



TOD Financing Toolkit

State TOD Strategic Plan

State Office of Planning
October 3, 2017

TOD Financing Tools

1. Debt
2. Equity
3. Value Capture

Debt – Government Bonds

- General Obligation Bonds
- Revenue Bonds (e.g. Airports, Harbors)
- Private Activity Bonds (qualified tax-exempt for non-profits, businesses, utilities)

Bonds for Affordable Housing and Infrastructure - HHFDC

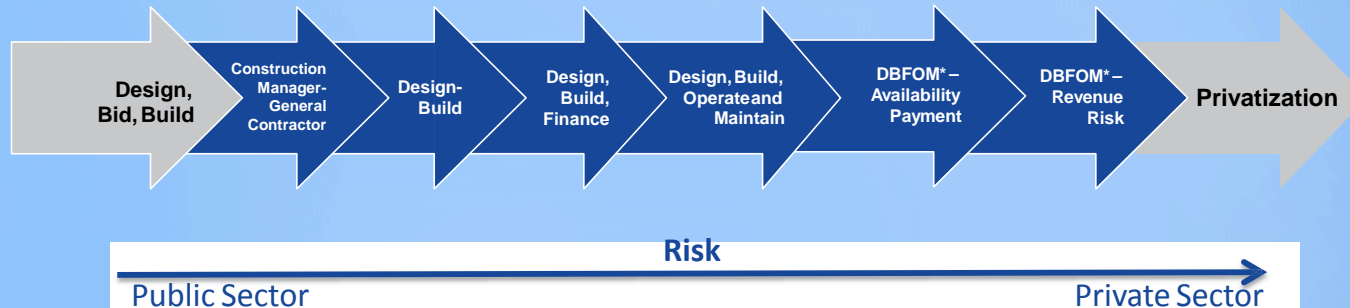
- Dwelling Unit Revolving Fund
 - Loans to acquire and develop housing
- Hawaii Regional Infrastructure Financing
 - Loans to State agencies, counties, private for infrastructure

Equity

- Public-Private Partnerships
 - Design-Build-Finance-Operate-Maintain (DBFOM)
- Joint Development / Development Agreement
 - Public & private facilities; shared cost/revenue; ground lease
- Low Income Housing Tax Credit (LIHTC)
 - 40 to 60% equity for rental housing <60% AMI

Delivery Models

Delivery Options for Infrastructure Delivery



Degree of private sector accountability, integrated delivery, risk transfer, and extent of private financing

Value Capture

- Community Facilities District (CFD)
 - Developer-financed public improvements repaid through added charge on property tax
- Tax Increment Financing (TIF)
 - Tax revenue growth diverted to pay for infrastructure upgrades
 - Concerns: constitutionality of TIF bonds, restricts funds for needed public services

Recommendations

- P3
 - Support P3 Office
 - Clarify P3 procurement – legislation , best practices
 - Support P3 under existing rules

TIF / CFD

- Study barriers to TIF and CFD
- Enact needed legislation

