



**HAWAII INTERAGENCY COUNCIL FOR
TRANSIT-ORIENTED DEVELOPMENT**
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

DAVID Y. IGE
GOVERNOR

LEO R. ASUNCION
CO-CHAIR

CRAIG K. HIRAI
CO-CHAIR

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

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

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January 23, 2018

The Honorable Ronald D. Kouchi, President
Senate
Twenty-Ninth State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

The Honorable Scott K. Saiki, Speaker
House of Representatives
Twenty-Ninth State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

The Honorable Donovan M. Dela Cruz, Chair
Senate Committee on Ways and Means
Twenty-Ninth State Legislature
State Capitol, Room 208
Honolulu, Hawaii 96813

The Honorable Sylvia Luke, Chair
House Committee on Finance
Twenty-Ninth State Legislature
State Capitol, Room 306
Honolulu, Hawaii 96813

Dear President Kouchi, Speaker Souki, Chair Dela Cruz and Chair Luke:

On behalf of the Hawaii Interagency Council for Transit-Oriented Development (TOD Council) established pursuant to Act 130, Session Laws of Hawaii 2016, we are pleased to transmit for your consideration a list of recommended State and County agency transit-oriented development (TOD) capital improvement project (CIP) budget requests, which are included in the Executive Supplemental Budget or are being requested by the respective county for State funding/appropriations for Fiscal Year 2019.

The TOD Council is charged with reviewing TOD-related CIP budget requests to the Legislature pursuant to Hawaii Revised Statutes Section 226-63(b)(5). At its January 9, 2018 meeting, the TOD Council reviewed and endorsed the projects on the attached list for funding by the Legislature for Fiscal Year 2019.

As co-chairs of the TOD Council, we are fully cognizant of the budgetary constraints the State faces. We respectfully submit that State investment in these TOD projects will provide long-term benefits to the communities they will serve—laying the groundwork for more affordable housing, better access to State services, more livable communities, new business opportunities, and more revenue-generating opportunities for the State. We hope that legislators also find these projects worthy of funding.

Sincerely,

Leo R. Asuncion
Co-Chair, TOD Council
Director, Office of Planning

Craig Hirai
Co-Chair, TOD Council
Executive Director, Hawaii Housing Finance and
Development Corporation

Enclosure

c: David Y. Ige, Office of the Governor
Laurel A. Johnston, Department of Budget and Finance

Transit-Oriented Development CIP Budget Requests Supplemental Budget FY 2019

Recommended for funding by the Hawaii Interagency Council for Transit-Oriented Development (TOD Council)



- A HMS 220—Proj H18002—MAYOR WRIGHT HOMES ON-SITE INFRA IMPROVEMENTS, OAHU ▶ \$4.5M**
HPHA Request: \$4,500,000 for on-site infrastructure improvements for future redevelopment of 15-acre site planned for 2,500 residential mixed-income units, 66% of which are affordable units. The CIP request includes \$497,000 for design and \$4,000,000 for construction. Mayor Wright Homes redevelopment is a catalytic project in the High Priority Iwilei-Kapalama TOD area, which will significantly contribute to affordable housing needs in proximity to the planned Iwilei transit station. A master development agreement for the redevelopment project was executed in December 2017.
- B EDN 100—Proj P18137—POHUKAINA ELEMENTARY SCHOOL, OAHU ▶ \$60M**
DOE Request: \$60,000,000 for design and construction of a much-needed new elementary school at the 690 Pohukaina Project site in the rapidly developing **Kakaako** area adjacent to Mother Waldron Park. The CIP request includes \$5,000,000 for design and \$53,998,000 for construction. This is DOE's first vertical school—four to five stories with an enrollment capacity of 600 to 750 students—being developed as part of a mixed-use, high-density development that includes an HHFDC 200-unit affordable rental project. The site is available for immediate development. The vertical school concept is new for the DOE and could set the standard for future new schools in developed areas along the rail corridor.
- C PSD 900—Proj 2019-4—PSD PLNG & ASSESSMT FOR PUB-PRIV PARTNERSHIP OPPORTUNITIES, STWIDE ▶ \$1M**
PSD Request: \$1,000,000 for consulting services to explore the potential for P3s to design, build, or finance prison or jail projects to help expand and modernize the crowded State correctional system. This would include replacing the Oahu Community Correctional Center in Kalihi. This project would facilitate the initiation of P3 for Department of Public Safety (PSD) facilities as well as for other State agency capital projects.
- D BED 160—Proj HFDC09—CASH INFUSION RENTAL HSG REV FUND, STWIDE: [Alder Street Residential, HNL] ▶ \$25M**
HHFDC Request: \$25,000,000 set aside from the \$50M requested for the Rental Housing Revolving Fund to accelerate the construction of the Alder Street Mixed-Use Residential Project to finance the development of affordable rental housing. The project is co-located with the Judiciary's juvenile services center on a 1.45-acre site near the Ala Moana rail transit station. The project will include 180 affordable rental units targeted for households earning 60% and below Area Median Income (AMI).

Transit-Oriented Development CIP Budget Requests Supplemental Budget FY 2019

Recommended for funding by the Hawaii Interagency Council for Transit-Oriented Development (TOD Council)



- E BED 160—Proj HFDC05—DWELLING UNIT REVOLVING FUND INFUSION, STATEWIDE: [Projects below] ▶ \$25M**
HHFDC Request: \$25,000,000 DURF infusion to facilitate the development of affordable rental housing and State regional infrastructure. The Dwelling Unit Revolving Fund (DURF) has been a valuable source of financing for HHFDC projects on State lands and for interim construction financing for private developers of affordable housing projects. The proposed use of DURF funds has been coordinated with HPHA and county housing agencies in facilitating the development of affordable rental housing. Act 132, SLH 2016 broadened the uses of DURF to also fund State regional infrastructure in conjunction with housing and mixed-use TOD projects. The requested DURF funds would support:
- E1 LILIHA CIVIC CENTER MIXED USE RESIDENTIAL, Iwilei, Oahu** (including State regional infrastructure)
 - E2 KANE STREET AFFORDABLE HOUSING PROJECT, Kahului, Maui** (including site prep for the Central Maui Transit Hub)
 - E3 WEST HAWAII VILLAGE 9 AFFORDABLE RENTAL HOUSING, North Kona, Hawaii** (including County of Hawaii homeless facility off-site infrastructure)
 - E4 VILLAGES OF LEIALII AFFORDABLE RENTAL HOUSING, West Maui** (including State regional infrastructure)
- F COUNTY OF KAUAI—PUA LOKE AFFORDABLE HOUSING, LIHUE ▶ \$1.5M**
County of Kauai Request: \$1,500,000 for improvements that will support a multifamily affordable housing project with ready access to transit that will accommodate affordable incomes ranging from 60% to 100% of AMI. The project may contain up to 50 units, including designated units for permanent housing that will serve families and individuals experiencing homelessness.
- G COUNTY OF MAUI—CENTRAL MAUI TRANSIT HUB, KAHULUI ▶ \$2.5M**
County of Maui Request: \$2,500,000 for construction of a new Central Maui Bus Transit Hub on Kane/Vevau Streets near a shopping mall, commercial services, and residential areas. This is a priority project for the County due to recent notice that the existing Maui Bus transit hub must vacate its present location at Queen Kaahumanu Center by January 31, 2020. The Transit Hub is planned to be co-located or adjacent to the Kane Street Affordable Housing project. The County is funding the planning and design of the project.