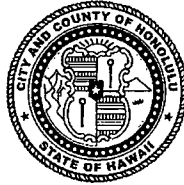


HB 863

DEPARTMENT OF PLANNING AND PERMITTING
CITY AND COUNTY OF HONOLULU

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DAVID K. TANOUÉ
DIRECTOR
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DEPUTY DIRECTOR

April 6, 2009

The Honorable Donna Mercado Kim, Chair
and Members of the Committee on
Ways and Means
State Senate
State Capitol
Honolulu, Hawaii 96813

Dear Chair Kim and Members:

**Subject: House Bill No. 863, HD1, SD1
Related to Establishing a County
Transit Oriented Development
Infrastructure Revolving Fund**

The Department of Planning and Permitting **strongly supports** House Bill No. 863, HD1, SD1 which would add to Section 36, HRS, a new infrastructure revolving fund under the director of budget and finance. It would support the development of transit-oriented development (TOD), with priority being given to those projects which increase infrastructural capacity on a regional or collector system basis.

Transit-oriented development offers many benefits to the State of Hawaii. TOD promotes pedestrian friendly communities. It reduces traffic congestion, air pollution, and dependence on imported oil. It increases transit ridership, making public transportation more economically viable and ensuring greater transportation equity. It can minimize future sprawl, preserving valuable agricultural and conservation lands; and it can be a magnet for preferred developments that can stimulate the State's economy.

Decades of lack of support for increasingly aging infrastructure systems – in particular, sewer, water and roadways - has become a major obstacle to implementing the counties' growth management policies and revitalization of older communities. With the opportunity for social and economic development opportunities posed by TOD, attention to basic infrastructure capacities is essential.

The Honorable Donna Mercado Kim, Chair
and Members of the Committee on
Ways and Means
State Senate
Re: House Bill 863, HD1, SD1
April 6, 2009
Page 2

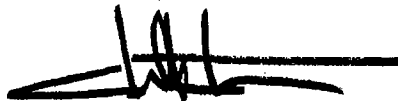
However counties cannot bear the costs of upgrades alone. Past estimates just to upgrade the City and County of Honolulu's sewer system will cost \$2 billion. The Department of Planning and Permitting believes that a revolving fund providing no-interest loans to counties for infrastructure projects would expedite the development of TOD projects and would benefit the State's economy and quality of life for its residents.

Finally, please note that no funds are being requested at this time. This is not meant to be an unfunded program, but instead, recognizes the current economic challenges faced by the state. At a future date, funds would be requested. Even without funding, we feel it is appropriate to establish the fund at this time. It becomes an indicator to the private sector of the state's willingness to support TOD.

Please pass House Bill 863, HD1, SD1, with an effective date of this year.

Thank you for the opportunity to testify.

Sincerely yours,



David K. Tanoue, Director
Department of Planning and Permitting

DKT: jmf
hb863hd1sd1-kst.doc

BIA-HAWAII
BUILDING INDUSTRY ASSOCIATION

April 6, 2009

Senator Donna Mercado Kim, Chair
Committee on Ways and Means
State Capitol, Room 211
415 South Beretania Street
Honolulu, Hawaii 96813

Subject: **House Bill No. HB 863 HD1, SD1 Relating to Establishing a County Transit Oriented Development Infrastructure Revolving Fund**

Dear Chair Kim and Members of the Committee on Ways and Means:

I am Karen Nakamura, Chief Executive Officer 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 863 HD1,SD1.**

The bill proposes to create a no-interest loan revolving fund to provide loans to the counties for infrastructure improvements that support transit-oriented development.

The City and County of Honolulu is about to embark on the largest Capital Improvement Project in the States' history. The Honolulu High Capacity Transit Project will reshape the landscape of Honolulu for the next century. The bill properly recognizes that the key to allowing for more compact and dense development in and around the transit corridor is to provide the necessary infrastructure capacity to accommodate the planned future growth in the area. More importantly, providing the infrastructure capacity at the same time the transit project is being constructed will minimize the impact on the public along the transit route as the construction activity will be done once, not twice.

We ask for your favorable consideration of HB 863 HD1, SD1.

Thank you for the opportunity to share our views with you.



Chief Executive Officer
BIA-Hawaii

kim4 - Elizabeth

From: Fukuda, Lester [les.fukuda@hdrinc.com]
Sent: Saturday, April 04, 2009 4:26 PM
To: WAM Testimony
Subject: HB 863 HD1 SD1 Relating to Establishing a County Transit Oriented Development Infrastructure Revolving Fund
Attachments: Picture (Metafile) 1.jpg

Senate Committee on Ways & Means
Hearing: Monday April 6, 2009
9:30am CR 211

Honorable Senators Donna Mercado Kim, Chair, Senator Shan S. Tsutsui, Vice Chair and Members of the Senate Committee on Ways & Means,

The American Public Works Association Hawaii Chapter is in Support of HB 863 HD1 SD1 - Relating to Establishing a County Transit Oriented Development Infrastructure Revolving Fund. This will assist the Counties to facilitate the development of Transit Oriented Development projects through the use of the Revolving Fund structure.

We urge you to support this bill.

Mahalo,

Les Fukuda, Vice President



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