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Rail-oriented development wreck can still be prevented

By David Shapiro, July 2, 2017

BRUCE ASATO / MAY 30

View of the third rail which, when energized, will provide electricity to the HART trains. This one is near the West Loch Station in Waipahu.

If you paid close attention, you had a bad feeling early on that Honolulu rail was in for an ugly ride.

The Legislature skimmed 10 percent of the rail excise tax, greedily running up the cost of Hawaii's most expensive public works project from the start.

The first rail contract brought charges of political cronyism, conflicts of interest abounded, and rich deals were awarded years before work would be done.

The city soft-pedaled tax consequences and spent millions on dishonest public relations that stifled frank community discussion.

If you watched then, it’s little surprise now that a project budgeted at $5.2 billion has ballooned to $10 billion and growing.

You get the same sinking feeling today that something is seriously amiss with rail’s conjugal partner — transit-oriented development.

City leaders promised TOD would bring the rail line alive with affordable housing, livable communities and better jobs, while reducing urban sprawl and traffic.

As construction costs exploded, the city espoused pie-in-the-sky partnerships in which developers who profit from rail would help pay for it.

Little of this has materialized.

The major development on the West Oahu end of the rail line is the sprawling Ho‘opili subdivision, which could ultimately add more traffic to gridlocked H-1 than is relieved by rail.

In town, a stretch of Kakaako once envisioned for workforce housing is becoming a wall of mostly luxury condominiums, many of which are being bought by wealthy offshore speculators.

Near the planned rail terminus at Ala Moana Center, developers enabled by the city cynically seek to use TOD waivers intended to encourage affordable housing to build hotels.

The City Council has approved height, density and parking breaks for a development near the Hawai‘i Convention Center that will have 200-plus hotel rooms and high-end condo units, but none of the affordable housing that’s supposed to be tied to TOD.

Instead, the developer will meet its affordability obligation by contributing $2.5 million to the city’s affordable housing fund — barely enough for 10 affordable units.

Also asking TOD waivers is a proposed 440-room hotel across from Ala Moana Center that offers 68 non-guaranteed affordable rental units at a different location.

A proposed Sheridan Street project financed by Chinese investors seeking TOD benefits and federal visa incentives would include 163 luxury condos and only 25 affordable rentals.

Honolulu doesn’t need more hotels, condos for wealthy part-time residents or urban sprawl that worsens traffic.

We desperately need lots of new affordable housing unless we want to keep seeing our middle class move away and our poor pitch tents on the sidewalks.

We should do with transit-oriented development what we should have done with rail long ago: take a pause to get our eye back on the ball before we strike out yet again.