

STAND. COM. REP. NO.

1294

Honolulu, Hawaii

APR 09 2009

RE: H.B. No. 863
H.D. 1
S.D. 2

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred H.B. No. 863, H.D. 1, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO ESTABLISHING A COUNTY TRANSIT ORIENTED DEVELOPMENT INFRASTRUCTURE REVOLVING FUND,"

begs leave to report as follows:

The purpose of this measure is to create a no-interest loan revolving fund to provide loans to the counties for infrastructure improvements that support transit-oriented development.

Specifically, this measure establishes the county infrastructure development revolving loan fund to be administered by the Director of Finance. The fund will provide no-interest loans to the counties for the development, pre-development, or construction of infrastructure projects to expedite the building of transit-oriented development, particularly those involving affordable housing and requires that the Director give first priority to projects that increase infrastructure capacity on a regional or collector system level, as opposed to those that only support capacities for a specific, limited number of properties.

The measure also allows an amount from the fund to be used for administrative expenses incurred by the Department of Finance other than day-to-day administrative expenses of projects. This measure also defines the term "infrastructure" and requires the Department of Finance to submit annual reports to the Legislature.



Your Committee received four written comments on this measure. The written comments may be reviewed on the Legislature's website.

Your Committee finds that the creation of this revolving fund will help to spur transit-oriented development along the mass transit corridor. However, upon further consideration, your Committee has amended this measure to limit the use of the revolving fund for affordable housing infrastructure only. Accordingly, your Committee has:

- (1) Inserted language throughout the measure to specify this limited use of the revolving fund only for affordable housing infrastructure; and
- (2) Deleted language regarding giving first priority to projects that increase infrastructure capacity on a regional or collector system level, as opposed to those that only support capacities for a specific, limited number of properties.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 863, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 863, H.D. 1, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,



DONNA MERCADO KIM, Chair



