

TESTIMONY

SB 2942

LATE

THE SENATE

Committee on Water, Land, Agriculture, and Hawaiian Affairs

Senator Clayton Hee, Chair

Senator Jill N. Tokuda, Vice Chair

Committee on Transportation, International and Intergovernmental Affairs

Senator J. Kalani English, Chair

Senator Mike Gabbard, Vice Chair

State Capitol, Conference Room 229

Monday, February 8, 2010; 2:45 p.m.

**STATEMENT OF THE ILWU LOCAL 142 ON S.B. 2942
RELATING TO ALOHA TOWER DEVELOPMENT CORPORATION**

The ILWU Local 142 opposes S.B. 2942, which abolishes Aloha Tower Development Corporation (ATDC) and transfers ATDC to the Hawaii Community Development Authority (HCDA). The bill also transfers the Harbors Modernization Group to the Department of Transportation and places the commercial harbors modernization plan under the Harbors Modernization Group.

In 2008, Act 200 was enacted to expand the authority of the Aloha Tower Development Corporation to assist in the development of a statewide harbors modernization plan. There was general recognition that improvements to the state's harbors was badly needed, especially since Hawaii depends so heavily on goods imported by ship from other parts of the U.S. and the world. While Hawaii is making strides toward sustainability, we are clearly far from being able to grow all our own food and manufacture all the goods that our population needs and desires. Ocean surface transportation is, therefore, the state's lifeline.

S.B. 2942 would transfer the "rights, powers, functions, and duties" of ATDC to HCDA, thus charging HCDA with the responsibility of implementing the statewide harbors modernization plan authorized in Act 200. However, our concern is that the transfer itself could further delay harbor improvements, and HCDA will likely be hampered by procurement requirements that would limit its ability to enter into public-private partnerships and development-oriented financing options.

The ILWU's main concern is that the harbors modernization plan must be implemented as quickly as possible. Further delays will only mean more congestion at the harbors, more potential for accidents, less efficiency in moving cargo on and off the ships, and higher costs. Repealing ATDC and transferring its authority and responsibilities to HCDA at this time may delay urgently needed modernization of our harbors.

The ILWU urges that S.B. 2942 be held. Thank you for the opportunity to share our views and concerns on this matter.

SENATE COMMITTEE ON WATER, LAND, AGRICULTURE AND HAWAIIAN AFFAIRS

Senator Clayton Hee, Chair
Senator Jill Tokuda, Vice Chair

LATE TESTIMONY

**SENATE COMMITTEE ON TRANSPORTATION, INTERNATIONAL AND
INTERGOVERNMENTAL AFFAIRS**

Senator J. Kalani English, Chair
Senator Mike Gabbard, Vice Chair

Monday, February 8, 2010
Senate Conference Room 229
2:45 PM

SENATE BILL 2942

Relating to the Aloha Tower Development Corporation

Testimony submitted by
Bob Loy

Director of Environmental Programs
The Outdoor Circle

This testimony is respectfully submitted in opposition to the present form of Senate Bill 2942, which abolishes the Aloha Tower Development Corporation (ATDC) and transfers its functions to the Hawaii Community Development Authority (HCDA).

The HCDA and the ATDC are charged with comprehensive master planning and redevelopment oversight of state lands in Kaka'ako Mauka and Makai, Kalaeloa, and Honolulu's waterfront. However, despite Legislative advisories, enacted laws and a court order, over the course of their existence both agencies have failed to demonstrate that they have emerged from insulated operations into contemporary community-based planning and open communications practices.

While both have established motivated community advisory committees, the HCDA has ongoing difficulties in meeting statutory requirements of collaboration and open communication and respecting community-based planning issues. The ATDC has a similar track record, most recently illustrated by its failure to involve its community-based advisory committee in the development of a strategic plan for future development of the Aloha Tower area.

We believe that there is undeniable evidence that both of these agencies are badly broken and have lost the trust of the community. Therefore, while we are grateful for the Senate's efforts to bring the positive changes envisioned by SB 2942, we strongly urge the committee to defer action on the legislation to allow time to explore more effective solutions to the problems associated with both HCDA and ATDC.

LATE TESTIMONY

From: James A. Stubenberg [jstubenberg@stubenbergdurrett.com]
Sent: Monday, February 08, 2010 10:10 AM
To: WTLTestimony
Subject: SB2942 Hearing 2/8/2010, 2:45 pm

Committee on Water, Land, Agriculture and Hawaiian Affairs
Committee on Transportation, International and Intergovernmental Affairs

Our office represented Kenneth H Hughes, Inc., the proposed developer of the Pacific Quay project at Piers 5 and 6 in the Aloha Tower Development Area. That project failed as a result of a bad faith breach of contract by the ATDC. The ATDC has been ordered to pay damages and attorney's fees as a result.

We support SB2942 insofar as it abolishes the ATDC and transfers the ATDC's development functions to the HCDA. We spent four years working with the ATDC on the Pacific Quay project and, based on that experience, it is painfully clear that the ATDC is not capable of meeting its statutory mandate to develop the Aloha Tower area. The HCDA is the appropriate agency for that task.

We have reservations, however, concerning the appointment of an executive director and the appointment of staff for the harbors modernization group. The Harbors Division of the DOT can supply or hire the necessary personnel to assist the harbors modernization group. That is the function of the DOT. SB2942, as drafted, proposes an unnecessary and expensive bureaucratic layer which should be avoided.

James A Stubenberg, Esq.
Stubenberg & Durrett LLP
841 Bishop Street, Suite 702
Honolulu, Hawaii 96813
Direct: (808) 792-1210
Main: (808) 526-0892
Cell: (808) 497-8701
Fax: (808) 533-4399
Visit our website at: www.stubenbergdurrett.com

CONFIDENTIAL COMMUNICATION. This e-mail is intended only for the addressee(s), and may contain confidential attorney-client information that is privileged. If you are not the intended recipient, or an agent responsible for delivery of this message to the intended recipient, then you have received this message in error, and any review, dissemination or copying of this message is strictly prohibited. If you have received this message in error, please notify the sender immediately by telephone or e-mail and return this message and any accompanying attachments to the sender by mail.

TESTIMONY

SB 2942

LATE

(END)