

Hawaii Interagency Council for Transit-Oriented Development

Minutes of Meeting

Tuesday, February 6, 2018

9:30 am

Hawaii Community Development Authority

Community Room, 1st Floor

547 Queen Street, Honolulu, Hawaii

Members/
Designees
Present: Rodney Funakoshi, Office of Planning (OP), Co-chair designee
Janice Takahashi, Hawaii Housing Finance & Development Corporation (HHFDC),
Co-chair designee
Chris Kinimaka, Department of Accounting and General Services (DAGS)
Ken Masden, Department of Education (DOE)
Darrell Ing, Department of Hawaiian Home Lands (DHHL)
Heidi Hansen Smith, Department of Health (DOH)
Katie Mineo, Department of Human Services (DHS)
Robert Miyasaki, Department of Transportation (DOT)
Deepak Neupane, Hawaii Community Development Authority (HCDA)
Ben Park, Hawaii Public Housing Authority (HPHA)
Charles Vitale, Stadium Authority
Carleton Ching, University of Hawaii (UH)
Harrison Rue, City and County of Hawaii (City) Planning and Permitting
Kanani Fu, County of Kauai Housing
Pam Eaton, County of Maui Planning
Bennett Mark, County of Hawaii Planning
Cyd Miyashiro, Business Community Representative
Betty Lou Larson, Catholic Charities, Housing Advocate Representative
Bill Brizee, Architects Hawaii Ltd., Developer Representative
Ryan Okahara, U.S. Housing & Urban Development, Honolulu Office (HUD) (Ex-officio)

Members/
Designees
Excused: Leo Asuncion, Office of Planning (OP), Co-chair
Craig Hirai, Hawaii Housing Finance & Development Corporation (HHFDC), Co-chair
Denise Iseri-Matsubara, Office of the Governor
Russell Tsuji, Department of Land and Natural Resources (DLNR)
Cathy Ross, Department of Public Safety (PSD)
Representative Henry Aquino, House of Representatives
Senator Lorraine Inouye, State Senate
Tyler Tsubota, Department of the Navy (Ex-officio)

Other
Designees/
Alternates
Present: David DePonte, DAGS
Nancy Pischio, County of Hawaii Mayor's Office

TOD Council
Staff: Ruby Edwards, OP
Tomas Oberding, OP
Jessica Pence, OP
Jayna Oshiro, HHFDC

Guests: Roberto Quercia, University of North Carolina
Daniele Spirandelli, UH Manoa, Department of Urban and Regional Planning (DURP) and
Sea Grant College Program
Matt Fernandez, UH Manoa, DURP
Wesley Bradshaw, UH Manoa, DURP
Umeyo Momotaro, UH Manoa, DURP
Amanda Rothschild, UH Manoa, DURP
Laura Mo, UH Manoa, DURP
Kelsey Morfitt, UH Manoa, DURP
Sameer Saraswat, UH Manoa, DURP
Erin Braich, UH Manoa, DURP
Trevor Fitzpatrick, UH Manoa, DURP
Chuck Wathen, Pier Management Hawaii, LLC
Linda Schatz, Schatz Collaborative LLC
Kiana Otsuka, Oahu MPO
Lena Thomsouvanh, Oahu MPO
Joy Agner, UH Public Policy Center
Rachel Beasley, Belt Collins
Lester Ng, AHL
Kenna Stormogipson, UC Berkley

I. Call to Order

Rodney Funakoshi, Co-chair, called the meeting to order at 9:35 a.m.

II. Introduction of Members

Members and guests introduced themselves.

III. Review and Adoption of Minutes of January 9, 2018 Meeting

The following amendments were requested as follows:

- Ryan Okahara, HUD, stated on page 8, second paragraph under Discussion on Alder Street and Mayor Wright, “fair clause amendment” should be “Faircloth Amendment.”
- Robert Miyasaki, DOT, stated on page 2, last sentence, include “(with a sponsor)” after private firms. On page 3, first paragraph, replace “located near” with “related to” transportation facilities. Also, second paragraph, last sentence, add “and 4) complying with NEPA, Davis Bacon, and Buy America.” On page 5, first sentence, include “(with a sponsor)” after private firms. Also, second paragraph is confusing. Staff will clarify this sentence.

It was moved by Pam Eaton, and seconded by Bill Brizee, and unanimously carried to adopt the January 9, 2018 meeting minutes as amended above.

Harrison Rue, City Department of Planning and Permitting (DPP), commended Representatives Nadine Nakamura and Tom Brower for scheduling a hearing with the House Committees on Finance and Housing on the City’s TOD, as mentioned at the January 9, 2018 meeting. The hearing was held yesterday.

Funakoshi requested the TOD Council to move up Agenda item 6 – TOD Legislation at this time. There were no objections.

IV. **TOD Legislation**

a. Update and discussion on TOD Legislation

Funakoshi stated the handout, *2018 TOD Measures of Interest*, lists all bills relating to TOD and Public-Private Partnerships (P3). Discussion on these bills will be taken up at the next TOD Council meeting.

b. Delegation of Legislative matters to TOD Council Co-chairs

The TOD Council is subject to the Sunshine Law of Chapter 92, Hawaii Revised Statutes, which in part, requires timely notice prior to conducting an open meeting for decision making or to deliberate on a matter for decision making.

During the legislative session, the legislative committees often give less than six days' notice of their hearings. The Office of Information Practices (OIP) issued an advisory as to how Boards can and should submit legislative testimony on a timely basis while still following the Sunshine Law. The Sunshine Law provides options to address State legislative issues and measures. The first option, Delegation to Staff, suggests that the TOD Council delegate the authority to staff (e.g., Co-chairs) to submit legislative testimony on behalf of the TOD Council, in accordance with positions and policy directives adopted by the TOD Council. Such delegation to the Co-chairs provides a practical way to timely address legislative matters while complying with the Sunshine Law.

The Co-chairs would continue to report to the TOD Council on all legislative measures at the Council's regularly scheduled meetings and may seek confirmation or clarification of testimony that will or has been presented to the Legislature.

Funakoshi discussed the following types of legislative measures that would be delegated to Co-chairs, along with the proposed TOD Council positions:

1. Strategic plan, annual report and annual CIP report.

Position: Support the actions of the TOD Council taken in approving the strategic plan (and any updates), the annual report and the annual CIP report.

2. Administration bills.

Position: The TOD Council, through the Co-chairs, should provide supporting testimony on Administration bills related to TOD and the duties and administration of the TOD Council. This session, there are no Administration bills except for the budget bill.

3. Measures which propose to give the TOD Council additional resources or powers.

Position: Support the intent provided that its passage does not replace or adversely impact priorities indicated in the Executive Budget; and/or support expanded capacity or powers provided they are in line with the TOD Council's mission and do not impair existing programs.

4. Measures which propose to revise the TOD Council's existing programs.
Position: Oppose revisions that impose restrictive requirements that negatively impact the financial feasibility of projects or the program itself. Support revisions that provide greater flexibility in meeting the TOD Council's mission.
5. Measures which propose to diminish the TOD Council's resources or powers.
Position: Oppose.
6. Measures which relate to TOD.
While the TOD Council generally does not testify on measures that do not impact the TOD Council, legislators may ask the TOD Council for testimony on other transit-oriented development measures.
Position: None; however, provide information.

The recommendation would be to adopt the aforementioned positions and general policy directives on legislative matters and measures in conformity with the provisions of HRS §226-63; delegate authority to the Co-chairs and authorized staff designated by the Co-chairs to track legislative measures and provide testimony in accordance with the above positions and statutory directives; and authorize the Co-chairs to undertake all tasks necessary to effectuate the purposes of this delegation.

Discussion

Charles Vitale, Stadium Authority, stated that their staff reviews legislation so this would not prohibit the Stadium Authority or any other organization to take an opposite position. Funakoshi stated absolutely not.

Funakoshi stated the purpose is to reflect before the Legislature, TOD Council issues positions and inclinations, for promoting the TOD strategic plan recommendations and projects that the TOD Council supports and proposes to pursue.

Pam Eaton, County of Maui, asked when drafting the TOD Council testimony, is it possible to provide the members with a copy. Funakoshi stated this will be done to the extent possible.

Harrison Rue, City DPP, stated he has a similar concern from the Counties' standpoint. The City and DPP don't testify on every bill. There may be times where the two co-chairs of the Council might make a position and the City would be countering it. Rue further stated that he would not want to see the TOD Council testify on legislation to have HCDA take over the City's functions and planning and zoning of all TOD districts along the rail line.

Rue stated that, without speaking for the other counties, he didn't think they would feel it would be appropriate for the State to come in and take over the planning and zoning functions from the Counties.

Funakoshi stated more discussion on legislation will be taken up at the next TOD Council meeting.

Robert Miyasaki asked whether the delegation is for this legislative session only because it doesn't have a timeframe on it. Janice Takahashi, HHFDC, stated the delegation would continue indefinitely unless the TOD Council decides to amend it.

Funakoshi suggested the TOD Council revisit the delegation prior to the 2020 legislative session. The primary TOD-related administration bill is the executive budget. Takahashi explained that the budget bill includes HHFDC's request for some of the TOD projects included in the strategic plan (Liliha Civic Center, Villages of Leialii, Village 9, and Kane Street Affordable Housing) that the Council would be supporting.

Heidi Hansen Smith asked if it is possible to state in the document that the Council will revisit continuing this delegation before the next legislative session. Funakoshi stated it would be documented in the minutes as part of the motion.

After discussion, it was moved by Betty Lou Larson, seconded by Carleton Ching, and unanimously carried to adopt the delegation of legislative matters to TOD Council co-chairs as stated above and to revisit it prior to the 2020 legislative session.

V. Presentations

The following presentations can be found at: <http://planning.hawaii.gov/lud/state-tod/hawaii-interagency-council-for-transit-oriented-development-meeting-materials/>

a. Affordable Housing Strategy – Linda Schatz, Charles Wathen

Charles Wathen is the CEO of Pier Management Hawaii, LLC which was formed in 2000, and managed over 2,500 mixed income apartment units, of which over 1,000 units were affordable. He was the President of Wathen & Associates Limited, a national consulting and development firm with offices in Denver and Honolulu. The firm has provided services in acquisition, development planning, property management and market analysis since 1971. Since 1980, he has owned and developed a variety of real estate properties in over 45 states. Wathen is an avid affordable housing advocate in Hawaii and is a member and founder of Hawaii Housing Alliance, a non-profit housing coalition.

Linda Schatz is the Principal and Managing Member of Schatz Collaborative LLC. For the past 15 years, she has worked with Hawaii-based developers and landowners in retail, affordable and market rentals, and resort housing construction. She has a Doctorate of Architecture in Transit-Oriented Development with an emphasis on mixed-use urban infill. She was a key member of the development team that re-tooled the \$1.5B Kakaako master plan for Kamehameha Schools. She was engaged in development of retail and rental projects for Kamehameha Schools as well as land sales to sub-developers. In 2014, she joined Forest City Hawaii to work on rental apartment project in Kapolei, Hawaii. She developed a 499-unit project that included a complex affordable housing and workforce program that took advantage of tax exemptions to close the financing gap.

Wathen and Schatz provided the following overview of affordable and workforce housing.

What is affordable housing?

Affordable housing is housing whose costs, whether owned or rented, are no more than 30% of a household's income.

Who is eligible?

An individual or a household (based upon the number of occupants) with income within defined income ranges that are percentages of the Area Median Income (AMI).

Wathen explained, in Hawaii, affordability is about 45% of one's income. Affordability is based upon the HUD's AMI and household sizes. Subsidy programs are available for projects targeting populations with incomes lower than 60% AMI. Any project that caters to the 80% to 140% of AMI usually do not receive direct subsidies.

Workforce Housing

Across the nation, workforce housing is meant to house "essential workers." The definition of an essential worker is a person, typically a public-sector employee, who is considered to provide essential services to the community in education, public safety, and public health. In Honolulu and Maui, this group should include those within 61% to 140% of AMI. HCDA defines workforce as 100%-140% AMI. Maui County defines those incomes from 80%-140% AMI as workforce and gap as 140%-160% AMI. There is no one-size-fits-all solution that will supply housing.

Schatz explained that there is a group of builders or developers for different income levels in Hawaii: 1) luxury and market rate developers (no government subsidies); 2) workforce housing developers (no government subsidies); 3) low-income housing developers (federal and State subsidies, and often times, free land required); and 4) State and County public housing. Each segment of housing has different types of developers with different skillsets.

Hawaii receives approximately \$3.2 million in federal tax credits (federal Low-Income Housing Tax Credits) per year, which is based on per capita. Through these federal tax credits, the State can produce approximately 150-225 housing units per year to be spread across all counties. Additionally, the State also subsidizes these units with credits and grants. There are no direct federal, State, or County subsidies for housing above 60% AMI. With the recent tax reform bill passed, corporate tax rates went from 35% to 21%, which lowers the value of the low-income housing tax credit, which means less money flowing into these projects. This will yield an even lower rate of production per year in Hawaii.

The U.S. Bureau of Labor Statistics (BLS) produces a detailed report by occupation for every state, county and metropolitan area in the country. Using their data, in 2017 in Honolulu, it takes 2.29 elementary school teachers to afford a median priced home. On Maui, in 2017, it took 2.28 elementary school teachers to afford a median income single family home. In other metropolitan cities, far less. In Denver, it takes 1.28 elementary school teachers to afford a median priced home.

For a one-wage earner household on Maui, only one out of 33 BLS job categories earn more than 120% of AMI. For a two-wage earner household on Maui, only two out of 33 BLS job categories earn more than 120% of the AMI. Also on Maui, an elementary school teacher who is in the median income strata with one child and has a spouse who is a bank teller will have a combined income of 103% of AMI. A firefighter with the same household size would also be 103% of AMI, whereas policeman would be 102% of AMI.

Subsidies

Schatz explained analysis they've done to determine the subsidies required by AMI using a 100-unit garden style rental apartment (wood frame, 3 stories) with surface parking and a unit mix with studios, 1-, 2-, and 3-bedrooms in Honolulu County. No subsidies are needed for 100% at 140% AMI rents. However, for 80%-140% AMI rents with a unit mix of: 20% at 80% AMI,

20% at 100% AMI, 20% at 110% AMI, 20% at 120% AMI, and 20% at 140% AMI, requires a subsidy of \$32,000/unit.

To develop housing for 80%-140% AMI, most of these income brackets are not feasible in Hawaii because of the low incomes and high cost of construction and development. To feasibly develop for each income bracket (AMI) it would take a State subsidy ranging from \$123,000 per unit for 80% AMI rents to \$13,500 per unit for 120% AMI unit rents. Units priced at 140% AMI rents do not need a subsidy.

Rue asked whether the analysis assumes all wastewater fees, building permits fees, and real property tax have been waived. Schatz said yes.

Given that 40% of our rental households on Oahu are likely single individuals, this demonstrates that workforce housing at 80%-140% AMI can also provide housing for lower-income households.

Wathen stated that there's low-income housing tax credit housing for the elderly and families. Fee simple homes are primarily for families. Rentals are necessary to solve the housing crisis, because they can cater to both families and can house groups of un-related individuals in one unit.

Roommates

Schatz explained that while studying the Maui market, they realized that roommates are key to housing affordability on both Maui and Oahu.

Schatz provided an example on how a workforce unit at 80%-140% AMI rents can serve lower-income groups between 10%-80% AMI: three roommates earning 40% AMI equals a 120% AMI household. Roommates are a large segment of the market and span a vast income range and occupations. At one time or another, almost everyone lives in a roommate situation. The number of homeless also is impacted by the lack of this housing element. On Maui, 45% of the rental population are single, and on Oahu, 40% are single.

Prior to being homeless, a majority were roommates previously renting a room in a house or apartment and sharing common amenities such as a kitchen or bathroom. Creating additional supply of workforce housing (80%-140% AMI priced rental units) will not only provide quality housing stock to lower-income and workforce households, but also free up older housing stock for others that will invariably be priced at a discount because of the new supply in the market place.

Schatz explained, based on their analysis, the State subsidies required to build 10,000 units of Low-Income Housing Tax Credit Projects in Maui and Honolulu Counties are \$2.6 billion and \$2.3 billion respectively, as compared to workforce housing projects (80%-140% AMI) at \$980 million and \$320 million respectively. If the State subsidized workforce housing, the market would become overbuilt and rents would drop overall, benefitting lower income residents the most.

Questions from TOD Council members:

Funakoshi asked whether market rentals are successful in Hawaii. Schatz stated that it's regional; market rents do well in areas like Waikiki. Wathen stated two recent projects, The Lofts in Kapolei and 7000 Hawaii Kai, are doing fine and are not going into foreclosure.

Katie Mineo, DHS, asked what does it mean that we only get 200 low income units per year. Takahashi stated that approximately \$3.5 million in LIHTC is allocated to Hawaii per year and it's based on population, which works out to about 200 units.

Larson asked whether there is data on how many roommate type situations are in these market types. Takahashi stated that HHFDC does not monitor whether occupants are family or unrelated individuals.

Larson asked what is the data in Hawaii that supports that people would use roommates to access affordable rentals. Wathen stated that we won't have the statistics until the next census.

b. Waipahu Transit Center – UH Center for Design

Daniele Spirandelli, Assistant Professor, Department of Urban and Regional Planning (DURP) and Sea Grant College, provided an overview of the courses. During the Fall 2017 semester, there were two courses: 1) Environmental Planning Policies; and 2) Site Planning. These courses are part of a larger collaborative effort that the University is engaged with through the UH Center for Community Design within the School of Architecture, DURP, and the Public Policy Center.

There were three teams of students. Each was tasked with looking at hazards and doing a hazards assessment in the Waipahu area; understanding the past, present, and future conditions of the area; conducting stakeholder interviews; forming site plans and doing site analysis based on that information; and developing conceptual design plans for the State-owned lands.

Amanda Rothchild, provided a brief background and summary of the findings in Waipahu.

Background: The Waipahu community has strong ties to Hawaii's immigration and plantation economy. Approximately 400,000 immigrants arrived in Hawaii during the 1850s-1940s to live and work in the plantation fields and the Waipahu Sugar Mill, which opened in 1897. The population grew about 50 times over 150 years, up until the closure of the sugar mill in 1995. Waipahu remains one of the most affordable areas to live and the residents are most likely to use public transit.

The students conducted a hazard assessment of the area, identifying its vulnerability due to six-foot sea level rise estimates with climate change along the Wailani Canal. In designing the plans, the students took into account the guidelines set by the State and City and County of Honolulu for TOD development. Waipahu is designated as a mixed-use village, and as such, it was important to incorporate increased density within the transit center node while still maintaining the community feel.

While developing the plans, core themes emerged, such as the preservation of social services, increasing walkability, interactive community engagement, access to open space, addressing flooding, and increasing or maintaining affordable housing.

The study area parcels are owned by several State agencies: DLNR, DAGS, HHFDC, and HPHA. The parcels include the Waipahu Civic Center, library, parking lots, bus station, non-profit offices, and elderly housing.

Three conceptual plans for six State-owned parcels in Pouhala TOD Station were developed.

1) Plan A: Flow

Erin Braich provided an overview of Plan A. The parcels being redeveloped support flow and intergenerational connection through the absence and removal of barriers between parcels uses, allowing residents and visitors to coalesce around gathering spaces. The diversity of culture in this area creates a place in the community that everyone can be a part of.

Plan A addressed:

- Flood mitigation – The de-channeling of the Wailani Canal will allow water to flow creating a living shoreline and incorporating native vegetation to provide flood mitigation.
- Preservation of social services – The Civic Center was moved to allow for more uses such as day care, café, and commercial space.
- Parking – Underground parking incorporated in a new natural history museum or Hawaii Exploratorium was implemented with a passive flood design as used in all the underground parking in New York after Hurricane Sandy. In this design, parking was increased from 700 to 1,000 spaces.
- School accommodation – The Hawaii Exploratorium can be converted to a vertical school for future needs and the Waipahu District Park can serve as the recreation space.
- Density – Increased affordable housing, mixed-use housing and maintenance of the elderly housing.

The Hawaii Exploratorium is the catalyst of the Flow Plan. The plan incorporates different recreational uses, library, digital center, and child care center. There will be interactive exhibits of Hawaii's natural history, Hawaiian history, physical environment and climate change. It will also create jobs. This will allow people to work, play, and live in the same community.

The plan is built with the present in mind, but accommodating for future needs. The plan evokes the flow of water in the environment and through people and places, and the flow of culture, generations, and history.

2) Plan B: W.A.I. (Walkable. Adaptable. Interactive.)

Sameer Saraswat provided an overview of Plan B. Plan B is walkable by coordinating a seamless pedestrian experience connecting transit and community resources (library, civic center, parking, housing, and neighboring communities). The station will off-load passengers on Hikimoe Street, which has the bus terminal. The plan proposes a complete streets arrangement with bus-only lanes on Hikimoe Street.

Adaptable by creating community resources designed to keep pace with the rapidly changing island. De-channelization of the Wailani Canal will increase volume of flow and

secondary line of defense against flooding. Creating additional parking modules with solar roof shuttle charging that can be converted into housing in the future.

Interactive by connecting the community to its past through experiential education and family recreation. A short video was shown to provide a fly-through of the site plan.

3) Plan C: Health and Wellbeing

Wesley Bradshaw provided an overview of Plan C. The plan for the site is centered on health and wellbeing to ensure people's basic needs are met, support their livelihoods, and ensure the provision of public and social services.

The vision is to restore the Wailani Canal as a life source and gathering place for the community. The rejuvenated stream and stream walk can serve as a pathway for the community to facilitate connectivity and the six State parcels identified for redevelopment. The de-channeling of the stream will aid in flood mitigation by allowing for more natural flow of water. Restoring the stream supports the environmental health of the watershed and the community.

The plan includes walking and biking paths along both sides of the stream to serve as a platform for community interaction in recreation. Pedestrian bridges that cross the stream to connect to the adjacent Waipahu District Park will encourage greater social and physical activity aimed to bolster the health and wellbeing of the nearby residents.

The plan remodels the Waipahu Civic Center and moves it toward the stream. The building will still host DAGS and other social and health service agencies, as well as the library.

The plan also includes new buildings to service residential and commercial spaces estimated to provide over 200 square feet of new commercial space, as well as more than 600 new housing units. Despite the current need for parking, the site plan does not include any parking. Without parking requirements, the cost of construction will be much lower and more space will be allocated for the provision for housing.

Trevor Fitzpatrick summarized the following four takeaways of concept designs for State parcels near the Pouhala TOD station:

Takeaway 1: The six State-held parcels are an opportunity for change.

Climate change, sea-level rise, flooding, adaptation and mitigation, environmental protection and restoration, aging infrastructure, and affordable housing, were all elements that presented constraints, but more importantly were also opportunities to improve the communities around Pouhala station.

The State also has the opportunity to spearhead catalytic projects with these parcels, which can engage further collaboration with other public and private agencies as well as the community to address these issues.

Takeaway 2: There is an opportunity to present new parking strategies.

Each group thought about the need and provision for parking in different ways. Whether it's an underground or hidden structure, a structure that can be adapted for housing in the future, or no

provision for parking at all, the space and need for automobiles were assigned different priorities.

Takeaway 3: Address critical mass in the area by introducing new housing or sustaining current units.

All groups kept the same number of housing units on these parcels and in some cases substantially increased the provision for housing. Maintaining some level of affordability in Waipahu was a priority for each group. Besides living spaces, creative uses, and recreational opportunities were ways to bring people to the parcels and Pouhala station.

Takeaway 4: Examining transportation priorities – How will rail impact these priorities.

Creating walkability and connectivity from the rail station to the parcels and on to the neighboring residential neighborhoods was another theme throughout the conceptual site designs. For many years, the automobile has been the preferred transportation priority.

Spirandelli stated the Spring 2018 semester will offer two classes with focus on the Waipahu Transit Center Station (Pouhala Station): 1) Planning Practicum – using Waipahu as a TOD model for other TOD stations with similar context; and engaging the community to share ideas and visions through workshops; and 2) Urban Infrastructure Planning class – performing infrastructure capacity analysis, and looking at constraints and opportunities for multi-modal transportation and green infrastructure in Waipahu.

Additional UH efforts include the UH Public Policy Center doing facilitated planning/analysis for State CIP prioritization, and other studies and research through the Community Design Center.

Questions from TOD Council members:

Funakoshi asked whether there is a report documenting the recommendations and future plans. Spirandelli stated they are in the process of working on the report. The report will pull all the work together and will be coming out of the planning practicum course this semester. An interim report with a summary will be submitted to OP by Summer 2018.

Funakoshi asked whether the information presented has been shared with the Waipahu community. Spirandelli stated it will be done this semester as part of the planning practicum visioning workshop.

Funakoshi also asked whether the City and County zoning allows for no parking. Rue stated it could. It's not effective until they pass the affordable housing bill. The City's TOD zoning bill would eliminate the business and commercial parking requirements and decrease the residential, but the developer—in this case the State—could make a case for parking and provide a TDM plan for additional parking.

Rue provided the following comments on the plans:

- When presenting the plans to the community, consider reordering the takeaways. Move the parking strategies to last. Start with the argument for affordable housing, then transportation change. Articulating less need for parking, but really looking at the future in terms of ride sharing and autonomous vehicles right next to this bus transit center.

- The plans commonly did not respect the village character that they are surrounded by. Couple of the plans had a lot of open space and next to a park. In terms of looking at infrastructure, look at maximizing housing. Focus on the village character and walkability. Blend that together with the existing village structure.
- Little less open green space. Focus more on usable public spaces.

Bennett Mark, County of Hawaii, commented that Hawaii Island has been struggling with the same things and how TOD concepts are applied in Neighbor Island projects. The Neighbor Island projects have a tendency to be very small. Addressing the critical mass necessary for housing and the rest of the commercial activities is something that the county is wrestling with. Some of the projects are like 700 acres. Others where the County's trying to use the TOD development concept are small sites, 40 or 50 acres. That provides a difficult issue for us. What is the critical mass to create a village type of development using TOD designs and eliminating to some extent some of the parking requirements because of transit. Regarding infrastructure requests, the biggest problem on the Neighbor Islands is bringing all the other infrastructure—water, sewer, everything else. For the Kona CDP, infrastructure requirements were estimated at about \$900 million, and the County doesn't have the money to do everything.

The County of Hawaii's annual CIP budget for the whole island is approximately \$60 million. So what you've presented is really wonderful, but hopefully there can be takeaways for the Neighbor Islands.

VI. Status of Revised Final State TOD Strategic Plan

Funakoshi reported that OP is making minor revisions to the strategic plan timelines. OP is in the process of double checking with agencies on their implementation schedule for the various projects. The revisions being made are to fill-in some data gaps for projects and timelines. The recommendations are not changing. OP is hoping to finalize the revised final State strategic plan at the end of this month and print copies of the revised strategic plan soon after.

VII. TOD Sub-committee Organization

- a. Review and approval of Recommendations on Organization and Support for TOD Council Sub-committees

Due to time constraints, Funakoshi proposed that the TOD Council defer this agenda item to the next TOD Council meeting in March. There were no objections.

VIII. Next Steps

- a. Future Agenda Topics

Funakoshi stated there was a request for the TOD Council to move the meetings to a different day. There were no objections from the members to reschedule the TOD Council meetings to the second Tuesday of the month starting with its March meeting.

Funakoshi outlined the future meeting topics as follows:

Tuesday, March 13, 2018

1. TOD Legislation – Discussion of TOD and P3 bills that have been introduced.
2. Review and approval of Recommendations on Organization and Support for TOD Council Sub-committees – Deferred from this meeting.

Tuesday, April 10, 2018

1. TOD Legislation

b. Announcements

The next meeting is Tuesday, March 13, 2018, at 9:30 am at Hawaii Community Development Authority, Community Room, 1st Floor, 547 Queen Street, Honolulu, Hawaii.

IX. Adjournment

There being no further business, the meeting was adjourned at 11:23 a.m.