
A BILL FOR AN ACT

RELATING TO TRANSIT-ORIENTED DEVELOPMENT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that adequate public
2 infrastructure capacity is critical to increasing affordable
3 housing stock, economic opportunity, and community well-being in
4 transit-oriented development areas. Infrastructure deficits
5 hinder and delay public and private investment in affordable
6 housing projects in transit-oriented communities. Key barriers
7 to the timely delivery of public infrastructure are lack of
8 funding, competing demands for limited public funds, and the
9 multiplicity of entities responsible for the planning and
10 construction of the infrastructure systems needed to support
11 communities.

12 The legislature further finds that in overcoming these
13 barriers, there is a need to find ways to maximize the use of
14 value capture mechanisms to help offset the significant upfront
15 costs of public infrastructure investment and effectively
16 cost-share infrastructure investments among parties that benefit
17 from the value created by those investments.



1 The legislature also finds that effective cost-sharing and
2 use of value capture mechanisms require interagency, often
3 interjurisdictional, agreements as to responsibilities, timing
4 of infrastructure investment and delivery, and cost recovery for
5 successful infrastructure delivery and maintenance.

6 The purpose of this Act is to:

- 7 (1) Require the office of planning to hire a contractor
8 to, among other things, identify and assess
9 alternative financing, project delivery, and cost
10 recovery mechanisms to recapture the State's upfront
11 investment in transit-oriented development
12 infrastructure;
- 13 (2) Require the contractor to consult with representatives
14 of certain government entities in conducting the
15 study;
- 16 (3) Require the office of planning to report to the
17 legislature on its findings and recommendations; and
- 18 (4) Authorize the issuance of general obligation bonds.

19 SECTION 2. (a) The office of planning shall hire a
20 contractor who shall work with the office of planning to:



- 1 (1) Identify and assess alternative financing, project
2 delivery, and cost recovery mechanisms to recapture
3 the State's upfront investment in transit-oriented
4 development infrastructure;
- 5 (2) Propose specific financing, cost recovery, and project
6 delivery tools to be implemented at one transit-
7 oriented development site in each county as a pilot
8 project;
- 9 (3) Analyze barriers and strategies to implement
10 alternative financing, project delivery, and cost
11 recovery mechanisms for transit-oriented development;
12 and
- 13 (4) Make recommendations, including any proposed
14 legislation, needed to implement the tools listed in
15 paragraph (2) for transit-oriented development.
- 16 (b) The contractor hired pursuant to subsection (a) shall
17 consult with the following persons in carrying out the duties
18 listed in subsection (a):
- 19 (1) The director of the office of planning;
- 20 (2) The executive director of the Hawaii housing finance
21 and development corporation;



1 (3) The administrative director of the office of the
2 governor;

3 (4) The director of budget and finance;

4 (5) The executive director of the Hawaii community
5 development authority;

6 (6) The house of representatives capital improvement
7 projects manager;

8 (7) The senate capital improvement projects manager;

9 (8) One member of the house of representatives to be
10 designated by the speaker of the house of
11 representatives;

12 (9) One member of the senate to be designated by the
13 president of the senate; and

14 (10) The mayor of each county.

15 (c) The office of planning shall submit a report of its
16 findings and recommendations, including any proposed
17 legislation, to the legislature no later than twenty days prior
18 to the convening of the regular session of 2023.

19 SECTION 3. The director of finance is authorized to issue
20 general obligation bonds in the sum of \$ or so much
21 thereof as may be necessary and the same sum or so much thereof



1 as may be necessary is appropriated for fiscal year 2021-2022 to
2 the office of planning to carry out the duties listed in
3 section 2 of this Act.

4 SECTION 4. The director of finance is authorized to issue
5 general obligation bonds in the sum of \$ or so much
6 thereof as may be necessary and the same sum or so much thereof
7 as may be necessary is appropriated for fiscal year 2022-2023 to
8 the office of planning to carry out the duties listed in
9 section 2 of this Act.

10 SECTION 5. The appropriation made for the project
11 authorized by this Act shall not lapse at the end of the fiscal
12 biennium for which the appropriation is made; provided that all
13 moneys from the appropriation unencumbered as of June 30, 2024,
14 shall lapse as of that date.

15 SECTION 6. This Act shall take effect on July 1, 2050.



Report Title:

Transit-oriented Development; Alternative Financing; Report;
General Obligation Bonds

Description:

Requires the Office of Planning to hire a contractor to, among other things, identify and assess alternative financing, project delivery, and cost recovery mechanisms to recapture the State's upfront investment in transit-oriented development infrastructure. Requires the contractor to consult with representatives of certain government entities. Requires the Office of Planning to report its findings to the Legislature. Authorizes the issuance of general obligation bonds. Effective 7/1/2050. (SD2)

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