

LATE TESTIMONY



Via: TRNtestimony@Capitol.hawaii.gov

February 1, 2010

Opposition to HB 2751 Relating to Transportation
(Imposing Impact Fees on West Oahu Developers for Pearl Harbor Tunnel Study)

Honorable Chair and Speaker Emeritus Joseph M. Souki,
Vice Chair Karen Leinani Awana, and Members of the House Transportation Committee:

My name is Dave Arakawa, and I am the Executive Director of the Land Use Research Foundation of Hawaii (LURF), a private, non-profit research and trade association whose members include major Hawaii landowners, developers and a utility company. One of LURF's missions is to advocate for reasonable, rational and equitable land use planning, legislation and regulations that encourage well-planned economic growth and development, while safeguarding Hawaii's significant natural and cultural resources and public health and safety.

LURF **strongly opposes HB 2751**, which would establish the Pearl Harbor Special Fund into which shall be deposited impact fees collected from development in West Oahu to fund a feasibility study and planning for a Pearl Harbor underwater transportation tunnel. LURF's opposition is based on the following:

- **Pursuant to HRS 279E, the proposed Pearl Harbor Tunnel Project must go through the OMPO process first.** The Pearl Harbor tunnel transportation study proposed by HB 2751 is a matter which is under the jurisdiction of the Oahu Metropolitan Planning Organization (OMPO), and the existing processes which require recommendations from the OMPO Citizen's Advisory Committee and OMPO Technical Advisory Committee, approval of the OMPO Policy Committee; and placement on the OMPO Oahu Transportation Regional Plan (OTRP)
- **The cost of housing in West Oahu will increase as a result of HB 2751.** The impact fees which are proposed to be imposed on West Oahu developers will likely be passed on to the purchasers of new homes in West Oahu, including first time home-buyers. These people cannot afford such impact fees.
- **HB 2751 is inconsistent with the Legislature's SCR 132 Construction industry Task Force recommendations and proposed legislation**, which intends to reduce the cost of development and homes for Hawaii's residents.

- **The proponents of HB 2751 do not have the approval of the U.S. Navy to construct a tunnel under Pearl Harbor.** The key to a tunnel under Pearl Harbor are the national security concerns of the U.S. Navy and obtaining its permission and approval for a tunnel under Pearl harbor. We would respectfully recommend that before proposing a law which would impose impact fees on home buyers in West Oahu for a tunnel under Pearl Harbor, the proponents of this bill should first obtain the approval of the U.S. Navy.

DISCUSSION. Pursuant to HRS 279E, OMPO is primarily an advisory body to the legislature and the legislative body of the appropriate county in affairs involving the continuous, comprehensive, cooperative urban transportation planning for the county. HRS 279E is designed to provide the mechanism by which orderly and reasoned urban transportation planning can take place within the framework of federal law and the need to provide for adequate and informed representation from both the state and county governments and the public at large.

The proposed legislation ignores HRS 279E and the OMPO procedural process for approving transportation process and the practical and political realities of the study and implementation of a project such as a tunnel under Pearl Harbor. To obtain federal, state or county construction funding, the proposed Pearl Harbor tunnel project must be approved by OMPO; and it does **not** appear as a proposed project in any of the three primary planning and programming documents produced by the OMPO, which include: the following Overall Work Program (OWP), the Transportation Improvement Program (TIP), and the Oahu Regional Transportation Plan (ORTP).

The Oahu Regional Transportation Plan (ORTP) is the blueprint that guides investments in the island's transportation system to reduce congestion, build new sidewalks and bicycle facilities, improve transit service and access to transit, enhance safety and security, and maintain freight access. The ORTP communicates the long-range vision and transportation goals, objectives, and policies for Oahu. The document also identifies specific highway and transit projects and programs that are planned for the next twenty years.

OMPO updates and revises the ORTP every five years in accordance with Federal regulations. It is an essential part of the continuing, cooperative, and comprehensive statewide multimodal transportation planning efforts conducted in Hawaii. The ORTP serves as a means of verifying the eligibility of Oahu for Federal funds earmarked for its surface transportation systems. It is important to recognize, however, that the inclusion of a project or program in the ORTP does not guarantee its construction or implementation. Rather, it allows a project to begin a series of more detailed evaluations during which a project could be postponed or terminated for reasons such as environmental impact, cost, or lack of public support.

The ORTP 2030, as of Amendment #1, was endorsed by the OahuMPO Policy Committee in April 2006. OMPO is currently in the process of updating the ORTP to 2035. It is anticipated the update will be completed in early 2011.

The Oahu Transportation Improvement Plan (TIP) describes and prioritizes the surface transportation programs and projects that the OahuMPO Policy Committee has selected for implementation during the program period. The TIP is the adopted list of public transit, highway, bicycle, and pedestrian projects that will receive federal transportation funds in the near future. The TIP needs to be financially constrained; that

is, there must be a reasonable expectation that projects that are identified will have the necessary federal and local funding. Projects identified in the TIP must be consistent with the ORTP. The TIP is adopted by the OMPO Policy Committee and sent to the Governor for approval. Upon approval, the TIP is incorporated as the Oahu element of the Statewide TIP (STIP).

The Overall Work Program (OWP) is a document that is produced annually, describes all of the regionally-significant surface transportation planning projects expected to be undertaken for Oahu during the Federal fiscal year. The OWP is an essential transportation-planning tool. It spells out the ongoing planning activities, planning studies, and technical support projects that are being conducted on behalf of the OMPO and its participating agencies and provides detailed budget information about them.

The OWP is a requirement for metropolitan planning initiatives performed using Federal funds. While planning studies funded by other, non-Federal sources need not be identified in the OWP, the OMPO includes them to reflect the context and direction they set for the major planning efforts being undertaken for the metropolitan planning area, which includes the entire Island of Oahu.

The work performed under this annual work program is primarily accomplished by a combination of professional and technical staff and consultants under the direction of the OMPO and its participating agencies. The level of study for projects funded through the OWP generally does not go beyond concept-level planning. OWP funds cannot be used for preliminary engineering, final design, or construction projects.

CONCLUSION. LURF is in **strong opposition to HB 2751**, based on the following:

- **Pursuant to HRS 279E, the proposed Pearl Harbor Tunnel Project must go through the OMPO process first;**
- **The cost of housing in West Oahu will increase as a result of impact fees proposed by HB 2751.**
- **HB 2751 is inconsistent with the Legislature's SCR 132 Construction industry Task Force recommendations and proposed legislation, which intends to reduce the cost of development and homes for Hawaii's residents.**
- **Prior to imposing an impact fee on new homes in West Oahu, the proponents of HB 2751 should first obtain the support and approval of the U.S. Navy to construct a tunnel under Pearl Harbor.**

We appreciate the opportunity to express our **opposition to HB 2751**.