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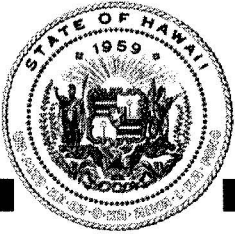
TESTIMONY BY GEORGINA K. KAWAMURA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE HOUSE COMMITTEE ON ECONOMIC REVITALIZATION,
BUSINESS, AND MILITARY AFFAIRS
ON
HOUSE BILL NO. 2217

February 9, 2010

RELATING TO THE OFFICE OF PLANNING

House Bill No. 2217 establishes the Planning special fund in the Department of Business, Economic Development and Tourism. Revenues in the special fund are comprised of: 1) appropriations by the Legislature; 2) federal funds granted by Congress or executive order; and 3) donations and contributions from private individuals or organizations to be used for the operations of the Office of Planning including personnel costs. The bill provides that the moneys from the Planning special fund used for current or future personnel costs shall be limited to those employees performing specialized duties necessary to meet the statutory and federal mandates of programs within the Office of Planning; however, no appropriation is included in the bill.

As a matter of general policy, this department does not support the creation of any special fund that does not meet the requirements of Section 37-52.3, Hawaii Revised Statutes. Special funds should: 1) reflect a clear nexus between the benefits sought and charges made upon the users or beneficiaries of the program; 2) provide an appropriate means of financing for the program or activity; and 3) demonstrate the capacity to be financially self-sustaining. It is difficult to determine whether the sources of funding for the Planning special fund reflect a clear nexus and whether the special fund will be self-sustaining.



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Statement of
ABBEY S. MAYER
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before the
**HOUSE COMMITTEE ON ECONOMIC REVITALIZATION,
BUSINESS AND MILITARY AFFAIRS**
Tuesday, February 9, 2010
8:30 AM
State Capitol, Conference Room 312

in consideration of
HB 2217
RELATING TO THE OFFICE OF PLANNING

Chair McKelvey, Vice Chair Choy and Members of the House Committee on
Economic Revitalization, Business and Military Affairs.

The Office of Planning opposes HB 2217 Relating to the Office of Planning. The measure does not meet a statutory requirement for a special fund – that it be self-sustaining. Further, we defer to the Executive Supplemental Budget for 2011 for guidance as to the appropriateness of this measure given the current fiscal crisis. However, we are very appreciative of the support for meeting the statutory and federal mandates of programs within the Office of Planning evidenced in this bill.

We have a further concern with the potential for a conflict of interest posed by allowing "Donations and contributions made by private individuals or organizations for deposit into the fund."

Thank you for the opportunity to testify.

HOUSE COMMITTEE ON ECONOMIC REVITALIZATION, BUSINESS & MILITARY AFFAIRS

Representative Angus L.K. McKelvey, Chair
Representative Isaac W. Choy, Vice Chair

Tuesday, February 9, 2010
House Conference Room 312
8:30 AM

HOUSE BILL 2217

Relating to the Office of Planning

Testimony submitted by Michelle S. Matson

This testimony is in full support of House Bill 2217, which establishes a planning special fund for Office of Planning operations, including personnel costs. Valuable experienced and knowledgeable State personnel have recently vacated positions in both the State Office of Planning and the State Historic Preservation Division. This cumulative loss is catastrophic for the irreplaceable protective functions of these agencies.

In addition to the noble purpose of establishing a planning special fund to ensure the essential functions of the Office of Planning and to enable employment of those with the necessary experience and required disciplines to carry out these critical functions, an additional step should be taken by *transferring to the Office of Planning the functions of both the Hawaii Community Development Authority and the Aloha Tower Development Corporation*, presently also attached agencies to the faltering Department of Business, Economic Development and Tourism. This consolidation of attached autonomous agencies should respectively resolve the following:

- Segmented jurisdictions precluding comprehensive urban planning;
- Overlapping analysis, planning, design and development responsibilities and functions;
- Inconsistent and unequal assignments of qualified personnel to associated tasks;
- Disproportionate rented office space related to functions;
- Absence of critical data development, storage and integration;
- Inability to openly communicate with public interests;
- Inability to consistently work collaboratively with public representatives;
- Controlled internal development of final product with limited public information;
- Budgetary restrictions on personnel needs and requirements;
- Budgetary restrictions on adequate technology to perform necessary planning functions.

The Hawaii Community Development Authority and the Aloha Tower Development Corporation are autonomous agencies separately charged with the comprehensive master planning and redevelopment oversight of state lands in Kaka'ako Mauka and Makai, Kalaeloa, and the vital and historic Downtown Honolulu Waterfront, respectively. However, despite Legislative advisories, enacted laws and a Court order, these autonomous agencies have yet to demonstrate over the past several years that they have become educated in emerging from insulated operations into contemporary community-based planning and open communications practices attuned to compatible and functional land uses in view of the public health, welfare and quality of life of the present population and future generations.

Clearly the overlapping purposes and functions of these segmented autonomous planning and development agencies are well-suited to the functions of the Office of Planning, whose related statutory purposes include engaging in the following:

- comprehensive land use planning and program coordination
- in-depth policy research, analysis, and recommendations
- effective implementation of policies and priorities
- monitoring social, economic, and physical conditions
- developing implementation plans in collaboration with affected public private agencies and organizations
- reviewing, assessing, and coordinating major plans, programs, projects, and regulatory activities
- coastal and ocean environmental policy management
- geographic information system development - collecting, integrating, analyzing, maintaining, and disseminating data and information to avoid redundant data development efforts *related to essential public policy issues such as land use planning, resource management, homeland security, and the overall health, safety, and well-being of Hawaii's citizens*
- conducting 5-year plans and studies to determine projected increases in both resident and visitor populations and resulting potential physical, social, economic, environmental and carrying capacity impacts

With the statutory mandate of balancing community and economic needs with resource limitations and protections for comprehensive planning purposes, the Office of Planning should have the wherewithal to accomplish these objectives in the greater public interest by superseding stagnant planning practices, precluding political and corporate cronyism, and avoiding other such tendencies long embedded within the segmented autonomous planning and development agencies attached to the Department of Business, Economic Development and Tourism. Thus it would make sound fiscal and comprehensive planning sense to consolidate the overlapping functions and streamline the costs of these attached agencies, integrate contemporary community-based planning practices, restore qualified and experienced personnel, and provide state-of-art technology and resource support for the Office of Planning as an independent department so vital to Hawaii's comprehensive land use and shoreline resource planning.

The House Committee on Economic Revitalization, Business & Military Affairs is therefore respectfully encouraged to consider incorporating the mechanisms for the transfer and consolidation of the Hawaii Community Development Authority and the Aloha Tower Development Corporation together with the Office of Planning as an independent department within this measure as a collective remedy for the present ongoing state of affairs. Thank you for providing the opportunity to testify on these significant issues and in full support of House Bill 2217.