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GOVERNOR

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DIRECTOR
OFFICE OF PLANNING

Statement of
LEO R. ASUNCION
Director, Office of Planning
before the
HOUSE COMMITTEE ON WATER AND LAND
Friday, February 3, 2017
9:00 AM
State Capitol, Conference Room 325

in consideration of
HB 1552
RELATING TO THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY.

Chair Yamane, Vice Chair Kong, and Members of the House Committee on Water and Land.

The Office of Planning (OP) offers comments on HB 1552, which would establish Transit-Oriented Redevelopment Community Districts within the Hawaii Community Development Authority (HCDA) to plan and develop mixed use districts within a one-half mile radius of three (3) rail stations in the Honolulu rail station transit corridor -- Leeward Community College, Kapalama, and Aloha Stadium. The bill also allows HCDA to enter into public-private partnerships for a lease-back arrangement of lands, and provides general obligation bond financing for infrastructure improvements.

While this proposal could potentially expedite Transit-Oriented Development (TOD) on State lands, OP has a number of concerns related to the bill:

- Many of the proposed duties conveyed to HCDA overlap with duties and responsibilities of the Hawaii Interagency Council for TOD (TOD Council) recently established pursuant to Hawaii Revised Statutes (HRS) §226-64 (Act 130, SLH 2016). Any planning and coordination activities including identifying TOD infrastructure needs and financing and long-range planning, would be duplicative or potentially conflicting with the tasks already mandated to the TOD Council, including the development of a State strategic plan for TOD.
- The effective delivery of infrastructure system capacity to accommodate planned and future State agency projects with those of other public and private developers requires a much broader and coordinated regional geographic approach to land use planning and development along the rail corridor than the assignment of powers granted to a

single development authority limited to a one-half mile radius of several train stations.

- The redevelopment potential of many State-owned properties along the rail corridor has yet to be assessed by the TOD Council. The selection of three (3) rail stations – Leeward Community College, Kapalama, and Aloha Stadium, identifies and assumes potential infrastructure investment priorities for State-owned lands at these station areas. The specific station-areas designated for infrastructure investment priorities still need further review before they are determined to be priorities and ready for development.
- The HCDA may have the authority and capacity to perform many of the duties prescribed, but the interface with the existing City and County of Honolulu Neighborhood TOD Plans, including the boundaries for designated TOD districts and current and proposed zoning designations, is unclear and could result in conflicting plans and priorities for land use and the provision of adequate infrastructure to accommodate the planned developments.

OP would prefer that the TOD Council be given the opportunity to proceed with planning and coordinating development at these rail stations in collaboration with the county and affected State agencies. The broader State TOD Strategic Plan being prepared will include long-range planning and identifying TOD infrastructure needs and financing. OP further notes that the TOD Council may have an opportunity to work closely with HCDA as a potential existing authority for TOD implementation.

Thank you for the opportunity to testify on this matter.



STATEMENT OF
JESSE K. SOUKI, EXECUTIVE DIRECTOR
HAWAII COMMUNITY DEVELOPMENT AUTHORITY

BEFORE THE
HOUSE COMMITTEE ON WATER AND LAND

ON

Friday, February 3, 2017
9:00 A.M.

State Capitol, Conference Room 325

in consideration of
**HB1552 – RELATING TO THE HAWAII COMMUNITY DEVELOPMENT
AUTHORITY**

David Y. Ige
Governor

John Whalen
Chairperson

Jesse K. Souki
Executive Director

Chair Yamane, Vice Chair Kong and members of the committee.

This testimony reflects my view alone. The Hawaii Community
Development Authority (HCDA) has not acted on this measure.

In my capacity as the HCDA Executive Director, I respectfully offer
comments on this proposal.

While this bill closely tracks the HRS Chapter 206E in some of our
Community Development Districts, it departs from past practice in one crucial
area: it does not provide a clear boundary for the proposed Transit Oriented
Development (TOD) district. This could lead to confusion as the proposed one-
half mile radius could bisect properties in a manner that could lead to confusion.

In order to streamline the process and to honor work already done with the
community, I would recommend the bill require HCDA to develop its plans in
alignment with the City and County's Neighborhood TOD plans.

Finally, developing and implementing these plans and rules will require
additional resources. The HCDA board voted to request that any increase in
responsibilities be accompanied with resources to carry out the new duties.

We estimate it will require an additional 4.5 FTE and \$520,000 annually
with an additional \$430,000 annual operational costs to carry out this mission.

Thank you for the opportunity to provide comments on this bill.

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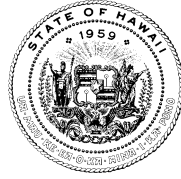
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**TESTIMONY OF JOBIE M. K. MASAGATANI, CHAIRMAN
HAWAIIAN HOMES COMMISSION
BEFORE THE HOUSE COMMITTEE ON WATER & LAND**

COMMENTS

HB 1552 RELATING TO THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY

February 3, 2017

Aloha Chair Yamane and members of the Committee:

The Department of Hawaiian Home Lands (DHHL) offers comments on this bill that establishes Transit-Oriented Redevelopment Community Districts within the Hawaii community development authority (HCDA) to develop districts along certain rail stations in the Honolulu rail station transit corridor and allows the HCDA to enter into public-private partnerships for a lease-back arrangement of lands. DHHL takes no position as to the establishment of Transit-Oriented Redevelopment Community Districts within HCDA. DHHL's interest in this bill is related to properties it owns near the Kapalama transit station. Since the use and disposition of Hawaiian Home Lands is under the exclusive jurisdiction of the Hawaiian Homes Commission and the Hawaiian Homes Commission Act, as amended, DHHL cannot support the redevelopment authority's ability to lease Hawaiian Home lands located near the Kapalama transit station.

Thank you for your consideration of our testimony.

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Testimony to the House Committee on Water & Land**February 3, 2017****9:00 am****Conference Room 325****RE: HB 1552 – Relating to the Hawaii Community Development Authority**

Chair Yamane, Vice-Chair Kong, and members of the committee:

My name is Gladys Quinto Marrone, CEO of the Building Industry Association of Hawaii (BIA-Hawaii). Chartered in 1955, the Building Industry Association of Hawaii is a professional trade organization affiliated with the National Association of Home Builders, representing the building industry and its associates. BIA-Hawaii takes a leadership role in unifying and promoting the interests of the industry to enhance the quality of life for the people of Hawaii.

BIA-HAWAII is in strong support of HB 1552, which establishes Transit-Oriented Redevelopment Community Districts within the Hawaii Community Development Authority (HCDA) to develop districts along certain rail stations in the Honolulu rail station transit corridor.

The purpose of this bill is to allow the State to realize the optimized value of the State owned lands along the transit corridor. The bill correctly identifies that many low density areas along the Honolulu rail transit project corridor will be underutilized when the project is completed. These areas provide opportunity for redevelopment that will increase the availability of workforce housing, mixed-use facilities and shared recreational spaces. In order to achieve this purpose, the authority shall plan a mixed-use district whereby industrial, commercial, residential, and public uses may coexist compatibly within the same area.

We applaud the efforts of the legislature to provide proactive leadership to ensure that state-owned lands are developed properly in order to realize the maximum benefits to the state. Market and affordable rentals in a pedestrian friendly, mixed-use environment can be realized when properly planned and implemented.

We strongly support H.B. 1552 and look forward to working with the new authority. We appreciate the opportunity to provide our input on this important legislation.