



Case Study: Honolulu's Approach to Transportation and Housing Planning Coordination

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The City and County of Honolulu, Hawaii centers its plans for population growth, traffic congestion mitigation, affordable housing development, and land use on transitoriented development (TOD). In 2009, the City and County enabled Ordinance 09-4, to establish key areas for development and redevelopment adhering to TOD principles such as compact, mixed-use development adjacent to public transportation, creating options for residents to safely live, work, and travel. The City and County work with State agencies to guide the development and implementation of TOD plans, focusing on neighborhoods surrounding its light rail system, the Honolulu Rail Transit Project. Each TOD plan encourages Complete Streets elements, open spaces, and affordable housing, while capturing the unique character of individual communities.

PROJECT SNAPSHOT

- Honolulu County uses transitoriented development as a guide for <u>neighborhood plans</u> along its new light rail system.
- In 2016, the State established the <u>Hawaii Interagency Council for</u> <u>Transit-Oriented Development</u> to coordinate and facilitate smart growth and TOD initiatives.
- The County advocates for zoning and parking policy changes to increase density and promote pedestrian opportunities.

Background and Demographics

Honolulu County, which covers the island of O'ahu, as well

as several minor outlying islands, is regarded as a place of great natural beauty offering exceptional quality of life. The County is managed by a consolidated city-county government. The County population falls just below one million residents, with a majority Asian population (42.6%), followed by mixed race (23.2%) and white (21.2%).¹ In the urban center of Honolulu, major industries include food preparation and service, building and grounds cleaning and maintenance, and protective service.² Honolulu's economy relies heavily on tourism and saw a record high 12% unemployment rate in 2020.³ The accommodation and food service industries have experienced significant growth in recent years as the area rebounds from the pandemic.

The area faces several challenges including high housing costs, with a median housing price of \$726,800⁴, high energy prices due to a dependence on imported oil, some of the highest levels of traffic

¹ <u>US Census Bureau, Honolulu County, 2022</u>

² Bureau of Labor Statistics, Urban Honolulu, May 2022

³ State of Hawaii, Workforce Development Division, 2022

⁴ Ibid

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congestion in the country, increasing obesity rates, and urban design that restricts walking and healthy activities.

Coordination for Transit-Oriented Development (TOD)

City, County, and State Collaboration

The County began its TOD planning to enhance communities around rail stations in 2007, contracting with different consultants for each plan to ensure distinct character in each neighborhood. The 2009 ordinance enabled the TOD structure across Honolulu County, directing its resources to land use planning as a critical component of population management. Each plan began with a basic technical analysis, examination of existing conditions and natural resources, opportunities and constraints, as well as a market study. All the plans include input from community stakeholders. Each of the neighborhood plans includes a final section of implementation recommendations for promoting TOD in future development decisions. As of 2023, the County has developed and adopted all eight of their TOD neighborhood plans, covering 19 stations, along the 20-mile automated light rail system, and are now in the implementation phase.

In 2016, as part of <u>Act 130, or SB 3077</u>, the State designated the <u>Office of Planning and Sustainable</u> <u>Development (OPSD)</u> as the lead State agency and forum to coordinate and advance smart growth and TOD planning. The Act also formed the Hawaii Interagency Council for Transit-Oriented Development, otherwise known as the TOD Council, to coordinate and facilitate smart growth and TOD initiatives of the State's land holdings between the State and counties. Membership of the TOD Council is made up of 25 State agencies and each county who meet monthly and are committed to TOD principles. The County keeps the TOD Council up to date on related plans and coordinates with OPSD on infrastructure planning and new development on publicly owned lands. The State is the largest landowner along the Honolulu rail line, with about 2,000 acres of land within a half-mile radius of the rail stations.

Honolulu County is working with the State and the TOD Council to pursue public projects to help catalyze neighborhoods around each rail line station. One example is Kapalama-Iwilei, a more industrialized neighborhood that the Kapalama Canal runs through, where the County is looking to incorporate more housing. The County Department of Planning and Permitting created a <u>Resilient</u> <u>Master Plan</u> for the neighborhood to develop a linear recreational corridor. The County is beginning with the dredging process and the project also seeks to accommodate sea level rise, complete streets, as well as improved flooding and stormwater infrastructure, which builds on an <u>EPA Greening America's</u> <u>Communities grant</u>. The County and State have established an intergovernmental agreement to share infrastructure costs in this neighborhood to enable largescale developments with affordable housing.

Guiding Private Developments

Honolulu County is working with private developers to incentivize TOD development patterns. The County utilized an <u>EPA Brownfields Program grant</u> to assess sites in each neighborhood to make it easier for smaller private developers to get involved in the development process. The County has also finalized a Transportation Alternatives Program-funded <u>TOD Wayfinding Master Plan</u> for a coordinated signage system throughout the rail corridor, including physical signage and a digital app. They are working with some of the larger private landowners and developers to use the same signage designs, so connectivity is integrated throughout the region. The County has also required and incentivized developers to include many affordable units in a diversity of sizes to accommodate each neighborhood's diverse community and are currently focused on buying additional land for affordable housing in the region.

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Policy and Zoning Changes

Honolulu County is adopting mixed-use zoning and TOD regulations, based on the TOD plan for each neighborhood. This process allows developers to seek additional densities and heights for buildings in exchange for community benefits such as affordable housing. For example, the TOD plan for the neighborhood of <u>Ala Moana</u> has enabled many new private developments that otherwise would not be possible. Since the TOD plans have been adopted, the County has established zoning and overlay districts in three of the neighborhoods.

Honolulu County has been able to develop a more multidisciplinary TOD planning approach by recommending parking maximums and eliminating parking minimums. The County is currently negotiating parking maximums through project permit reviews to increase development potential. A permanent requirement is being explored. This approach pushes back on common fears from developers who worry that less parking will mean their sites will be less marketable and integrates more pedestrian focused transportation in the County.

Stakeholder Collaboration and Public Engagement

Honolulu County utilized many different methods to involve local communities in the planning process. These actions included mailers to residents to solicit feedback on each neighborhood's planning proposals, direct consultations with government agencies and community organizations, as well as internal feedback within the County. The County also organized community meetings with neighborhood stakeholders, as well as attended community events, such as block parties and neighborhood board meetings. Their outreach efforts have helped reach people who might not show up to regular planning meetings.

Throughout the planning process, there were many supporters, as well as challengers, to the plans. However, the County has seen a positive shift in public support for TOD initiatives with community members looking for new and fresh ideas. For example, groups like the Sierra Club initially opposed the TOD plans, because the planned rail line cut through high-quality agricultural land. However, they later realized it would help solve urban sprawl and preserve more open space overall and changed their position. Through these efforts over the years, the neighborhood TOD plans have developed a large, supportive following of residents and business owners.

Next Steps

The first 11 miles of the <u>Honolulu Rail System</u> opened in 2023 with the next five miles opening in 2025, and the entire system set to be finished by 2031. Honolulu County looks forward to continuing and expanding their TOD plans. They are especially interested in TOD on large State-owned land around the Aloha Stadium and the University of Hawaii. They are also continuing to pursue changes in zoning ordinances in the County, such as increased building height and density, to encourage more TOD. Additionally, the County is looking to implement TOD plans through additional infrastructure investments with State support.

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Resources

Act 130 (Hawaii Interagency Council for Transit-Oriented Development)

Office of Planning and Sustainable Development

Hawaii Community Development Authority

Rail Operations (honolulu.gov)

TOD Honolulu

TOD Honolulu - Neighborhoods