

MAR 13 2015

SENATE RESOLUTION

URGING THE CITY AND COUNTY OF HONOLULU IN COORDINATION WITH THE HONOLULU AUTHORITY FOR RAPID TRANSPORTATION TO DEVELOP A PLAN TO GENERATE REVENUE FOR OPERATIONS AND MAINTENANCE OF RAIL.

1 WHEREAS, the Honolulu rail project is budgeted at
2 \$5,200,000,000; and

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4 WHEREAS, the Honolulu Authority for Rapid Transportation
5 has incurred a budget shortfall of up to \$900,000,000 on the
6 Honolulu rail project; and

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8 WHEREAS, the Mayor of the City and County of Honolulu and
9 Executive Director and Chief Executive Officer of the Honolulu
10 Authority for Rapid Transportation have requested the State to
11 permanently extend the City and County of Honolulu's 0.5 percent
12 surcharge on the state general excise tax; and

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14 WHEREAS, not all options for generating revenue to cover
15 budget shortfalls on the Honolulu rail project have been
16 reviewed and discussed; and

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18 WHEREAS, the State is a significant landowner at the East
19 Kapolei, University of Hawaii West Oahu, Leeward Community
20 College, and Aloha Stadium rail stations; and

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22 WHEREAS, the 2011 Hawaii Housing Planning Study found that
23 up to fifty thousand new housing units will be needed by 2016 to
24 meet the demand for public housing generated by changing
25 demographics and economic conditions; and

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27 WHEREAS, failure to produce sufficient units for low and
28 moderate income households will cause pent-up demand in such
29 market segments; and

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31 WHEREAS, the Honolulu rail project presents development
32 opportunities for housing and job creation as rail riders will
33 demand employment and housing opportunities in station areas;
34 and



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2 WHEREAS, strong housing and employment connections are
3 vital for transit to fulfill its potential to address goals of
4 accessibility, stronger regional economies, and reduced
5 greenhouse gas emissions; and

6
7 WHEREAS, job centers must be a key component of the
8 transit-oriented development equation to complement rail service
9 to densely populated residential areas; and

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11 WHEREAS, the City and County of Honolulu Department of
12 Budget and Fiscal Services has current data on all real property
13 surrounding the rail stations; and

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15 WHEREAS, real property in close proximity to rail stations
16 may increase in value; and

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18 WHEREAS, value capture strategies such as tax increment
19 financing or community facilities districts can generate
20 revenues that can be used to pay for construction, operations,
21 and maintenance of the Honolulu rail transit project; and

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23 WHEREAS, the City and County of Honolulu has the authority
24 to review land use ordinances, determine whether the codes and
25 zoning of lands in close proximity to rail stations reflect the
26 current use of those lands and allow for changes that may
27 accompany projected economic growth, and determine whether
28 specific land use ordinances need to be adopted to allow for
29 master planning and development of those areas; now, therefore,

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31 BE IT RESOLVED by the Senate of the Twenty-eighth
32 Legislature of the State of Hawaii, Regular Session of 2015,
33 that the City and County of Honolulu in coordination with the
34 Honolulu Authority for Rapid Transportation is requested to
35 develop a plan to generate revenue via transit-oriented
36 development near rail stations to include the development of
37 housing and employment clusters; and

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39 BE IT FURTHER RESOLVED that the City and County of Honolulu
40 in coordination with the Honolulu Authority for Rapid
41 Transportation is requested to identify locations where tax
42 increment financing or community facilities districts may be



1 established to generate revenues that can be used for
2 construction, operations, and maintenance of the Honolulu rail
3 transit project; and

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5 BE IT FURTHER RESOLVED that the City and County of Honolulu
6 is requested to review land use ordinances of lands that lie
7 within one half mile of rail stations and implement measures to
8 amend zoning, as necessary, to allow for transit-oriented
9 development in those areas to include but not be limited to
10 commercial, residential, and mixed-use development; and

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12 BE IT FURTHER RESOLVED that the City and County of Honolulu
13 in coordination with the Honolulu Authority for Rapid
14 Transportation is requested to identify areas of employment
15 concentration and opportunities for future transit investments;
16 and

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18 BE IT FURTHER RESOLVED that the Honolulu Authority for
19 Rapid Transportation is requested to expend any proceeds from an
20 extension of the 0.5 percent general excise tax surcharge on
21 construction only, and not for rail operation or maintenance
22 costs; and

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24 BE IT FURTHER RESOLVED that certified copies of this
25 Resolution be transmitted to the Governor, Mayor of the City and
26 County of Honolulu, Chairperson of the Honolulu City Council,
27 and Executive Director and Chief Executive Officer of the
28 Honolulu Authority for Rapid Transportation.

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S.R. NO. 86

Breen Hart

