



STATE OF HAWAII  
DEPARTMENT OF EDUCATION  
P.O. BOX 2360  
HONOLULU, HAWAII 96804

OFFICE OF THE SUPERINTENDENT

June 20, 2017

TO: The Honorable Grant Chun  
Chairperson, Finance and Infrastructure Committee

FROM:   
Kathryn S. Matayoshi  
Superintendent

SUBJECT: **Update on the Department of Education's ("DOE") Status Report on Act 155, 21<sup>st</sup> Century DOE Facilities (Hawaii Revised Statutes Section 302A-1151.1, Pilot Program for Lease of Public School Land)**

1. DESCRIPTION

Act 155/SLH 2013 (a.k.a. 21<sup>st</sup> Century Schools) requires three pilot sites to be selected, from underutilized Department of Education (DOE) assets, to be developed in such a way as to improve DOE schools.

2. UPDATE OR PRESENTATION

Office of School Facilities and Support Services to provide a brief on the Act 155 program.

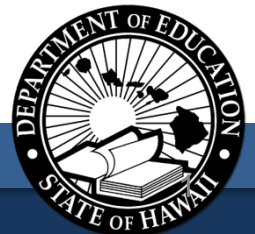
KSM:jmb  
Attachment

c: Office of School Facilities and Support Services

**Update on DOE's Status Report on Act 155  
21<sup>st</sup> Century DOE Facilities  
(HRS 302A-1151.1, Pilot program for lease of public school land)**

Presented by Office of School Facilities and Support Services

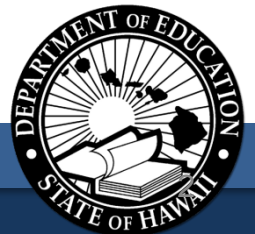
Finance and Infrastructure Committee  
June 20, 2017



# Act 155 Background

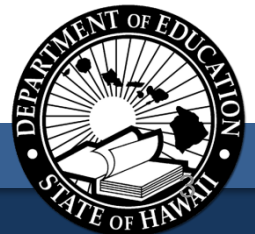
- Signed into law in 2013

“Establishes a pilot program to generate revenue through the lease of public school lands for public purposes. Establishes the school facilities subaccount. Requires the department of education to report to the legislature. Makes an appropriation for the pilot program.”



# Act 155 Requirements

- Projects must conform to all existing Codes and Regulations. Including zoning, environment assessments, procurement requirements, etc.
- Revenues generated from pilot projects shall be used to build, repair, retrofit, and maintain schools.
- Annual reports to the Legislature



# Progress since 2013

2014

- Initial meetings with state agencies and development community

2015

- Changed legislative language to allow acceptance of best proposal, and to allow funds to be used for school improvements

2016

- 3 potential pilot sites identified, engagement discussions begin



# Pilot project definitions

## 1) 21<sup>st</sup> Century School

- New construction or renovated facility
- Technologically imbued & connected, flexible & adaptive, project-based & individual learning spaces

## 2) Revenue Generation

- Lease rent, development agreement, etc.

## 3) Hybrid (school + revenue)



# Pilot project considerations

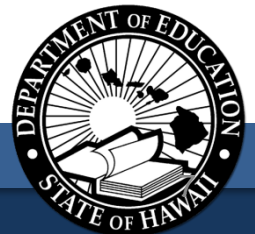
- ✓ Underutilized DOE facilities/assets
- ✓ Population projections and future growth areas
- ✓ Schools with “backbone infrastructure”
- ✓ Market driven and economically viable
  - Ex: areas of high property value, i.e. commercial, residential, etc.



# Potential sites identified

- 22<sup>nd</sup> Avenue  
(Revenue Generation)
- Young Street  
(Hybrid – DOE Facility & Revenue)
- 690 Pohukaina \*  
(Lease rent buy down)

\*As of June 2017, no longer under consideration as ACT 155 pilot project





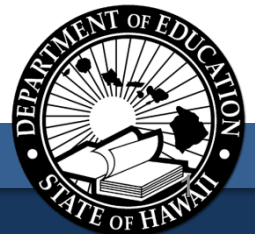
# 22<sup>nd</sup> Avenue



475 22nd Avenue (Office of Curriculum, Instruction and Student Support)

Tax Map Key	3-1-042: 035
Area	284,665 sf (6.535 Acres)
Zoning	Residential
Ownership	State of Hawaii
Tax Assessed Value	
Land	\$41,132,400
Building	\$346,200

Google Earth



# Young Street



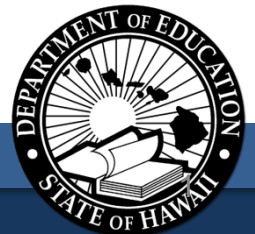
Auxiliary Services Facility—1048 Young Street	
Tax Map Key	2-4-002:019
Area	29,193 sf
Zoning	BMX-3
Ownership	City and County of Honolulu
Building	1,210 sf (Built 2001)
Flood Zone	X
Tax Assessed Value	
Land	\$5,897,200
Building	\$192,300

Google Earth

feet  
meters

Google Earth

80



# 690 Pohukaina



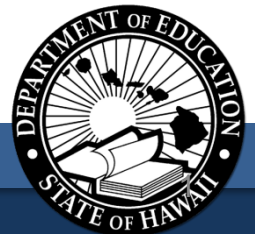
690 Pohukaina Street	
Tax Map Key	2-1-051: 041
Area	94,425 sf
Zoning	HCDA
Ownership	State of Hawaii
Tax Assessed Value	
Land	\$10,958,200
Building	\$735,100

Google Earth

feet  
meters

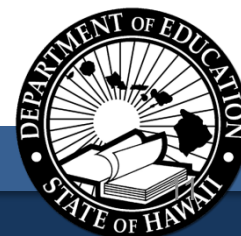


Google Earth



# Site issues

- Land ownership
  - State or County lands
  - 49% of Oahu urban schools are on County lands
  
- Necessary funding for:
  - Compliance with Chapter 343 HRS
  - Entitlement/Zoning requirements
  - Consultant support



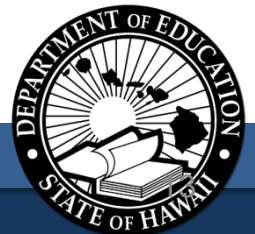
# Status of pilot sites

- ✓ Engaging with pertinent State & City/County agencies
- ✓ Assessing Real Estate of potential Young St. site
- ✓ Developing methods for redevelopment
  - Lease for revenue
  - Development agreement
  - Public-Private-Partnerships (P3)
- ✓ Partnering with Hawaii Housing Finance Development Corporation (HHFDC)
- ✓ Utilizing HHFDC experience and existing process to redevelop pilot projects



# Next Steps

- Final site selections
- BOE approval of proposed Pilot Projects
- Community Engagement
- Request for Proposal
- Regulatory work, i.e. Environmental Assessments, Zoning, etc.
- Development Agreement



# Questions?

