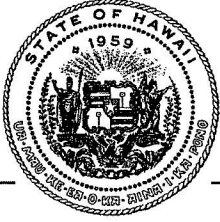


From: Teresa Hee [Thee@dbedt.hawaii.gov]
Sent: Tuesday, February 01, 2011 2:37 PM
To: WLOtestimony
Cc: Gov.Policy; DBFLeg.DIR; Gail Haruki; Tommilyn Soares
Subject: HB0117_BED-OP_02-04-11_WLO-EEP
Attachments: HB0117_BED-OP_02-04-11_WLO-EEP.pdf

Categories: Red Category

Testifier:	Mary Lou Kobayashi Planning Program Administrator Office of Planning
Committee:	WLO/EEP
Date/Time of Hrg.	Friday, 2/04/11 @ 10:00 AM, Rm. 325
Measure No.	HB 117
No. of Copies to Committee:	1

Teri Hee
Secretary, Office of Planning
P.O. Box 2359
Honolulu, HI 96804-2359
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**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

NEIL ABERCROMBIE
GOVERNOR
RICHARD C. LIM
INTERIM DIRECTOR
MARY LOU KOBAYASHI
PLANNING PROGRAM ADMINISTRATOR
OFFICE OF PLANNING

OFFICE OF PLANNING

235 South Beretania Street, 6th Floor, Honolulu, Hawaii 96813
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Statement of
MARY LOU KOBAYASHI
Planning Program Administrator, Office of Planning
Department of Business, Economic Development, and Tourism
before the
HOUSE COMMITTEE ON WATER, LAND AND OCEAN RESOURCES
AND
HOUSE COMMITTEE ON ENERGY AND ENVIRONMENTAL PROTECTION
Friday, February 4, 2011
10:00 AM
State Capitol, Conference Room 325

in consideration of
HB 117
RELATING TO SPECIAL MANAGEMENT AREAS

Chairs Chang and Morita, Vice Chairs Har and Coffman, and Members of the House Committees on Water, Land and Ocean Resources and Energy and Environmental Protection.

HB 117 proposes to increase the dollar threshold applied to determine whether a proposed development should be processed for a special management area (SMA) use permit or a SMA minor permit from \$125,000 to \$500,000.

We support the intent of this measure insofar as it increases the cost threshold given that development costs have steadily risen and that adjustments to the cost criterion for the SMA permit have not kept pace. The last adjustment occurred in 1991. However, we are not certain that \$500,000 is the appropriate amount.


From a substantive perspective, we recommend repeal of the cost criterion. Irrespective of cost, state and county SMA permit administrators are required to assess the probable environmental and ecological effects of developments, taking into account cumulative effects, within the framework of the objectives and polices and the SMA guidelines provided in Chapter 205A, Hawaii Revised Statutes (HRS). Processing as a SMA use permit or a SMA minor permit should be determined by the existence of potential or probable impacts.

To effectuate the repeal, we offer the following amendments to the definitions in Section 205A-22, HRS, found in HB 117.

“Special management area minor permit” means an action by the authority authoring development [~~the valuation of which is not in excess of \$125,000 or which~~] that has no substantial adverse environmental or ecological effect, taking into account potential cumulative effects.

“Special management area use permit” means an action by the authority authoring development [~~the valuation of which exceeds \$125,000 or which~~] that may have a substantial adverse environmental or ecological effect, taking into account potential cumulative effects.

Thank you for the opportunity to offer these comments.



From: Friedel, John M. [jfriedel@honolulu.gov]
Sent: Wednesday, February 02, 2011 12:09 PM
To: WLOtestimony
Cc: Bannister, Robert H.; Peirson, James H.; Challacombe, Arthur D.; Tanoue, David K.; Sumada, Jiro A; Nishimura, Lori
Subject: DPP Testimony (HB117 - SMA; threshold)
Attachments: hb117-SMA-jp.pdf
Categories: Red Category

To Whom It May Concern:

I am the legislative liaison for the City & County of Honolulu, Department of Planning and Permitting (DPP). Attached is the DPP testimony for HB117 to be heard by WLO/EEP on Thursday, 02/03/11.

Should you have any questions, please call me at 768-8110.

Aloha,
John M. (Mike) Friedel

DEPARTMENT OF PLANNING AND PERMITTING
CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET, 7TH FLOOR • HONOLULU, HAWAII 96813
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PETER B. CARLISLE
MAYOR



DAVID K. TANOUE
DIRECTOR

JIRO A. SUMADA
DEPUTY DIRECTOR

February 4, 2011

The Honorable Jerry L. Chang, Chair
and Members of the Committee on Water, Land,
and Ocean Resources
The Honorable Hermina M. Morita, Chair
and Members of the Committee on Energy
and Environmental Protection
House of Representatives
State Capitol
Honolulu, Hawaii 96813

Dear Chairs Chang, Morita, and Members:

**Subject: House Bill No. 117
Relating to Special Management Areas**

The Department of Planning and Permitting (DPP) **supports** House Bill No. 117, which raises the project valuation threshold for projects which may be processed under a Special Management Area (SMA) Minor Permit from \$125,000 to \$500,000.

The current threshold was established in 1991 and an increase is long overdue. Since the current threshold is unreasonably low, we often see small business owners and operators either forego or defer beneficial improvements because they would otherwise be subject to the more rigorous and costly SMA (Major) Use Permit process. The current project valuation threshold is not meaningful from a regulatory perspective. It is unnecessarily burdensome, and should be increased accordingly.

Thank you for this opportunity to comment on this matter.


Very truly yours,

A handwritten signature in black ink, appearing to read "David K. Tanoue", is written over a horizontal line.

David K. Tanoue, Director
Department of Planning and Permitting

DKT: jmf

hb117-SMA-jp.dic


From: mailinglist@capitol.hawaii.gov
Sent: Thursday, February 03, 2011 2:51 PM
To: WLOtestimony
Cc: salvado@lurf.org
Subject: Testimony for HB117 on 2/4/2011 10:00:00 AM
Attachments: 110204 HB117 SMAs - Incrse in Threshold for Minor Projects (WLO-EEP JUD).pdf

Categories: Red Category

Testimony for WLO/EEP 2/4/2011 10:00:00 AM HB117

Conference room: 325
Testifier position: support
Testifier will be present: No
Submitted by: David Arakawa
Organization: Land Use Research Foundation
Address: 1100 Alakea Street Honolulu, Hawaii
Phone: 808-521-4717
E-mail: salivado@lurf.org
Submitted on: 2/3/2011

Comments:
Aloha Committee Clerk,

Please accept our testimony in support of HB 117 and please distribute to Committee members.

Thank you.
Shannon Alivado
LURF



LAND USE RESEARCH
FOUNDATION OF HAWAII

1100 Alakea Street, 4th Floor
Honolulu, Hawaii 96813
(808) 521-4717
www.lurf.org

February 4, 2011

Representative Jerry L. Chang, Chair and Representative Sharon E. Har, Vice Chair
Committee on Water, Land & Ocean Resources
Representative Hermina M. Morita, Chair and Representative Denny Coffman, Vice Chair
Committee on Energy & Environmental Protection

**Testimony of the Land Use Research Foundation of Hawaii in support of HB 117,
Relating to Special Management Areas (Increases the valuation threshold for the
review of minor projects within the special management areas.)**

Friday, February 4, 2011 at 10:00 a.m. in CR 325

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 appreciates the opportunity to provide our testimony in support of HB 117, which increases the valuation threshold for the review of minor projects within the special management areas.

HB 117. The purpose of this bill is to raise the threshold for the review of minor developments within the special management areas from \$125,000 up to \$500,000, to allow for more expeditious processing.

LURF's Position. LURF agrees that the rising cost of construction materials and labor has resulted in increased overall costs of development projects. These increased costs by and large have the most impact on smaller, minor projects, which have recently grown in number in response to the economic downturn experienced over the past few years. This increase in minor projects, coupled with the shortage of planning department personnel resulting from recent hiring freezes implemented by various counties, has resulted in a significant slow down in the ability of the counties to review and process projects within the special management areas.

LURF believes the proposed increase of the valuation threshold for minor developments under Section 205A-22, Hawaii Revised Statutes, from \$125,000 to \$500,000 will directly address the existing backlog and prevent delay in agency review and processing, thereby helping to reduce overall development project costs.

LURF is in support of HB 117, and we respectfully urge your favorable consideration. Thank you for the opportunity to present our testimony regarding this matter.

From: Wright, Marcia [marcia.wright@heco.com]
Sent: Thursday, February 03, 2011 9:16 AM
To: WLOtestimony
Cc: Liu, Rouen
Subject: HB 117 Testimony for Feb 4 WLO-EEP Hearing
Attachments: HB117 WLO-EEP Testimony 2-4-11.pdf

Categories: Red Category

Attached is testimony by Rouen Liu, Permit Engineer, Engineering Dept., Hawaiian Electric Company, on HB 117 for the WLO/EEP hearing on Friday, Feb. 4, 2011 at 10am. Thank you.

Marcia Wright
HECO Government Relations
808-543-5860
808-203-1636 fax
marcia.wright@heco.com

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**Testimony before the House Committees on
Water, Land, & Ocean Resources and
Energy and Environmental Protection**

**By Rouen Liu
Permit Engineer, Engineering Department
Hawaiian Electric Company, Inc.**

February 4, 2011

**House Bill 117
Relating to Special Management Areas**

Chairs Chang and Morita, Vice Chairs Har and Coffman and Members of the
Committees:

My name is Rouen Liu and I am testifying on behalf of the Hawaiian Electric
Company and its subsidiaries, Hawaii Electric Light Company and Maui Electric
Company.

Position:

We support HB117 which increases the valuation threshold for the review of
minor projects within the special management area.

Comments:

- Material and labor costs have risen over the years and raising the valuation
threshold would be appropriate.

Thank you for the opportunity to testify on this matter.

From: Sally Kaye [skaye@runbox.com]
Sent: Thursday, February 03, 2011 9:52 AM
To: WLOtestimony
Subject: HB 117

Categories: Red Category

COMMITTEE ON WATER, LAND, & OCEAN RESOURCES

Rep. Jerry L. Chang, Chair
Rep. Sharon E. Har, Vice Chair

Rep. Rida T.R. Cabanilla	Rep. Ken Ito
Rep. Mele Carroll	Rep. Hermina M. Morita
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Rep. Jerry L. Chang	Rep. Mark M. Nakashima
Rep. Pono Chong	Rep. Gil Riviere
Rep. Sharon E. Har	Rep. Cynthia Thielen

Re: HB117

As a former member and Chair of the Lana`i Planning Commission, I strongly **OPPOSE** the above measure for the following reasons:

- In many areas of the state the only “home rule” permitted lies in the review of development and proposals in the special management areas of each island.
- To raise the monetary amount for minor permit review removes the review process from the local communities and transfers it to administrative review, which is often conducted by those who do not live in or near the area effected, not to mention even on the same island.
- To rely on the “shortage of personnel that the various county planning departments a experiencing” is nonsensical; this will increase their work load, while removing any semblance of local review.
- To rely on an unidentified and non-quantified assertion that “costs of purchasing and importing construction materials” have increased to support the reduction in local control over use of local lands is contrary to principles of good government in the State of Hawai`i.

For the above reasons, I strongly **OPPOSE** HB117.

Thank you for this opportunity to testify to your Committees.

Sally Kaye
P.O. Box 631313
511 Ilima Avenue

Lanai City, HI 96763
808-565-6276