

Honolulu, Hawaii

February 9, 2016

RE: H.B. No. 2518

H.D. 1

Honorable Joseph M. Souki  
Speaker, House of Representatives  
Twenty-Eighth State Legislature  
Regular Session of 2016  
State of Hawaii

Sir:

Your Committee on Economic Development & Business, to which was referred H.B. No. 2518 entitled:

"A BILL FOR AN ACT RELATING TO TRANSIT-ORIENTED DEVELOPMENT,"

begs leave to report as follows:

The purpose of this measure is to assist businesses and commercial property owners negatively impacted by the construction of Honolulu's rail transit project by establishing a business mitigation relief pilot program to provide financial assistance to impacted businesses meeting certain qualifications.

The Chamber of Commerce Hawaii, Powerhouse Gym Aiea, and a concerned individual testified in support of this bill. The Honolulu Authority for Rapid Transportation testified in support of the intent of this measure. The Department of Business, Economic Development, and Tourism provided comments.

The Honolulu rail transit project represents the largest and most expensive capital project in the history of the City and County of Honolulu. While the project has resulted in increased economic activity for the construction industry, many local businesses along the rail project alignment are currently being negatively impacted by construction activities to the point where the economic viability of certain business establishments is being questioned. Although the Honolulu Authority for Rapid Transportation is providing relocation and advisory assistance to businesses affected by the construction of the rail project, this



assistance may not be adequate. Your Committee finds that the establishment of a pilot program to financially assist businesses impacted by construction of the rail transit project makes economic sense.

Your Committee has amended this measure by changing its effective date to July 1, 2050, to facilitate further discussion.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2518, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2518, H.D. 1, and be referred to your Committee on Transportation.

Respectfully submitted on  
behalf of the members of the  
Committee on Economic  
Development & Business,



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DEREK S.K. KAWAKAMI, Chair



