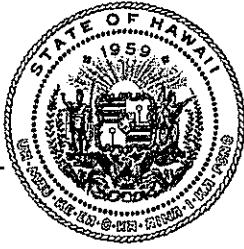


SB215

Creates tax credits as an incentive for companies to expand or locate their operations in Hawaii and increase employment. Provides for an application and agreement process with the department of taxation and Hawaii housing finance and development corporation to obtain the tax credits. Repeals on 1/1/2017.



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

NEIL ABERCROMBIE
GOVERNOR

RICHARD C. LIM
DIRECTOR

MARY ALICE EVANS
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
RICHARD C. LIM
Director

Department of Business, Economic Development & Tourism

before the
**SENATE COMMITTEE ON ECONOMIC DEVELOPMENT, GOVERNMENT
OPERATIONS, AND HOUSING**
Wednesday, February 13, 2013
3:15 p.m.
State Capitol, Conference Room 016
in consideration of
SB 215, Proposed S.D. 1
Relating to Economic Development.

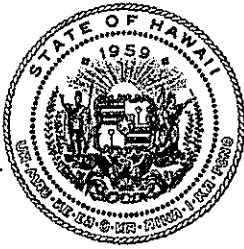
Chair Dela Cruz, Vice Chair Slom, and Members of the Committee on Economic Development, Government Operations, and Housing.

SB No. 215, Proposed SD 1, establishes a public-private partnership authority (PPPA); requires a pilot project; and appropriates funds for the operation of the PPPA to be expended by the Department of Business, Economic Development and Tourism (DBEDT).

DBEDT **supports** the Proposed SD 1 for the following reasons.

- Compliance with all land use, zoning, and permitting requirements.
- Compliance with historic preservation requirements.
- Compliance with Ceded Lands revenue entitlements.
- Compliance with Chapter 343.
- Protections for traditional and customary practices as required by law.
- Legislative approval required for sale, exchange, or gifting of Ceded Lands.
- Public agencies retain control of lands currently under their jurisdiction.
- Public agencies programs benefit from increased revenues generated on their lands.
- State parks are excluded from becoming a PPPA project.

DBEDT defers to other appropriate state agencies for further comments on this measure. Thank you for the opportunity to offer comments on this bill.



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

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804
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NEIL ABERCROMBIE
GOVERNOR

RICHARD C. LIM
DIRECTOR

MARY ALICE EVANS
DEPUTY DIRECTOR

AMENDED 2-12-13

Statement of
RICHARD C. LIM
Director

Department of Business, Economic Development & Tourism

before the
**SENATE COMMITTEE ON ECONOMIC DEVELOPMENT, GOVERNMENT
OPERATIONS, AND HOUSING**

Wednesday, February 13, 2013

3:15 p.m.

State Capitol, Conference Room 016
in consideration of

**SB 215, Proposed S.D. 1
RELATING TO ECONOMIC DEVELOPMENT.**

Chair Dela Cruz, Vice Chair Slom, and Members of the Committee on Economic Development, Government Operations, and Housing.

The Department of Business, Economic Development and Tourism supports Senate Bill 215, Proposed SD 1, which establishes a public-private partnership authority (PPPA); requires a pilot project; and appropriates funds for the operation of the PPPA to be expended by DBEDT.

DBEDT defers to other appropriate state agencies for further comments on this measure. Thank you for the opportunity to testify on this bill.

WRITTEN ONLY

TESTIMONY BY KALBERT K. YOUNG
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE SENATE COMMITTEE ON ECONOMIC DEVELOPMENT,
GOVERNMENT OPERATIONS AND HOUSING
ON
SENATE BILL NO. 215, PROPOSED S.D. 1

February 13, 2013

RELATING TO ECONOMIC DEVELOPMENT

Senate Bill No. 215, Proposed S.D. 1, establishes the Public-Private Partnership Authority (PPPA) under the Department of Business, Economic Development and Tourism (DBEDT) to coordinate and administer culturally sensitive development projects. The bill also creates the Public-Private Partnership Special Fund into which shall be deposited appropriations made by the Legislature and revenues generated from public-private partnership projects to fund the operating and capital expenses of the PPPA.

The Department of Budget and Finance (B&F) defers to DBEDT regarding the technical issues and merits of the bill; however, as a matter of general policy, B&F does not support the creation of any special fund which does not meet the requirements of Section 37-52.3 of the HRS. 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 Senate Bill No. 215, Proposed S.D. 1, it is difficult to determine whether the fund will be self-sustaining. We encourage the Legislature to scrutinize the fiscal and operational plan for this program to ensure that it does conform to the requirements of Section 37-52.3, HRS.

The bill also "re-establishes" the Stadium Facilities Special Fund and the School Facilities Special Fund which were established last year by Act 282, SLH 2012, and Act 309, SLH 2012, respectively. It is unclear how these special funds relate to this bill.

NEIL ABERCROMBIE
GOVERNOR



KATHRYN S. MATAYOSHI
SUPERINTENDENT

STATE OF HAWAII
DEPARTMENT OF EDUCATION
P.O. BOX 2360
HONOLULU, HAWAII 96804

Date: 02/13/2013

Committee: Senate Economic Development,
Government Operations and Housing

Department: Education

Person Testifying: Kathryn S. Matayoshi, Superintendent of Education

Title of Bill: SB 0215,SD1 Proposed RELATING TO ECONOMIC DEVELOPMENT.

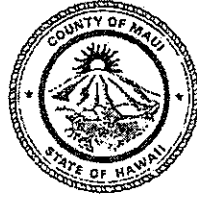
Purpose of Bill: Finds the need for partnerships between state agencies and private sector agencies to help deliver services and facilities more effectively. Establishes a single public private partnership authority to implement projects on behalf of public agencies.

Department's Position:

The Department of Education (DOE) supports the intent of this bill in addressing the significant financial challenges in addressing the inadequacies of the department's facilities inventory. However, due to the complexities and scope of this undertaking, the DOE recommends a more measured approach such as contained in SB 0237 SD1. This bill would address the same issues, but would first explore signature projects demonstrating proof of concept.

Thank you for the opportunity to provide testimony on this important bill.

ALAN M. ARAKAWA
MAYOR



200 South High Street
Wailuku, Hawai'i 96793-2155
Telephone (808) 270-7855
Fax (808) 270-7870
e-mail: mayors.office@mauicounty.gov

OFFICE OF THE MAYOR

Ke'ena O Ka Meia
COUNTY OF MAUI – Kalana O Maui

TESTIMONY OF ALAN ARAKAWA, MAYOR COUNTY OF MAUI

BEFORE THE SENATE
COMMITTEE ON ECONOMIC DEVELOPMENT, GOVERNMENT OPERATIONS AND
HOUSING

SENATE BILL 215 (Proposed SD1) RELATING TO ECONOMIC DEVELOPMENT

Wednesday, February 13, 2013, 3:15 p.m., Conf Room 16

The Honorable Senator Donovan D. Dela Cruz, Chair
And Members of the Committee on Economic Development, Government
Operations and Housing

Thank you for this opportunity to offer testimony on **Senate Bill 215** (Proposed SD1) relating to economic development. We understand that the State is facing fiscal challenges while continuously having to address the ever increasing infrastructure and service needs. We also understand that the original purpose of this measure was to create a vehicle and process for public-private partnerships to work collaboratively with state agencies and other public and private entities to help generate funds from state lands to bolster the revenue-strapped departments and agencies that operate throughout the state. Such funds can be used to better manage, service, and make needed capital improvements to our facilities.

As Mayor of Maui County, I can **SUPPORT** SB 215, **but contingent** upon the following:

1. That the law relating to the Public Land Development Corporation be repealed;
2. That this bill receive full and transparent review, public input, and meaningful discussion through the state's normal legislative processes;
3. That the State NOT be able to exempt projects under this measure from statutes, ordinances, charter provisions, and rules of any government agency relating to special improvement district assessments or requirements; land use, zoning, and construction standards for subdivisions, development, and improvement of land; and the construction, improvement and sale of homes thereon unless coordinated with the counties via an collaborative agreement (i.e. memorandum of agreement or understanding).

4. That the legislature acknowledges that each of the counties and their communities are unique, and that it is vital that the counties' right to "home rule" is preserved by allowing the counties to retain their ability to review and approve or disapprove of projects proposed for development within the individual counties. Specifically, my administration requests that the following language be added to Section 5, at subsection (e):

"The counties may waive their respective regulatory requirements on a project-by-project basis for land use, zoning, and permitting, provided that the authority shall enter by Council with the county prior to commencing project-related construction."

And,

5. That the scope of the measure is narrowed to allow for "pilot projects". As Mayor of Maui County, I respectfully request that the County of Maui be added as a "pilot project" with the following language added to Part II, Section 2:

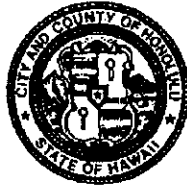
"SECTION 2. After the adoption of rules pursuant to section ____-4(a) (4), Hawaii Revised Statutes, the public-private partnership authority shall initiate a pilot project pursuant to chapter _____, Hawaii Revised Statutes, for the development of a film production facility on state lands in Kapolei, and a main-street project on state lands in Wahiawa, city and county (sic) of Honolulu, and similar projects for educational purposes and to stimulate economic development and job creation in all counties."

Thank you for considering our testimony in support of SB215, contingent upon our requests set-forth in herein.

DEPARTMENT OF PLANNING AND PERMITTING
CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET, 7TH FLOOR • HONOLULU, HAWAII 96813
PHONE: (808) 768-8000 • FAX: (808) 768-6041
DEPT. WEB SITE: www.honoluluodpp.org • CITY WEB SITE: www.honolulu.gov

KIRK CALDWELL
MAYOR



JIRO A. SUMADA
ACTING DIRECTOR

February 13, 2013

The Honorable Donovan M. Dela Cruz, Chair
and Members of the Committee on Economic Development,
Government Operations and Housing
State Senate
Hawaii State Capitol
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Chair Dela Cruz and Committee Members:

**Subject: Senate Bill No. 215, Proposed SD 1
Relating to Economic Development**

The Department of Planning and Permitting provides **comments** on Senate Bill No. 215; Proposed SD 1, which would establish a Private-Public Partnership Authority (P3A), to plan, implement and manage projects.

We support the redevelopment of underutilized lands, especially in our transit corridor. We need to make better use of urban lands by emphasizing compact, mixed use development. This leads to healthier lifestyles, reduced infrastructure maintenance and less dependence on the private car. This bill could play a significant role in meeting these objectives. The proposed pilot project of building a new film studio in Kapolei could be consistent with these City policies, if built within the transit corridor.

We are not taking a position on whether the P3A is the best vehicle to achieve the goal of making better use of State lands. However, designating an existing agency could be a viable option that reduces administrative costs. In addition, the mission of the P3A is so broad, that it may not have any focus. At the same time, there is not enough direction; while the P3A can clearly plan, manage and implement projects, what kind of projects? Under the definition of "project", what type of management programs is envisioned? How far can the P3A finance off-site infrastructure improvements? What is the relationship between the P3A and the Hawaii Community Development Authority, which is also a redevelopment agency?

The Honorable Donovan M. Dela Cruz, Chair
and Members of the Committee on Economic Development,
Government Operations and Housing
State Senate
Re: Senate Bill No. 215, Proposed SD 1
February 13, 2013
Page 2

In addition to clarifying the bill as outlined above, we request the following amendments:

1. Under proposed Section -4(8), the P3A's activities should also be coordinated with the applicable county.
2. Replace proposed Section -11 with language that says the P3A shall comply with applicable statutes and ordinances. The current language only provides a very short list of applicable statutes, which raises confusion as to whether the intent is to exempt the authority from all others. Similarly, proposed Section -4(13) only addresses reliance on the "Hawaii Community Development Authority for land use, zoning and permitting exemptions", which raises more questions than providing direction. These proposals would raise public concerns similar to that raised about the Public Land Development Corporation.
3. If the P3A is established, county representation should be included on its board.
4. County representation should also be included in the development of the two pilot projects.
5. As you know, some school facilities are located on City lands. Provisions for the City to be part of the negotiated projects and revenues should be included in the bill.

We look forward to a revised Senate Bill No. 215 with the Proposed SD 1 that addresses our concerns. Thank you for the opportunity to testify.

Very truly yours,


Jiro A. Sumada, Acting Director
Department of Planning and Permitting

JAS:jmf
Sb215PropSD1-EcoDeve-k

Council Chair
Gladys C. Baisa

Vice-Chair
Robert Carroll

Council Members
Elle Cochran
Donald G. Couch, Jr.
Stacy Crivello
Don S. Guzman
G. Riki Hokama
Michael P. Victorino
Mike White




Director of Council Services
David M. Raatz, Jr., Esq.

COUNTY COUNCIL
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.mauicounty.gov/council

February 12, 2013

TO: The Honorable Donovan M. Dela Cruz, Chair
Senate Committee on Economic Development, Government Operations and Housing

FROM: Gladys C. Baisa 
Council Chair

SUBJECT: **HEARING OF FEBRUARY 13, 2013; TESTIMONY IN SUPPORT OF SB 215,
PROPOSED SD1, RELATING TO ECONOMIC DEVELOPMENT**

Thank you for the opportunity to testify in general support of this important measure. The purpose of this measure is to establish the Public-Private Partnership Authority to identify projects and coordinate, administer, and enter into public-private agreements to deliver services and facilities for the economic, environmental, and social benefit of the people of Hawaii.

The Maui County Council has not had the opportunity to take a formal position on this measure. Therefore, I am providing this testimony in my capacity as an individual member of the Maui County Council.

While I generally support the concept of this measure, I cannot fully support the measure until, and unless, the following occur:

1. Chapter 171C, Hawaii Revised Statutes, relating to the Public Lands Development Corporation is repealed.
2. This measure receives full and transparent review, public input, and meaningful discussion through the State's normal legislative process as set forth in the Senate and House rules.
3. The State shall have no authority to exempt any project from special improvement district ordinances or statutes.
4. The legislature recognizes and shall not infringe upon the counties' home rule authority granting final approval for projects proposed for development on county land by amending Part I, Section 5 to add a Subsection (e) to read as follows:

(e) The counties may, by ordinance, waive zoning, land use, and permitting requirements on any project; provided that the authority shall enter into a development agreement with the county prior to project construction.

to. (See Sub-section 11 page 11 of the measure). The PPA must share revenues with OHA and it must abide by our state law regarding sale of ceded lands by requiring that the provisions of HRS 171-64.7 are followed.

Recommendations For Amendments:

- 1) There needs to be a definition of “culturally sensitive projects”. This was a problem with the PLDC until Hawaiians (including myself) submitted testimony for a definition of “Culturally sensitive projects”. The definition should state that “culturally sensitive projects” are projects that conform the laws of our state that: recognize, protect and preserve Hawaiian cultural resources, acknowledge & preserve access ways and trails utilized by Native Hawaiians and Hawaiians cultural rights to worship, preserve endemic species utilized by Native Hawaiians & Hawaiians for cultural practices and incorporate applicable provisions of our state constitution & statutes protecting Hawaiian tradition and customary gathering rights & practices.”
- 2) The composition of the Board should be changed from 6 to 5 people, to ensure that the Board does not vote itself into a stalemate (3 for & 3 against), and to incorporate the Aha Moku Council representatives (of the various islands) as consultants on any project that involves their respective islands. The Aha Moku was established to advise the DLNR on projects & matters that impact Hawaii’s natural & marine resources. They are recognized because of their cultural traditional knowledge.

Language should be drafted that says that the Board of 5 will consult with the appropriate member of the Aha Moku whenever a project is proposed for their respective islands. For Example: if a project is proposed for Kahoolawe, the Aha Moku representative is Les Kuloloio, if it is on Hawaii island the Aha Moku Representative is Piilani Kaawaloa. This change will bring in the right people under our existing statutory framework without increasing the Board to an even number.

The language should say that the Board will consult with the appropriate Aha Moku Council representative whenever projects are developed to ensure that their advice & input on the project are sought & considered by the Board.

- 3) Raising Funds for the PPA: The Measure should be amended to require that projects approved &/or undertaken by the Authority shall be required to pay a specified amount (\$) dollars into the Public-Private special fund in order to maintain the fund. Every Project approved by the PPA has utilized its services, a fair amount as a contribution to the fund. This could be characterized as a fee or processing cost to contribute to the fund.



Testimony of Cindy McMillan
The Pacific Resource Partnership

Committee on Economic Development, Government Operations and Housing
Senator Donovan M. Dela Cruz, Chair
Senator Sam Slom, Vice Chair

SB 215, Proposed SD1 – Relating to Economic Development
Wednesday, February 13, 2013
3:15 pm
Conference Room 16

Aloha Chair Dela Cruz, Vice Chair Slom and Members of the Committee:

The Pacific Resource Partnership (PRP) is a labor-management consortium representing over 240 signatory contractors and the Hawaii Regional Council of Carpenters.

PRP provides the following comments supporting the intent of SB 1304, Proposed SD1 Relating to Economic Development. This bill establishes a public-private partnership authority (“Authority”) that would be the vehicle to process and use the skills and assets of both the public and private sectors to deliver services and facilities for the economic, environmental, and social benefit of the people of Hawaii.

PRP believes a formalized process that allows state agencies to explore potential public-private partnerships would be worthwhile. The Department of Business, Economic Development, and Tourism (DBEDT) has the expertise and long-standing experience needed to appropriately explore the potential opportunities and administer the proposed Authority.

We are particularly pleased to note that the Authority – in planning and implementing the two pilot projects specified in the bill – must comply with:

- Chapter 6E – historic preservation
- Section 10-13.5 – ceded land revenues
- Chapter 92 – sunshine law
- Chapter 104 – wage and hours

February 13, 2013

Testimony Supporting SB 215, Proposed SD1 – Relating to Economic Development

Page 2

- 171-64.7 – legislative approval for the sale or gifting of certain lands
- Chapter 343 – environmental impact statements
- Chapter 444 – contractors (local jobs for local people)
- Customary and traditional gathering rights and practices to the extent feasible pursuant to the state constitution and relevant statutes

PRP expects that public input will be an essential part of the planning and implementation process.

Finally, if such an Authority is to be created, annual reporting to the governor and the legislature should be required along with an annual evaluation of the executive director's performance, as described in the proposed bill. The final report required upon completion of each pilot project should be detailed and inform the public of the results, challenges, and implications for future potential projects.

Thank you for the opportunity to share our views on this matter with you.



HAWAII BUILDING AND CONSTRUCTION TRADES COUNCIL, AFL-CIO
Gentry Pacific Design Center, Suite 215A * 560 N. Nimitz Highway, #50 * Honolulu, Hawaii 96817
(808) 524-2249 - FAX (808) 524-6893

February 12, 2013

KIKA G. BUKOSKI
Executive Director

EXECUTIVE BOARD

REGINALD CASTANARES
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GARY AYCOCK
Boilermakers, Ironship Builders
Local 204

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Sheet Metal Workers I.A. Local 293

RONAN KOZUMA
Hawaii Teamsters & Allied
Workers Local 996

VAUGHN CHONG
Roofers, Waterproofers & Allied
Workers United Union of Roofer
Local 221

Honorable Senator Donovan Dela Cruz, Chair
Honorable Senator Sam Slom, Vice Chair
Committee on Economic Development, Government Operations and Housing
State Capitol
Honolulu, Hawaii 96813

Re: SB215 proposed SD1- RELATING TO ECONOMIC DEVELOPMENT.
Establishes the public-private partnership authority. Requires the PPPA to initiate a pilot project. Appropriates an unspecified sum for the PPPA.
Hearing: Wednesday, February 13, 2013, 1515, Room 016

Aloha Chair Dela Cruz, Vice Chair Slom and Committee Members;

My name is Kika G. Bukoski, testifying on behalf of the Hawaii Building & Construction Trades Council, AFL-CIO. The Council is comprised of various construction trade unions and represents the interests of over 15,000 of Hawaii's unionized construction trades men and women throughout the state.

The Council supports Senate Bill 215 proposed SD1 which establishes the public-private partnership authority, requires the PPPA to initiate a pilot project and appropriates an unspecified sum for the PPPA.

Today's economic challenges have continued to make it more and more difficult to manage, maintain and repair our aging infrastructure while minimizing the cost and financial impact to the tax payers. Public-Private Partnerships have proven to be a useful tool that provides the financial mechanism to assist state government with this growing concern. Bill 215 proposed SD1 creates the opportunity for such partnerships to occur. Please support the passage of SB215 proposed SD1.

The HBCTC, chartered in 1953, is a recognized member of, and sanctioned by the AFL-CIO and our parent organization the Building and Construction Trades Department which is a national organization representing organized construction trades and created by the AFL-CIO in 1901. HBCTC has and continues to serve its members through the advocacy and education of construction trades in Hawaii. HBCTC has played an integral role in the social and economic fabric of Hawaii through its efforts and its membership and sincerely appreciate the opportunity to share our support of Senate Bill 215 proposed SD1.

Mahalo;

Kika G. Bukoski
Hawaii Building and Construction Trades Council, AFL-CIO



Sierra Club Hawai'i Chapter

PO Box 2577, Honolulu, HI 96803
808.538.6616 hawaii.chapter@sierraclub.org

SENATE COMMITTEE ON ECONOMIC DEVELOPMENT, GOVERNMENT OPERATIONS AND HOUSING

February 13, 2013, 3:15 P.M.
(Testimony is 1 page long)

TESTIMONY COMMENTING ON SB 215, PROPOSED SD1

Aloha Chair Dela Cruz and Members of the Committee:

The Sierra Club, Hawai'i Chapter, with 10,000 dues-paying members and supporters, offers comments to the proposed SD1 version of SB 215. This measure creates a public-private authority.

While we appreciate section 11 appears intended to provide assurance that this entity is subject to certain laws, the failure to reference all laws could be problematic. Under normal statutory construction, this might be construed as an intent to subject the entity to only the enumerated laws. We suggest either removing this section entirely or revising it to say "all projects implemented pursuant to this chapter shall comply, including but not limited to, the following:"

We also question whether it might be easier to give direction to an already existing entity, such as HCDA, rather than trying to develop a new entity and all of the substantive learning, development and training of personnel, and resource allocation that might entail.

Mahalo for the opportunity to testify.



Indigenous Consultants, LLC

Mililani B. Trask, Principal

P.O.Box 6377 ♦ Hilo, HI 96720

Mililani.trask@gmail.com



February 12, 2013

Bill # SB 215 Proposed SD1

Date: Wednesday, February 13, 2013

Time: 3:15 pm

Place: Conference Room 16

Committees: EGH



IDG | INNOVATIONS
DEVELOPMENT
GROUP

Aloha Senators,

The Indigenous Consultants (IC) is a Hawaii based, indigenous LLC owned and operated by Native Hawaiians. It was created to assist indigenous peoples in developing their renewable energy resources in ways that are: Culturally appropriate, environmentally green and sustainable, socially responsible and economically equitable and affordable. For several years the IC has worked with Innovations Development Group in New Zealand and indigenous Maori developing geothermal resources, which are trust assets of Maori Land Trusts. In addition, the IC has acted as a consultant to other indigenous people in Hawaii and Asia who are addressing development of their trust renewable energy resources in ways that directly benefit their people, bring in revenues, create small business opportunities and ensure fair & affordable rates to consumers, including themselves and their communities.

The Innovations Development Group (IDG) is a Hawaii based renewable energy Development Corporation owned by Native Hawaiians. It was created to facilitate the development of renewable energy resources of native people, and in summer 2011 presented its development model to legislators of the Energy & Land Committees.

The IDG & IC support this measure because it allows for the creation of a Public-Private Authority (PPA) but does not suffer from the problems the PLDC has.

This measure puts the PPA under the State DBEDT. This makes sense because the DBEDT is the state agency that has oversight and authority in Hawaii on matters relating to Economic Development.

This measure establishes an Authority to move forward with economic development projects in the State, but the Authority does not have sweeping exemptions from our state environmental, cultural, labor and historic preservation laws. This is made clear by the long list of statutes that the Authority must conform

to. (See Sub-section 11 page 11 of the measure). The PPA must share revenues with OHA and it must abide by our state law regarding sale of ceded lands by requiring that the provisions of HRS 171-64.7 are followed.

Recommendations For Amendments:

- 1) There needs to be a definition of “culturally sensitive projects”. This was a problem with the PLDC until Hawaiians (including myself) submitted testimony for a definition of “Culturally sensitive projects”. The definition should state that “culturally sensitive projects” are projects that conform the laws of our state that: recognize, protect and preserve Hawaiian cultural resources, acknowledge & preserve access ways and trails utilized by Native Hawaiians and Hawaiians cultural rights to worship, preserve endemic species utilized by Native Hawaiians & Hawaiians for cultural practices and incorporate applicable provisions of our state constitution & statutes protecting Hawaiian tradition and customary gathering rights & practices.”
- 2) The composition of the Board should be changed from 6 to 5 people, to ensure that the Board does not vote itself into a stalemate (3 for & 3 against), and to incorporate the Aha Moku Council representatives (of the various islands) as consultants on any project that involves their respective islands. The Aha Moku was established to advise the DLNR on projects & matters that impact Hawaii’s natural & marine resources. They are recognized because of their cultural traditional knowledge.

Language should be drafted that says that the Board of 5 will consult with the appropriate member of the Aha Moku whenever a project is proposed for their respective islands. For Example: if a project is proposed for Kahoolawe, the Aha Moku representative is Les Kuloloio, if it is on Hawaii island the Aha Moku Representative is Piilani Kaawaloa. This change will bring in the right people under our existing statutory framework without increasing the Board to an even number.

The language should say that the Board will consult with the appropriate Aha Moku Council representative whenever projects are developed to ensure that their advice & input on the project are sought & considered by the Board.

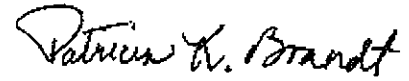
- 3) Raising Funds for the PPA: The Measure should be amended to require that projects approved &/or undertaken by the Authority shall be required to pay a specified amount (\$) dollars into the Public-Private special fund in order to maintain the fund. Every Project approved by the PPA has utilized its services, a fair amount as a contribution to the fund. This could be characterized as a fee or processing cost to contribute to the fund.

Regards,

Handwritten signature of Mililani B. Trask in black ink.

Mililani B. Trask - Indigenous Consultants LLC

Sincerely,

Handwritten signature of Patricia K. Brandt in black ink.

Patricia K. Brandt
CEO IDG Hawaii



February 12, 2013

Senator Donovan M. Dela Cruz, Chair
Senator Sam Slom, Vice Chair
Senate Committee on Economic Development, Government Operations and Housing

Comments Regarding SB 215, S.D. 1 Proposed, Relating to Economic Development (Establishes the public-private partnership authority (“PPPA”).

Wednesday, February 13, 2013, 3:15 p.m., in CR 016

The Land Use Research Foundation of Hawaii (LURF) is a private, non-profit research and trade association whose members include major Hawaii landowners, developers and a utility company. LURF’s mission 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 **comments in support of the intent** of this measure.

SB 215. This bill establishes the PPPA; requires the PPPA to initiate a pilot project; and appropriates funds for the PPPA.

LURF’s Position. LURF supports the intent of the measure, as it includes a number of issues which could support the success of public-private partnerships in Hawaii and principles of responsible planning and development, including, but not limited to the following:

- The establishment of the PPPA;
- The development of plans and implementation of projects on behalf of public agencies; and
- The establishment of special funds for public-private partnership projects, the Aloha Stadium, and public school facilities.

Notwithstanding our support for the intent of this measure, however, we would recommend that once established, the PPPA, the various state and county agencies, and private stakeholders continue to work together to come to a consensus to implement the proposals made in this bill.

Thank you for the opportunity to present testimony regarding this matter.

SENATE COMMITTEE on ECONOMIC DEVELOPMENT

**February 13, 2013 Public Hearing
Senate Conference Room 016
Hawaii State Capitol Auditorium
3:15 PM**

**SENATE BILL 215, PROPOSED SD1
RELATING TO ECONOMIC DEVELOPMENT**

Testimony in OPPOSITION by M.S. Matson

The proposed SD1 for Senate Bill 215 is yet another attempt to dress the Public Land Development Corporation wolf in sheep's clothing. By any other name the Public Land Development Corporation and its exploitation of public lands for private and political purposes is still the thorny, undesirable and unwanted Public Land Development Corporation (PLDC), whether re-named as a Public Private Partnership Corporation (PPPC) or a Public Private Partnership Authority (PPPA).

The proposed SD1 establishes six (6) PPPA voting board members, with a majority of only four (4) necessary to make decisions on the taking of public lands statewide. So few people taking such significant liberties on public land is undemocratic and contrary to the public interest.

The proposed SD1 enables the PPPA, like the PLDC, to manage, control and develop any public lands (state or county) transferred from any agency for unlimited purposes; including, for example, our "state parks" treasured by residents and visitors alike, developed for the purpose of "energy generation" (e.g., large natural resource acreage restricted from public use and enjoyment for conversion to wind farms with 400-foot wind turbines obstructing scenic view planes).

The proposed SD1 includes public school lands redevelopment and Aloha Stadium lands and facilities development, and their special funds. If these concepts have sound and significant public merit they should be considered and deliberated upon separately and in accordance with the full legislative process.

The proposed SD1 includes a mysterious pilot project and report to be completed prior to additional development projects identified by the proposed PPPA as "suitable." There is no clarification of the type or scope of such pilot project in this open-ended measure, nor is there any definition of "suitable." Would this be "suitable" in terms of developers' needs and profits, or in accordance with the larger public's interest, needs and desires for present and future generations?

While this measure selects several statutes for compliance purposes, it curiously overlooks HRS 205 and HRS 205-A (Land Use Commission, agricultural lands and coastal zone management) protections, among others. Thus this discriminatory tactic carries the appearance of avoiding regulations established in the public interest.

Clearly, the proposed SB 215 SD1 is a transparent attempt to pull the wool over the public's eyes with the intent to exploit protected public land for private purposes.

Hold SB 215 Proposed SD1 and Repeal the PLDC, Act 55, 2011 and Act 282, 2012.

Dane Wicker

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 11, 2013 8:20 AM
To: EGHTestimony
Cc: 1393c73b@opayq.com
Subject: *Submitted testimony for SB215 on Feb 13, 2013 15:15PM*

SB215

Submitted on: 2/11/2013

Testimony for EGH on Feb 13, 2013 15:15PM in Conference Room 016

Submitted By	Organization	Testifier Position	Present at Hearing
Troy Abraham	Individual	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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