



HONOLULU AUTHORITY for RAPID TRANSPORTATION

MINUTES

**Transit Oriented Development Committee Meeting
Ali'i Place, Suite 150
1099 Alakea Street, Honolulu, Hawaii
March 12, 2015, 8:30 A.M.**

PRESENT:

William "Buzz" Hong	Keslie Hui
Robert "Bobby" Bunda	George Atta
Donald Horner	Ivan Lui-Kwan

ALSO IN ATTENDANCE:
(Sign-In Sheet and Staff)

Elizabeth Scanlon	Barbra Armentrout
Morris Atta	Tom Berg
Joyce Oliveira	John Bond
Cindy Matsushita	Cynthia Frith
Andrea Tantoco	Jeffrey Patterson
	Gary Takeuchi

EXCUSED: Michael Formby

I. Call to Order by Chair

Transit Oriented Development (TOD) Committee Chair William "Buzz" Hong called the meeting to order at 8:37 a.m.

II. Public Testimony on All Agenda Items

Mr. Hong stated the sole registered testifier wished to defer comments until after item IV on the agenda.

III. Approval of Minutes of the January 29, 2015 Meeting of the Transit Oriented Development Committee

Mr. Hong called for the approval of the January 29, 2015 TOD Committee meeting minutes. There being no objections, the minutes were unanimously approved.

IV. Presentation on Development Opportunities for HART-Owned Parcels

Harrison Rue, TOD Administrator of the City and County of Honolulu Department of Planning and Permitting (DPP), and Elizabeth Scanlon, Director of Planning, Permitting and Right-of-Way for the Honolulu Authority for Rapid Transportation (HART) made a presentation on development opportunities for HART-owned parcels, a copy of which is attached hereto as Attachment A. Ms. Scanlon presented fact sheets on acquired property available for potential

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development, which were requested during the previous month's board meeting. The fact sheets included the parcel tax map keys (TMKs), acquisition cost, land area, description, former use for the parcels, zoning, and potential development opportunities. HART works with DPP with regard to zoning and development with respect to the area's TOD plans.

The West Loch Station area was identified for potential use of air rights, bicycle sharing, and secured bicycle storage. Mr. Rue added that this area is currently a suburban shopping center and the zoning of this station location up to the Pearl Harbor historic trail would be changed to industrial mixed use.

HART identified the potential for air rights use and opportunities to connect commercial development with the transit center for Waipahu Station. HART is working with DPP and the City Department of Transportation Services (DTS) on multi-modal connectivity such as bicycle sharing at each station site.

Mr. Hong asked for an explanation regarding air rights. Ms. Scanlon explained air rights involved the space above constructed facilities, which HART could lease out. Mr. Rue noted the potential for joint development at the Hikimoe Street transit center involving the air rights above the transit center and nearby property owned by the State of Hawaii. Ms. Scanlon pointed out that the fact sheets being presented include notes on possible partnerships with other City and State agencies.

Ms. Scanlon reported the Pearl Highlands Station has potential for intermodal connections and development opportunities, particularly as related to development around the Pearl Highlands Center. The parking garage, bus transit center, and station are planned on the *makai* side of Kamehameha Highway, directly across the street from the Pearl Highlands Center. Ms. Scanlon said there would likely be potential to build above the parking garage, and Mr. Rue added that several policymakers have showed interest in this concept.

Committee member Robert Bunda asked about the parcel in the Banana Patch that had not yet been acquired. Deputy Director for Right-of-Way Morris Atta explained that HART had site control of the property, which was going through the eminent domain process. Mr. Bunda asked about the cost, and Mr. Atta responded the cost of current remediation work would determine the final cost.

Committee member George Atta asked if there were flooding issues from the stream floodway that runs through the site. Ms. Scanlon said that the parking structure had been designed to accommodate the fact that the site is in the stream's flood zone. Committee member Atta stressed the need for coordination with permits, due to strict regulations regarding floodways. He opined that the parcel should be rezoned after TOD plans are implemented for the area. Mr. Rue said that zoning maps for Leeward Community College, Pearl Highlands, and Pearlridge stations are currently being drafted.

Mr. Bunda asked for further details regarding the parking structure. Ms. Scanlon said there are 1,600 parking stalls at this facility. Mr. Atta stated the station and parking structure will be located on the Diamond Head/*mauka* portion of the site. The site has a turnaround that connects to Farrington Highway and feeds into the parking structure.

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Mr. Rue reported that environmental analyses of the site included impacts on wetlands; the analyses limited the size of the parking structure and only allowed for two additional floors to be added on top of the facility.

Mr. Bunda questioned the need to acquire all of the properties in the Banana Patch if only a quarter of the site would be utilized. HART Executive Director and CEO Daniel Grabauskas explained in addition to the parking structure, there will be ramps that connect from the H-2 freeway to the facility.

Committee member Keslie Hui asked about the footprint of the West Loch Station. Ms. Scanlon stated the station will occupy almost the entire first parcel and a portion of the second parcel. Committee member Atta pointed out air rights could be important at this location. Mr. Atta pointed out that a substantial portion of the station was designed with the park and ride facility next to it, which has potential for development. Mr. Hui asked if the park and ride facility is at grade, and Mr. Atta confirmed this. Ms. Scanlon noted because it is a small facility, it will function as a kiss and ride drop off.

Mr. Bunda asked about TMK number 9-4-019:050 near the Waipahu Station. Ms. Scanlon explained that the station would touch down on this parcel, which would also contain the station entry facilities.

Ms. Scanlon said that HART was coordinating with DTS and DPP on a future bus facility at the Pearlridge Station. Mr. Rue stated the City was exploring the development of area into a combined bus facility and mixed-use commercial, retail, affordable and market rate housing. HART is working with DTS and DPP to incorporate paving and landscaping features for continuity between the different City projects.

The Lagoon Drive Station has touchdowns on two corner lots which would have opportunities for bicycle sharing. Ms. Scanlon noted this station location could have possible issues due to the runway protection zone and the station's proximity to the airport, but that there was potential for the leasing of air rights.

The Kalihi Station was identified for potential development of mixed-use space and use of air rights. Mr. Rue stated that a University of Hawaii class is studying the station for potential development.

Ms. Scanlon said that HART completed acquisition of the properties needed for the Iwilei Station. The State owns several of the properties surrounding the station, and there may be potential opportunities to work together in future planning and development.

Ms. Scanlon noted there is existing housing on one of the City-owned parcels located next to the planned Chinatown Station, which may provide opportunity for development relative to this area.

Ms. Scanlon highlighted the Waimanu Street area in the Kakaako neighborhood, where there may be potential to consolidate parcels for commercial, residential, and office mixed use.

Mr. Hong asked if there would be opportunities for development at the Middle Street Station and Ms. Scanlon responded that a station touchdown was planned at that station, which would be

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integrated with the Middle Street Transit Center. She noted there may be possible opportunity to work with the State on development of State-owned parcels surrounding the station.

Mr. Hui said that it seemed there would be limited opportunities for air rights and development, and immediate revenue opportunities would be unavailable to the agency. Mr. Hui stated the value capture opportunities of TOD around the stations are just as important as the opportunities on the land acquired for the project. Mr. Hui cited the draft Kalihi TOD plan as an example where studies have shown if TOD is implemented in accordance with the plan, rail ridership could go up as much as 92% due to neighborhood redevelopment. He suggested the Board consider a resolution encouraging the City Administration, City Council, and legislature to consider policy-enabling legislation to allow TOD to occur, such as tax increment financing, community financing districts, land value taxation, and business improvement districts. Mr. Hui asserted that if stakeholders can capture value around stations as infrastructure is built, the community will be better served. Mr. Rue stated DPP is in the process of engaging a TOD consultant to assist with studies on setting community facilities districts or tax increment financing.

Committee member Don Horner said it would be helpful to have a snapshot of the tax values for the properties within the half-mile vicinity of the planned rail stations, before and after the infrastructure is built. He said this would illustrate the increase of property tax collected due to the increase in land value, as opposed to an increase in property tax rates. Mr. Rue stated that property taxes go towards paying for City operations and services but in a compactly developed area, delivering these services would generally become cheaper over time. He said there are preliminary numbers from a value capture study conducted in 2010 which show potential increased land values for several of the rail station locations.

Mr. Horner provided the example of changing an industrial zone to a BMX category, which would create an increase in land value. Mr. Rue reported there is a draft zoning plan that will be presented to the City Council. The plan is to capture some of that change and community benefit primarily in terms of active streetscapes, affordable housing and public parks. Committee member Atta said the TOD consultant would be asked to incorporate the increase in land value in their study.

Committee member Ivan Lui-Kwan suggested the members of the board currently serving on the TOD Advisory Committee make recommendations in the form of a resolution to the HART TOD Committee.

Mr. Hong thanked Ms. Scanlon and Mr. Rue for their presentation and stressed the urgency in implementing TOD.

II. Public Testimony on All Agenda Items

Barbra Armentrout testified that she did not receive a copy of the HART Board meeting agendas in a timely manner. She expressed her concerns regarding bicycle sharing and the purchase of properties.

Tom Berg testified the reclassification from agricultural to urban zoning for Koa Ridge and Ho'opili has not yet been completed, and the State Supreme Court would have a hearing in the near future. Mr. Berg applauded the idea of using TOD to generate revenue to help offset some of the expenses related to the rail project.

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John Bond testified on behalf of Keoni Dudley, who was unable to attend the meeting, as well as Kanehili Cultural Hui, a Programmatic Agreement consulting party. He stated Mr. Dudley would like to remind the HART Board that the issue of agricultural land rezoning is pending before the State Supreme Court. As members of Kanehili Cultural Hui, Mr. Bond and Mike Lee had brought up several issues that were not identified in the Programmatic Agreement, and may have an effect on TOD plans. He stated the agricultural assessment Parsons Brinckerhoff conducted had different results than a subsequent study commissioned by Keoni Dudley.

Cynthia Frith asked for clarification about the \$80 million cost to operate and maintain rail. Jeffrey Patterson had questions regarding the Farrington Highway Station bids. Mr. Hong suggested the speakers testify at the full board meeting, which would be a more appropriate venue to respond to their inquiries.

V. Executive Session

Mr. Hong asked if there was any reason for executive session, and there was none.

VI. Adjournment

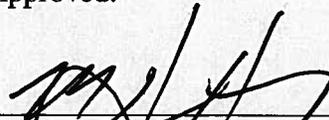
There being no further business before the committee, Mr. Hong adjourned the meeting at 9:34 a.m.

Respectfully Submitted,



Cindy Matsushita
Board Administrator

Approved:



William "Bazz" Hong
Chair, Transit Oriented Development
Committee

JUL 30 2015

Date

ATTACHMENT A

HART

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TOD Committee March 12, 2015

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Acquired Property Available for Potential Development

- **Locations where HART owns property**
- **Represents full acquisitions with potential for other uses**

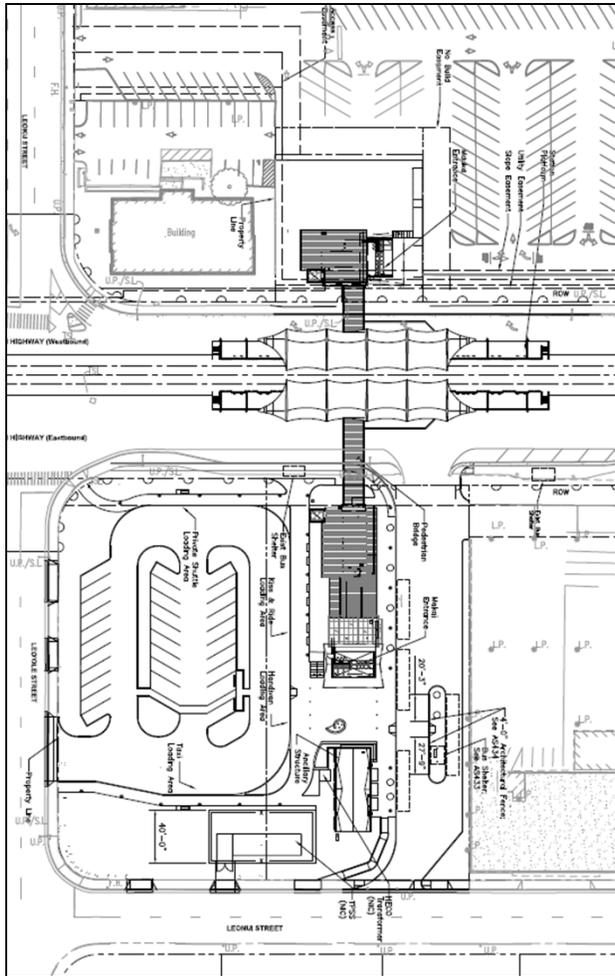
West Loch Station



West Loch Station

Tax Map Key	Acquisition Cost	Land Area (sf)
9-4-048:046	\$3,155,000	46,033
9-4-048:047	\$2,745,000	45,100

Description	• Small kiss-and-ride
Former Use	Auto Dealership
Development Opportunities	<ul style="list-style-type: none"> • Future BikeShare docking station and/or secured bike storage • Air rights
Zoning	B-2 Community Business
Future TOD Neighborhood Plan Surrounding Zoning	Waipahu Adopted Mixed Use Commercial

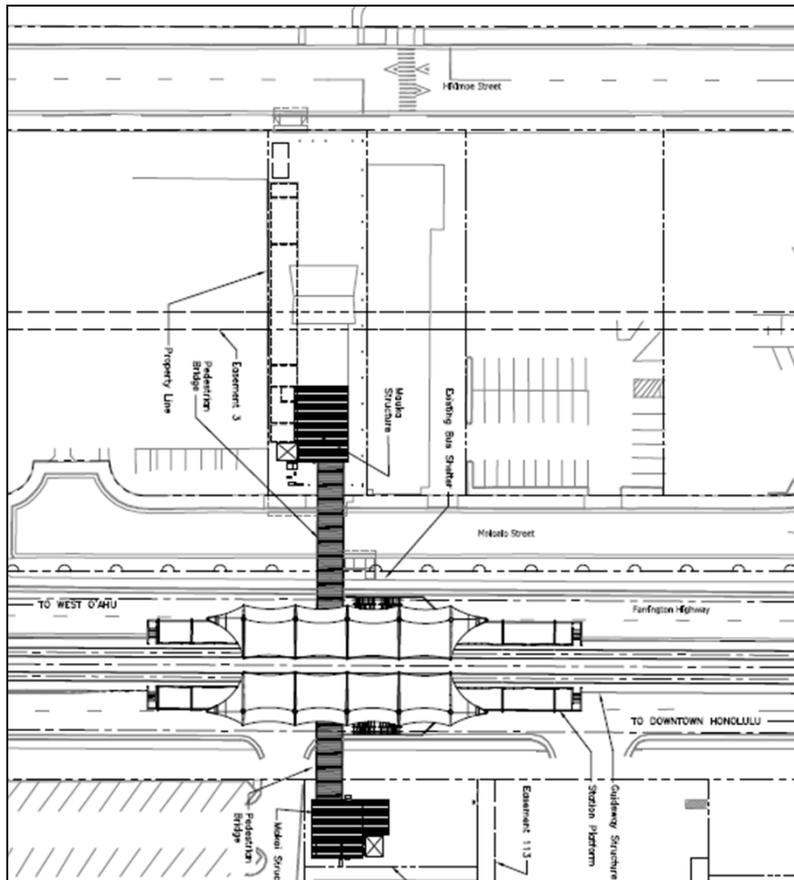


Waipahu Station



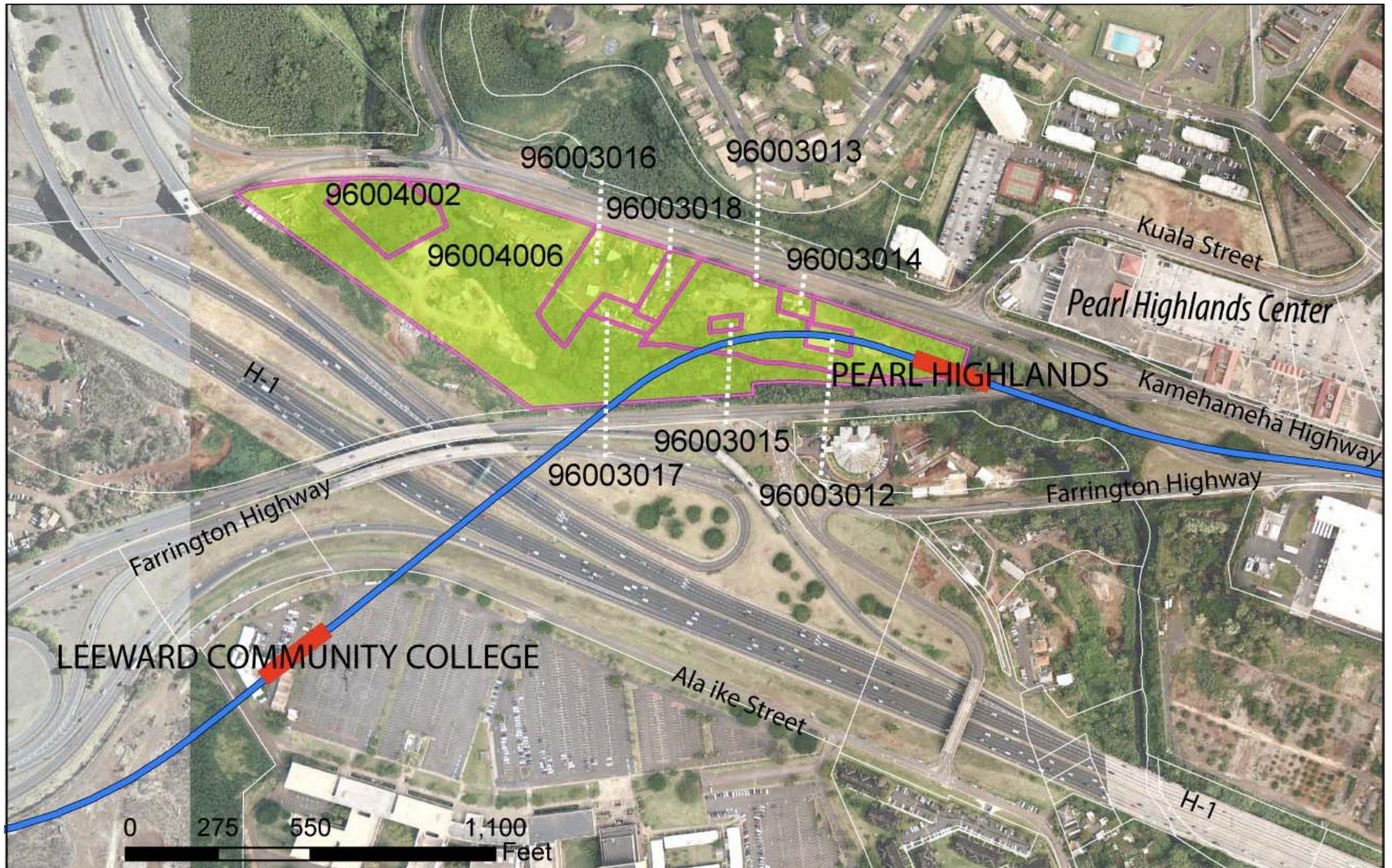
Waipahu Station

Tax Map Key	Acquisition Cost	Land Area (sf)
9-4-017:011	\$870,000	12,056
9-4-019:050	\$1,000,000	5,000



Description	• Makai of Waipahu Transit Center and Hikimoe Street
Development Opportunities	<ul style="list-style-type: none"> • Air rights • Commercial development that connects with Hikimoe Street and Waipahu Transit Center • Future BikeShare docking station and/or secured bike storage
Former Use	Auto Dealership; Recycling Facility
Zoning	B-2 Community Business
Future TOD Neighborhood Plan Surrounding Zoning	Waipahu Adopted Mixed Use Commercial
Flood Zone	Yes
Potential Partnership	DTS

Pearl Highlands Station

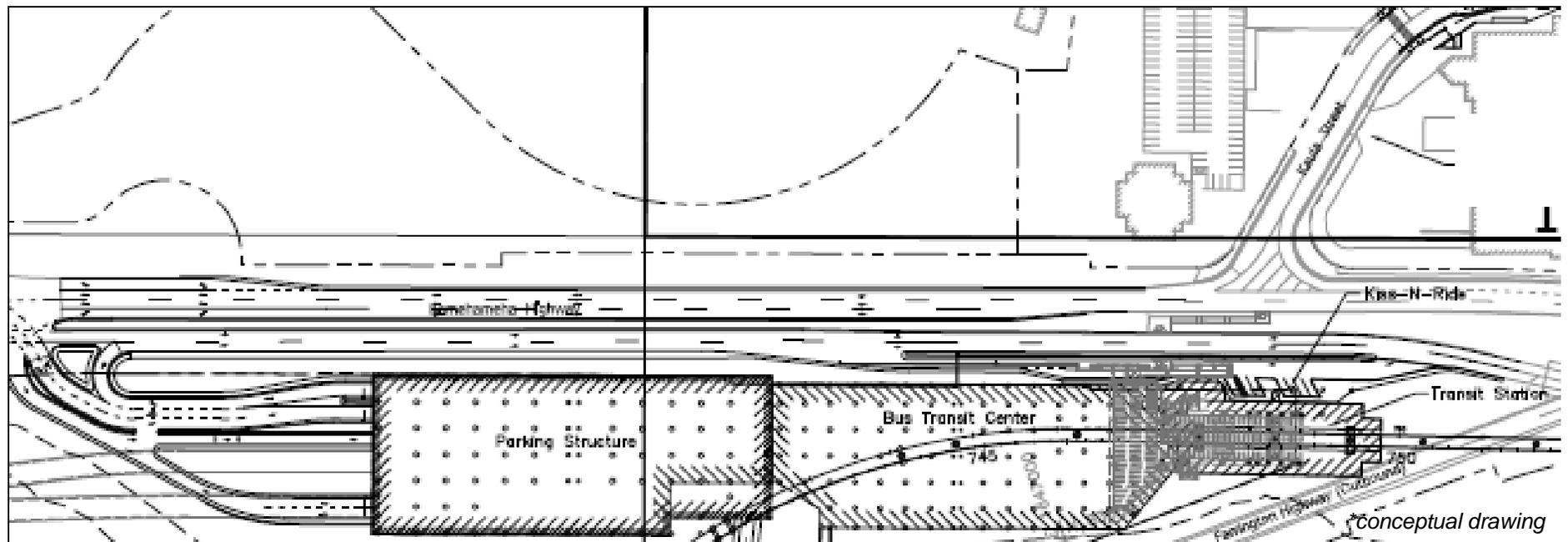


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Pearl Highlands Station



Parking Garage

Bus Transit Center

Station

Pearl Highlands Station

Tax Map Key	Acquisition Cost	Land Area (sf)
9-6-003:017	\$558,000	19,488
9-6-003:016	\$22,000	9,782
9-6-003:018	\$1,015,000	43,342
9-6-003:013	\$454,000	7,645
9-6-003:012	\$287,000	9,060
9-6-003:014	\$1,214,000	155,640
9-6-004:002	\$790,000	52,315
9-6-003:015	\$53,000	3,848
9-6-004:006	not yet acquired	422,096 *

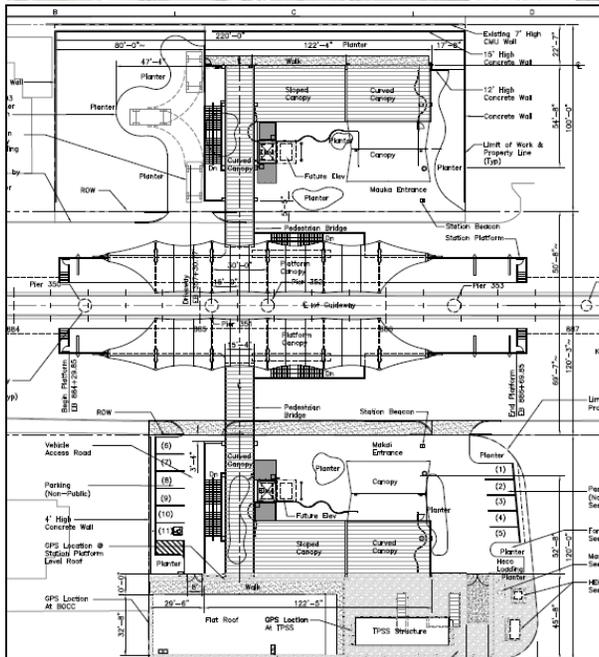
*Assumes full parcel acquisition

Description	<ul style="list-style-type: none"> • Includes 8 level park-and-ride facility and bus transit center • Park-and-ride can structurally accommodate two additional floors • Developer needs to provide utilities and access; makai of A&B Pearl Highlands Shopping Center
Development Opportunities	<ul style="list-style-type: none"> • Retail, medical, or office development over parking garage • Retail development over transit center • Pedestrian bridge from station to Pearl Highlands Shopping Center • Future BikeShare docking station and/or secured bike storage
Former Use	Residential
Future TOD Neighborhood Plan Surrounding Zoning	Aiea-Pearl City Adopted Open Space
Flood Zone	Yes
Zoning	Ag-2 General Agriculture

Pearlridge Station



Pearlridge Station



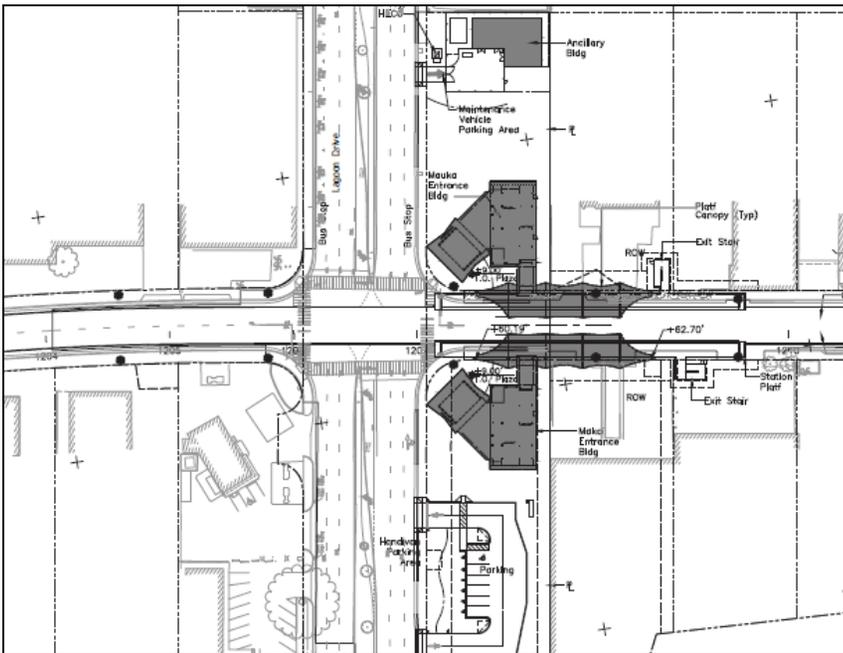
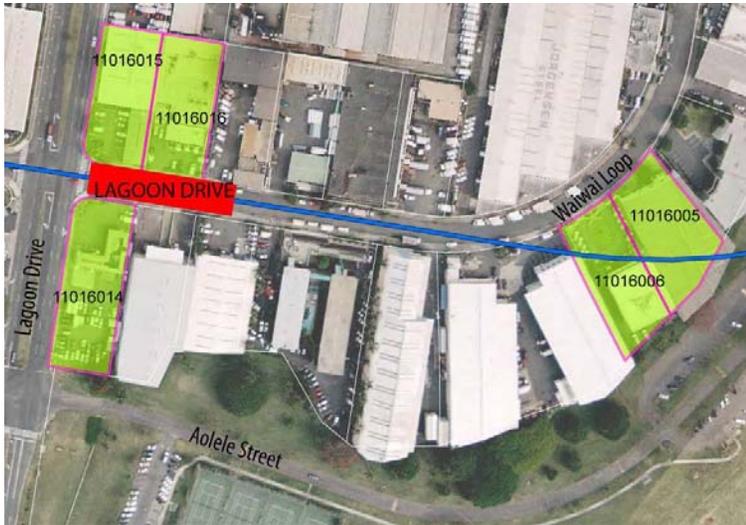
Description	9-8-009:017 adjacent to Future C&C of Honolulu Bus Transit Center and Pearl Harbor Historic Trail
Former Use	Restaurant and retail
Development Opportunities	<ul style="list-style-type: none"> • Coordinate with C&C of Honolulu on interface with bus transit center, residential and Pearl Harbor Bike Path • TMK 9-8-010:002 adjacent to utility easement that could be utilized as a pedestrian walkway from Live Work Play Aiea (former Kamehameha Drive In) • Future BikeShare docking station and/or secured bike storage
Zoning	I-2 Intensive Industrial
Future TOD Neighborhood Plan Surrounding Zoning	Aiea-Pearl City Adopted Mixed Use; Civic
Potential Partnership	DTS; DPP

Tax Map Key	Acquisition Cost	Land Area (sf)
9-8-010:002	\$6,010,000	23,823
9-8-009:017	\$2,500,000	24,319

Lagoon Drive Station



Lagoon Drive Station



Tax Map Key	Acquisition Cost	Land Area (sf)
1-1-016:015	\$3,540,000	22,307
1-1-016:016	not yet acquired	1,641
1-1-016:014	\$2,825,000	28,105
1-1-016:006	\$3,900,000	23,225
1-1-016:005	\$4,900,000	24,738

Description	<ul style="list-style-type: none"> Near Ke'ehi Lagoon Park Height restriction due to Runway Protection Zone
Former Use	Auto dealer; gas station; retail
Development Opportunity	<ul style="list-style-type: none"> Commercial or hotel Minimal air rights due to Runway Protection Zone Future BikeShare docking station and/or secured bike storage
Encumbrances	Runway Protection Zone
Future TOD Neighborhood Plan	Airport In Planning
Surrounding Zoning	TBD
Zoning	I-2 Intensive Industrial

Kalihi Station

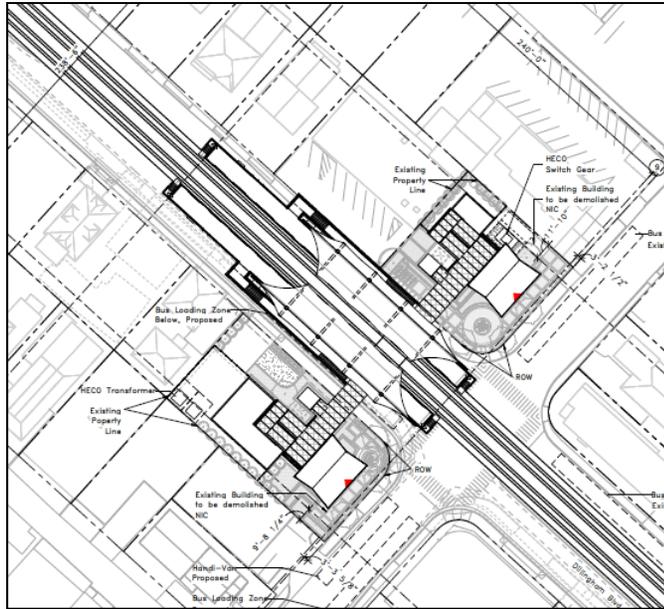


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Kalihi Station



Former Use	Residential; retail
Development Opportunities	<ul style="list-style-type: none"> • Retail and residential mixed use • Consolidate lots • Air rights • Future BikeShare docking station and/or secured bike storage
Zoning	IMX-1 Industrial Commercial Mixed Use
Future TOD Neighborhood Plan Surrounding Zoning	Kalihi Draft Final Urban Mixed Use; Industrial Mixed Use

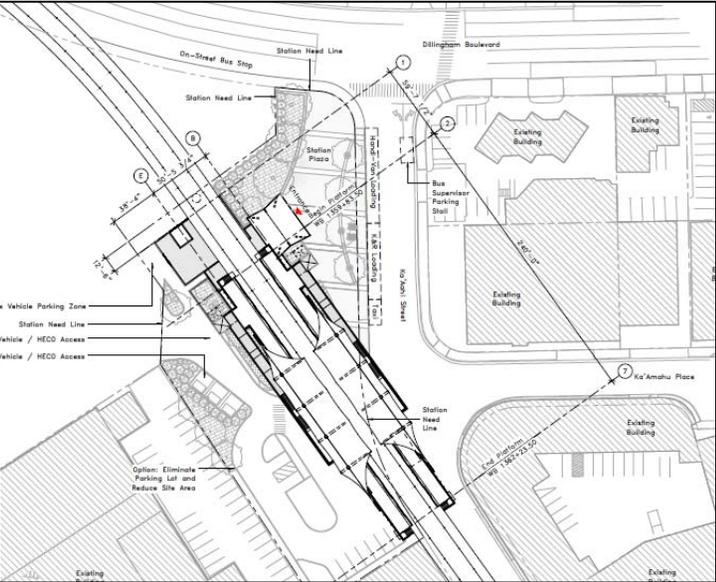


Tax Map Key	Acquisition Cost	Land Area (SF)
1-2-009:017	\$2,250,000	9,300
1-2-009:018	\$800,000	4,650
1-2-009:001	\$2,800,000	13,864
1-2-003:082	\$980,000	4,650
1-2-003:016	\$1,100,000	4,650

Iwilei Station



Iwilei Station



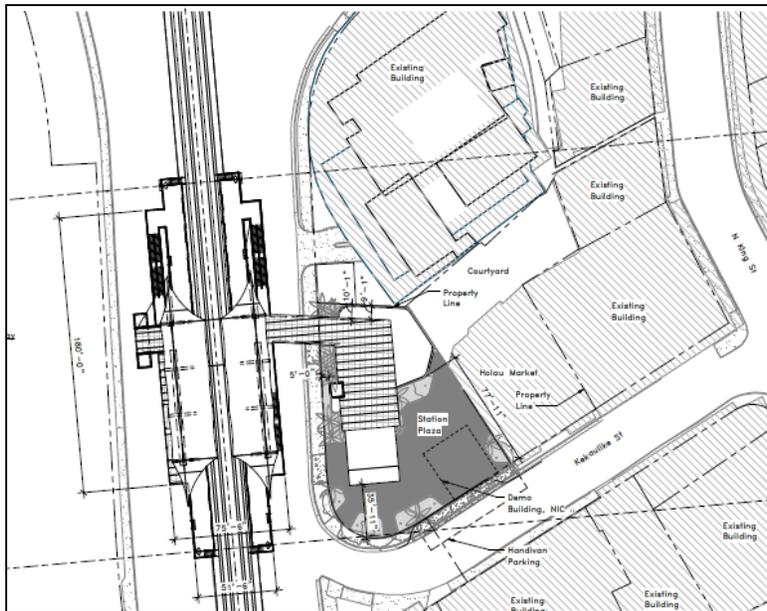
Tax Map Key	Acquisition Cost	Land Area (sf)
1-5-007:021	\$2,275,000	10,008
1-5-007:023	\$2,850,000	16,935

Description	<ul style="list-style-type: none"> • Adjacent to HECO plant • Near several State owned parcels • Former OR&L site • Adjacent to Kaaahi Street
Former Use	Restaurant; office; retail
Development Opportunity	<ul style="list-style-type: none"> • Commercial • Air rights • Future BikeShare docking station and/or secured bike storage • 3rd party extension of Kaaahi Street
Zoning	IMX-1 Industrial Commercial Mixed Use
Future TOD Neighborhood Plan Surrounding Zoning	Downtown Public Review Mixed Use High Intensity
Potential Partnership	State of Hawaii

Chinatown Station



Chinatown Station



Tax Map Key	Acquisition Cost	Land Area (sf)
1-7-002:026	\$5,200,000	23,806

Description	<ul style="list-style-type: none"> • National Register Eligible Holau Market and Ai Goto Building on site • Adjacent to Harbor Village owned by C&C of Honolulu
Former Use	Restaurant; grocery
Development Opportunities	<ul style="list-style-type: none"> • Interface station with C&C Honolulu's Harbor Village • Stabilize and restore Holau Market and Ai Goto Building • Future BikeShare docking station and/or secured bike storage
Existing Zoning	BMX-4 Central Business Mixed Use
Encumbrance	Chinatown Special District
Potential Partners	C&C of Honolulu

Waimanu Street Area



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Waimanu Street Area

Description	Transition from Waimanu to Kona Street between Kakaako and Ala Moana Station
Former Use	Restaurant; retail
Development Opportunities	<ul style="list-style-type: none"> • Consolidate parcels for commercial, residential, office mixed use • Air rights • Future BikeShare docking station and/or secured bike storage
Future TOD Neighborhood Plan Surrounding Zoning	<p>Outside of Ala Moana Neighborhood Plan Public Review</p> <p>Existing zoning is commercial; residential</p>



Tax Map Key	Acquisition Cost	Land Area (sf)
2-3-004:048	\$1,720,000	7,027
2-3-004:069	\$2,650,000	8,190
2-3-007:036	\$1,400,000	4,600
2-3-007:033	\$5,800,000	28,714
2-3-007:044	\$1,350,000	3,778
2-3-007:045	not yet acquired	10,000

Mahalo!



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