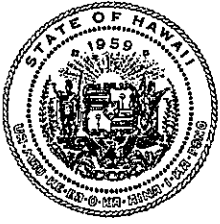


TESTIMONY

SB 1316



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

LINDA LINGLE
GOVERNOR
THEODORE E. LIU
DIRECTOR
MARK K. ANDERSON
DEPUTY DIRECTOR

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804
Web site: www.hawaii.gov/dbedt

Telephone: (808) 586-2355
Fax: (808) 586-2377

Statement of
THEODORE E. LIU
Director

Department of Business, Economic Development, and Tourism
before the

**SENATE COMMITTEE ON WATER, LAND, AGRICULTURE, AND HAWAIIAN
AFFAIRS**

Wednesday, February 11, 2009
2:45 p.m.
State Capitol, Conference Room 229

in consideration of
SB 1316

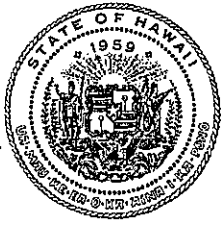
RELATING TO THE ALOHA TOWER DEVELOPMENT CORPORATION

Chair Hee, Vice Chair Tokuda, and Members of the Senate Committee on Water, Land, Agriculture, and Hawaiian Affairs.

The Department of Business, Economic Development and Tourism respectfully opposes SB 1316, which would repeal Chapter 206 J, Aloha Tower Development Corporation (ATDC) and transfer its personnel and assets to DBEDT.

The department recognizes that there may be merit in exploring alternative organizational arrangements for pursuing ATDC's functions and responsibilities. However, due to the numerous critical projects and extensive responsibilities that ATDC has assumed for Harbor redevelopment on behalf of the state, we believe that elimination or substantial changes to ATDC would seriously hamper adequate oversight of those projects. We would prefer that these strategic projects be substantially complete before such organizational changes are considered.

Thank you for the opportunity to offer these comments.



ALOHA TOWER DEVELOPMENT CORPORATION

TOPA Financial Center, Bishop Street Tower, 700 Bishop Street, Suite 1701, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804
Website: www.alohatower.org

LINDA LINGLE
Governor
MELISSA PAVLICEK
Chairperson
SANDRA PFUND
Chief Executive Officer

Telephone: (808) 586-2530
Fax: (808) 586-3046
E-mail: atdc@alohatower.org

Amended: 2/10/09

Statement of
Sandra Pfund
Chief Executive Officer
Aloha Tower Development Corporation
before the
Senate Committee of
Water, Land, Agriculture, and Hawaiian Affairs
Wednesday, February 11, 2009
2:45 P.M.
State Capitol, Conference Room 229

in consideration of

SB 1316 RELATING TO THE ALOHA TOWER DEVELOPMENT CORPORATION

Chair Hee, Vice-Chair Tokuda, and Members of the Senate Committee on Water, Land, Agriculture, and Hawaiian Affairs.

This measure proposes to transfer all rights, powers, functions, and duties of the Aloha Tower Development Corporation (ATDC) to the Department of Business, Economic Development and Tourism (DBEDT).

The Board of Directors of the Aloha Tower Development Corporation (ATDC) has not held a meeting since the introduction of this measure and therefore has not discussed or taken a position on this bill.

From an administration standpoint, the ATDC supports the continued affiliation with DBEDT as the department's strategic objectives are in alignment with the mission of ATDC. The ATDC further supports the intent to keep the corporations rights, powers and functions intact.

The purpose of the measure is not stated in the bill, however, if the intent is to improve efficiencies and reduce operating costs, the ATDC would need to assess and quantify the degree to which this goal could be achieved through consolidation.

The ATDC is currently partnered with the Department of Transportation -- Harbors Division, to expedite the development of critically needed harbor infrastructure statewide under the Harbors Modernization Plan. It is critical during this economic downturn that the focus of the agency remains on moving the projects forward. Cargo and passenger volumes are down, and it is a good time to implement construction projects when impacts to operations are lessened. Construction projects undertaken during a strong economy often encounter extended project schedules to accommodate work stoppages for operational users of the working harbor. It is also an opportune time to stimulate the economy by having government projects move forward to provide jobs.

The ATDC is also seeking a Capital Improvement Project award to expand an on-grade parking area to provide additional parking, which is sorely needed in the project area. For the reasons stated above, it is likewise a good time to pursue this project and keep focus on the ATDC's mission.

In summary, while ATDC is open to further discussion and collaboration on this measure, and we believe that in the best interest of moving our critical projects forward, that we maintain ATDC in its present form and not detract focus from the work at hand.

Thank you for the opportunity to testify on this measure.

TESTIMONY

SB 1316

(END)