

HAWAI'I INTERAGENCY COUNCIL FOR TRANSIT-ORIENTED DEVELOPMENT

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

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

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

DTS202502131034MI

February 27, 2025

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

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

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

On behalf of the Hawai'i Interagency Council for Transit-Oriented Development (TOD Council) established pursuant to Act 130, Session Laws of Hawai'i 2016, we are pleased to transmit for legislators' consideration a list of transit-oriented development (TOD)-related budget requests recommended for funding, which are included in the proposed Executive Budget (House Bill 300/Senate Bill 473).

The TOD Council is charged with reviewing TOD-related CIP budget requests to the Legislature pursuant to Hawai'i Revised Statutes Section 226-63. At its February 21, 2025 meeting, the TOD Council reviewed and endorsed the following TOD-related CIP and general fund requests for funding by the Legislature for Fiscal Year 2026. The funding requests below will: (1) advance projects that promote TOD around existing or proposed transit stations, or (2) greatly expand funding and financing available for affordable housing, water and wastewater infrastructure improvements, and road improvements in TOD areas. These investments will spur housing production, job creation, and the overall improvement of neighborhoods in these areas. Please note that the revolving funds are available for housing and infrastructure in both TOD and non-TOD areas.

Expending Agency	Summary	Program ID	FY 2026
HHFDC – Cash Infusion for Dwelling Unit Revolving Fund (DURF) Infusion, Statewide	Construction. General fund infusion to HHFDC's DURF to boost financing for affordable housing units. It has multiple uses including funding infrastructure and infrastructure master plans.	BED160	\$20,000,000
HHFDC – Cash Infusion for Rental Housing Revolving Fund Infusion for Affordable Housing (RHRF), Statewide	Construction. General fund infusion to HHFDC's RHRF to boost financing for affordable housing units. RHRF is typically used in conjunction with Low-Income Housing Tax Credit (LIHTC) Projects. LIHTC funds housing projects to serve households with 60 percent AMI or below. RHRF provides gap funding, so that they can help people at 30 percent AMI where there is a strong need.	BED160	\$50,000,000

Expending Agency	Summary	Program ID	FY 2026
HHFDC – Cash Infusion for Rental Housing Revolving Fund Infusion for Affordable Housing (RHRF) Tier II, Statewide	Construction. General fund infusion to HHFDC’s RHRF to build more workforce housing for people who fall between 60-120 percent AML.	BED160	\$75,000,000
OPSD – State Transit-Oriented Development (TOD) Planning, Statewide	CIP: Plans, feasibility studies, master plans, infrastructure assessments, cost estimation, preparation of environmental review documents as needed to advance TOD priority projects identified in the State TOD Strategic Plan, including support for coordination and collaboration of State and county agencies to plan and implement key projects.	BED144	\$2,000,000
OPSD – East Kapolei TOD Infrastructure, O’ahu	CIP: Funding to prepare a Programmatic EIS for the East Kapolei TOD Infrastructure Implementation Master Plan (in progress), similar to the EIS being prepared for the Iwilei Infrastructure Master Plan.	BED144	\$500,000
HCDA – UH West O’ahu Infrastructure Phase 2, O’ahu	CIP: Design of additional infrastructure - road, drainage, electrical, sewer, and water, that will enable the development of additional UH West O’ahu Lands along Kualaka’i Parkway, near transit stations.	BED150	\$5,000,000
HCDA – Iwilei-Kapālama Community Development District, O’ahu	CIP: Support ongoing efforts to develop TOD infrastructure at Iwilei-Kapālama. Design (\$10,000,000) and construction (\$2,000,000).	BED150	\$12,000,000
DCR – New O’ahu Community Correctional Center Facility, O’ahu	CIP: Plans (\$29,997,000), Land Acquisition (\$1,000), Design (\$1,000), and Construction (\$1,000) for new facility at current site of Hālawā Animal Quarantine Station. Funding will allow DCR to continue the design process of their new facility. Completion of new facility will allow redevelopment of existing Dillingham OCCC site for mixed-use TOD.	PSD900	\$30,000,000
DLNR – East Kapolei Transit-Oriented Development Project, O’ahu	CIP: Plans (\$499,000) and Design (\$1,000). Funding will allow DLNR to use money from the Land Special Fund for additional planning work and studies.	LNR101	\$500,000
HPHA – Ka Lei Momi Predevelopment, Statewide	CIP: Plans (\$6,000,000) and Design (\$6,000,000). Plans and design for predevelopment of projects, which may include	HMS220	\$12,000,000

Expending Agency	Summary	Program ID	FY 2026
	assessments, studies, permitting, architectural designs, and other related work. Projects include Lanakila Homes (State TOD Project), Kaahumanu Homes (State TOD Project), Kapaa, and Nanakuli Homes.		
HPHA – Ka Lei Momi, Statewide	CIP: Design (\$5,600,000) and Construction (\$50,400,000). Design and construction for Mayor Wright Homes Phase IA, a Ka Lei Momi Development Project, which may include demolition, renovations, construction of new structures and facilities, site and infrastructure improvements, and other related work.	HMS220	\$56,000,000
SFA – CIP: Education Workforce Housing, Various Statewide	CIP: Plans (\$1,800,000) and Design (\$10,200,000).	EDN450	\$12,000,000

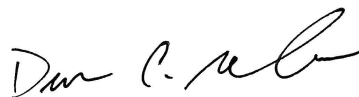
The TOD Council is comprised of 25 members representing State agencies, the Counties, the Senate and House of Representatives, the Honolulu office of the U.S. Department of Housing and Urban Development, and affordable housing, business, and development interest groups. The TOD Council is charged with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

Thank you for your consideration of the TOD Council recommendations.

Sincerely,



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



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

Enclosure

cc: Governor Josh Green, MD, Office of the Governor
Luis P. Salaveria, Department of Budget and Finance
Senator Sharon Moriawaki, Senate Ways and Means Vice-Chair/CIP Manager
Representative Lisa Kitagawa, House Finance CIP Manager