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State targets 6 acres in the Palama area for redevelopment

Low-income and mixed-income rental units are called for in the search to find a firm for the project

By [Gordon Y.K. Pang](#)

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State housing officials want land developers to get creative and submit plans to redevelop a North School Street property, making a housing project featuring both low-income public housing and mixed-income rental units.

The Hawaii Public Housing Authority is expected to provide details Tuesday of its plan to issue a Request for Qualifications seeking a master developer for the 6-acre site bounded by North School Street, Lana-kila Avenue and Ahi-ahi Street. The site, across Ahi-ahi from the Lana-kila Multipurpose Senior Center, consists now of a series of wooden, one-story office buildings that make up the HPHA administrative headquarters.

In what's being described as a key component of new Gov. David Ige's affordable-housing action plan, the solicitation is expected to encourage the incorporation of creative designs including the use of micro units, previously used shipping containers and prefabricated modular units, according to advance information given to the Hono-lulu Star-Advertiser.

Redevelopment is to include creating low-income public housing and mixed-income rental housing units that will blend in with the existing neighborhood, while also building new administrative offices for the HPHA staff. The proposal must also be a so-called LEED-certifiable project, meaning it must incorporate energy conservation and environmental practices.

Proposals must also require the project to use private funding for financing.

Ige wants HPHA Executive Director Hakim Ouan-safi to identify and develop other underutilized state lands for affordable rental housing and community facilities designed to help the neediest of families.

That effort is already underway under the leadership of Ouansafi and the HPHA board. In November the authority selected three companies to be the master developers that are expected to transform Mayor Wright Homes into a mixed-income and mixed-use residential development.

The companies involved in that project are Hunt Cos., McCormack Baron Salazar, and Vitus Group.

The governor, who has already emphasized that his first year will be a no-frills year because of fiscal constraints, has also said he views state lands around Transit Oriented Development areas, the major hubs for the city's upcoming 20-mile rail project from East Kapo-lei to Ala Moana Center, as opportunities for affordable housing to be developed.

That dovetails with suggestions made by Hono-lulu Mayor Kirk Caldwell and several City Council members. Caldwell, in fact, has called for providing incentives to those developers who choose to construct

affordable and workforce housing in mixed-use, mixed-income neighborhoods near the rail through public-private partnerships.

The Mayor Wright project is in a rail transit area.

A report released by the Hawaii Appleseed Center for Law and Economic Justice last summer projected that the state will need nearly 30,000 new housing units by 2016 to meet the demand of a growing population. Of those, two-thirds will need to be for those considered low-income or below, the study said.

The Honolulu Board of Realtors last week reported that the median price of single-family homes rose 3.8 percent to \$675,000, a new record, in 2014. The median price for condominiums rose 5.4 percent to \$350,000.

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