

WRITTEN ONLY

TESTIMONY BY KALBERT K. YOUNG
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE SENATE COMMITTEE ON WATER, LAND AND HOUSING
ON
HOUSE BILL NO. 389, H.D. 3

March 15, 2011

RELATING TO LAND USE

House Bill No. 389, H.D. 3, establishes the Heeia Community Development District and the Heeia Community Development Revolving Fund into which all revenues, income, and receipts of the authority for the district; moneys allocated from government agencies, private individuals, or organizations; and moneys appropriated to the fund by the Legislature shall be deposited.

The department recognizes the benefit of user fees to offset operational expenses and costs. However, as a matter of general policy, the Department of Budget and Finance expects the creation of any revolving fund would meet the requirements of Section 37-52.4 of the Hawaii Revised Statutes. Special or revolving 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. In regards to House Bill No. 389, H. D. 3, it is difficult to determine whether the fund will be self-sustaining.



TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
TWENTY-SIXTH LEGISLATURE, 2011

LATE

ON THE FOLLOWING MEASURE:
H.B. NO. 389, H.D. 3, RELATING TO LAND USE.

BEFORE THE:

SENATE COMMITTEE ON WATER, LAND, AND HOUSING

DATE: Tuesday, March 15, 2011 TIME: 1:15 p.m.

LOCATION: State Capitol, Room 225

TESTIFIER(S): David M. Louie, Attorney General, or
Lori N. Tanigawa, Deputy Attorney General

Chair Dela Cruz and Members of the Committee:

The Department of the Attorney General provides the following testimony:

Section 2 of this bill amends chapter 206E, Hawaii Revised Statutes (HRS), by adding a new part that establishes the Heeia Community Development District (HCDD). Subsections (b) and (c) of the second section of the new part, section 206E, entitled "District established; boundaries," beginning on page 2 at line 20, enumerate the duties of the Hawaii Community Development Authority (the "Authority") with respect to serving as the local redevelopment authority of HCDD, and provide for the addition of three voting members to represent HCDD. In order to facilitate easy reference to the Authority's duties as it relates to HCDD and the provision of additional voting members for HCDD, we recommend that subsections (b) and (c) be separated from the section entitled "District established; boundaries" and placed as another section in the new Chapter 206E, HRS.

One of the duties enumerated under subsection (b) is that the Authority shall:

- (1) Coordinate with landowners in the district and immediately surrounding area and other entities to implement activities related to and supportive of



HAWAII COMMUNITY
DEVELOPMENT AUTHORITY



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STATEMENT OF
ANTHONY J. H. CHING, EXECUTIVE DIRECTOR
HAWAII COMMUNITY DEVELOPMENT AUTHORITY

BEFORE THE
SENATE COMMITTEE ON WATER, LAND, AND HOUSING
TUESDAY, MARCH 15, 2011

1:15 P.M.

State Capitol, Conference Room 225

H.B. 389, H.D. 3 – RELATING TO LAND USE.

Purpose: Establishes the Heeia Community Development District on 405 acres known as the Heeia Wetlands acquired by the Hawaii Community Development Authority (HCDA) in an exchange agreement with the Kamehameha Schools. Eighty acres adjacent to the Heeia Wetlands held by the Kamehameha Schools are also included in the community development district.

Position: The HCDA supports the passage of this proposal and provides the following comments.

Defer to the Kamehameha Schools with respect to the inclusion of approximately 80 acres of their lands into the Heeia Community Development District. The preamble of the proposal notes that eighty acres of land adjacent to the Heeia wetlands is under title to the Kamehameha Schools. The preamble further specifies, that this "eighty-acre parcel is included in the new Heeia Community Development District." As the title to the remainder of the proposed district is primarily held by the HCDA and while it is not a prerequisite for all lands of any community development district to be held by the HCDA, I defer to the Kamehameha Schools and any other landowner with respect to their land's inclusion in the community development district.



LATE

KAMEHAMEHA SCHOOLS

TESTIMONY TO THE COMMITTEE ON WATER, LAND, AND HOUSING
By Ulalia Woodside
Kamehameha Schools – Land Assets Division

March 15, 2011

Senator Donovan M. Dela Cruz, Chair and Senator Malama Solomon, Vice Chair

Comments on HB 389 HD3, Relating to Land Use.

As an institution dedicated to prudent stewardship of agricultural and conservation lands, Kamehameha Schools (KS) respectfully submits comments on HB 389 HD3, which establishes the He'eia Community Development District in Ko'olaupoko, O'ahu. The proposed district would include certain lands owned by Kamehameha Schools.

KS's Position. KS respects the bill's intent to enhance agricultural and conservation lands in He'eia, a vision is that is well aligned with our own management objectives for KS' He'eia lands. However, KS respectfully requests that the parcel under KS ownership, TMK (1) 4-6-016: 036 not be included in the proposed district, for the following reasons:

- KS currently manages its He'eia lands for the prudent balance of natural resources, agriculture and aquaculture, community, culture and education; and expects to continue to manage these lands in this manner.
- As a private landowner with a perpetual mission, KS humbly serves our founder's vision in perpetuity. We believe we are best able to do so when we retain our full ability to make strategic uses of these land assets.

KS strongly supports the bill's intent to conserve the remarkable resources of He'eia, respectfully seeks the removal of the above-referenced parcel from inclusion into the district and urges your consideration of this position.

Mahalo for the opportunity to provide testimony.

Ulalia Woodside
Regional Manager, Natural and Cultural Resources