, and financing • Formulation of a joint County/State TOD Implementation Strategy/Action Plan to guide actions, inform timing of investments: <ul style="list-style-type: none"> ○ Determine actions and resources needed to support TOD implementation ○ Problem-solve barriers and gaps in support of TOD implementation ○ Identify outreach strategies to gain support for implementation and investment 	<p>JUL-OCT: County meeting TBD, data compilation, infrastructure agency consultations</p> <p>NOV-DEC: Alignment/Action Plan mtgs TBD</p> <p>JAN-FEB 2022 mtg: Report Recs to TOD Council or TBD</p>