



**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
TWENTY-SEVENTH LEGISLATURE, 2014**

ON THE FOLLOWING MEASURE:

S.B. NO. 2436, S.D. 2, H.D. 1, RELATING TO COMMUNITY PLANNING.

BEFORE THE:

HOUSE COMMITTEE ON FINANCE

DATE: Wednesday, April 2, 2014

TIME: 2:00 p.m.

LOCATION: State Capitol, Room 308

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

Chair Luke and Members of the Committee:

The Department of the Attorney General provides the following comments.

The purpose of the bill is to establish a transit-oriented development advisory committee to advise the Legislature and state agencies about sustainable development projects close to transit.

In section 2, page 6, lines 20-22, and page 7, lines 1-5, the bill provides:

For the purposes of this section, "transit-oriented development zone" means the parcels of land around a rapid transit station. Generally, the transit oriented development zone shall include the parcels of land where any portion is within one mile of the transit station; provided that the advisory committee may include or exclude any parcel from the transit-oriented development zone either upon its own initiation or upon request.

By allowing the advisory committee to include or exclude any parcel from the "transit-oriented development zone," the parameters of the zone may fluctuate and be subject to constant change. This is problematic because in section 2, page 2, lines 11-13, the bill provides that, "[t]hree members shall be individuals living within a three-mile radius of a transit-oriented development zone[.]" Thus, the three-mile radius which determines a member's residency qualification is dependent upon the established boundaries of the "transit-oriented development zone." If, however, the boundaries of the zone fluctuate or are subject to change, the three-mile radius of where individuals must reside in order to be considered residents of the "transit-oriented development zone" for committee membership purposes, might also fluctuate. This

might result in an unintended disqualification of a committee member. We therefore recommend that the definition of "transit-oriented development zone" be amended as follows:

For the purposes of this section, "transit-oriented development zone" means the parcels of land [~~around a rapid transit station. Generally, the transit oriented development zone shall include~~] where any portion is within one mile of the transit station[~~; provided that the advisory committee may include or exclude any parcel from the transit-oriented development zone either upon its own initiation or upon request~~].

In addition, we believe that subsection (d) in section 2, beginning on page 3, line 13, and continuing to page 5, line 21, could benefit from technical, nonsubstantive amendments for the purposes of clarity and consistency. We therefore recommend that subsection (d) be amended as follows:

(d) The advisory committee's advice and assistance shall address issues pertaining to sustainable development projects, [include] including but not [be] limited to:

- (1) Development and construction of a project that:
 - (A) Locates a transit stop at the center of a neighborhood;
 - (B) Creates an activity center;
 - (C) Reflects the character of the surrounding community;
 - (D) Includes engaging public spaces;
 - (E) Promotes pedestrian connections; and
 - (F) Facilitates a round-the-clock activity;
- (2) [~~Consideration of~~] Economic industry, commercial, and retail components within the project;
- (3) [~~Consideration of~~] An economic analysis for the project;
- (4) [~~Consideration of~~] The land use and zoning requirements, as they relate to infrastructure and capacity, and whether they are consistent with the county's transit-oriented development program;
- (5) [~~Identification of~~] Similar development plans, such as the city and county of Honolulu department of planning and permitting's neighborhood transit-oriented development plans;
- (6) Social and economic effects of the project, including:
 - (A) Expected population growth;
 - (B) Available jobs;
 - (C) Potential industries within the transit-oriented development zone; and
 - (D) Potential compatibility of mix of uses for the project;
- (7) A [Transit] transit analysis that considers:
 - (A) The proximity of transit to the project;
 - (B) The quality of pedestrian connectivity to transit; and
 - (C) Whether the planned densities are sufficient to support transit;

- (8) Preservation and expansion of workforce housing around transit to accommodate housing for:
 - (A) Individuals;
 - (B) Single families; and
 - (C) Senior citizens and persons who are aging in place; and
- (9) Identification and application of partnerships to provide opportunities for mutual expectations and shared risk and costs in which:
 - (A) The public sector may provide:
 - (i) Resolution to land use and zoning issues;
 - (ii) Site development;
 - (iii) Entitlement processes; and
 - (iv) Financial resources for land and infrastructure costs; and
 - (B) The private sector may provide experience and financial resources.

We respectfully ask that if the Committee is inclined to pass this bill, it do so with these suggested amendments.



HAWAII COMMUNITY
DEVELOPMENT AUTHORITY



KAKA
KALAELOA

Neil Abercrombie
Governor

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

BEFORE THE
HOUSE COMMITTEE ON FINANCE

ON

WEDNESDAY, APRIL 2, 2014

2:00 P.M.

State Capitol, Conference Room 325

in consideration of

S.B. 2436, SD2, HD1 – RELATING TO COMMUNITY PLANNING.

Purpose: To establish a transit-oriented development advisory committee to make recommendations about sustainable development projects close to transit.

Position: As this measure falls within the Hawaii Community Development Authority chapter §206E, I provide the following comments on the general provisions of this proposal.

Duplicative Efforts. This measure would create a new transit-oriented development advisory committee within the state Department of Business, Economic Development, and Tourism. While the HCDA supports the careful coordination of transit oriented development, such an advisory group already exists within the City & County of Honolulu. The creation of another advisory committee may be redundant, and may not produce the additional results that are sought.

Definition of Transit. Transit is not adequately defined in this measure, leaving it open to interpretation. It seems to imply rail transit with the inclusion of the Honolulu Authority for Rapid Transportation, however the lack of specificity may allow for any area to be deemed a “transit-oriented development zone.”

Scope. The scope of this measure goes beyond §206E, which is the statute that lays the framework for the establishment of the Hawaii Community Development Authority. As this bill does not specifically limit its scope to the three Community Development Districts that fall under HCDA jurisdiction, it may be too broad to be included in §206E.

Thank you for the opportunity to provide our comments on this proposal.



IN REPLY REFER TO:
CMS-AP00-00626

HONOLULU AUTHORITY for RAPID TRANSPORTATION

Daniel A. Grabauskas
EXECUTIVE DIRECTOR AND CEO

BOARD OF DIRECTORS

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Carrie K.S. Okinaga, Esq.

April 1, 2014

The Honorable Sylvia Luke, Chair
The Honorable Scott Y. Nishimoto, Vice Chair
The Honorable Aaron Ling Johanson, Vice Chair
and Members of the Committee on Finance
State House of Representatives
Hawaii State Capitol
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Chair Luke, Vice Chair Nishimoto, Vice Chair Johanson and Representatives:

Subject: SB2436, SD2, HD1 Relating to Community Planning.
Committee on Finance
Wednesday, April 2, 2014, at 2:00 PM

The Honolulu Authority for Rapid Transportation (HART) supports the intent of Senate Bill 2436, SD2, HD1, which encourages collaboration and coordination between State agencies that own property within transit-oriented development (TOD) zones around stations.

Attached is a copy of HART Board Resolution 2013-12, which reflects the Board of Directors' position regarding TOD-related legislation. HART is committed to working with State agencies, as well as the City Department of Planning and Permitting (DPP), Department of Transportation Services (DTS), and other City departments, to develop TOD and joint development projects.

HART respectfully recommends that the City should maintain advisory capacity over areas under its control, unless they are State-owned properties. HART also recommends that the mission of the advisory committee should be to identify TOD projects for development on State property.

We respectfully suggest limiting advisory capacity to areas with adjacent State property owners, and limiting the advisory group to nine (9) members with staggered terms, and membership as described below:

- (3) Community representatives: developer, resident living in a TOD area, and cultural representative

The Honorable Sylvia Luke, Chair
The Honorable Scott Y. Nishimoto, Vice Chair
The Honorable Aaron Ling Johanson, Vice Chair
and Members of the Committee on Finance

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- (2) City representatives: DPP-TOD (Chair), DTS
- (3) State agency representatives: Hawaii Department of Transportation, State Office of Planning, Governor appointee
- (1) HART representative

We thank you for this opportunity to provide written testimony.

Sincerely,



 Daniel A. Grabauskas
Executive Director and CEO

Attachment

cc: HART Board of Directors

Honolulu Authority for Rapid Transportation

RESOLUTION NO. 2013 - 12

**REGARDING THE POSITION OF THE BOARD OF DIRECTORS OF
THE HONOLULU AUTHORITY FOR RAPID TRANSPORTATION ON
TRANSIT-ORIENTED DEVELOPMENT**

WHEREAS, the Honolulu Authority for Rapid Transportation (HART) has been established pursuant to Article XVII of the Revised Charter of the City and County of Honolulu 1973, as amended (RCH); and

WHEREAS, RCH Section 17-103.1 authorizes HART to “develop, operate, maintain and expand the city fixed guideway system;” and

WHEREAS, RCH Section 17-103.2(n) empowers HART to “promote, create and assist transit oriented development projects near fixed guideway system stations that promote transit ridership, and are consistent with the intent of the adopted community plans and zoning”; and

WHEREAS, the HART Board of Directors recognizes that transit oriented development (TOD) will benefit the Honolulu Rail Transit Project (H RTP) and its ridership through:

- **Encouraging convenient, safe multi-modal access to transit;**
- **Encouraging the creation of mixed-use, pedestrian and bicycle-friendly communities that provide employment, housing, and services;**
- **Creating housing options including market-rate and affordable units;**
- **Supporting economic development efforts; and**
- **Promoting sustainability by reducing pollution, noise and reliance on automobiles; and**

WHEREAS, TOD provides a unique opportunity to foster more livable communities that take advantage of the benefits of transit, specifically, reducing transportation costs for residents, businesses and workers while improving mobility and circulation in the station area for all modes of travel; and

WHEREAS, In order to capitalize on this tremendous opportunity, development around future rail station stations needs to be focused, balanced and well-planned.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of HART as follows:

1. **The HART Board of Directors favors and supports legislative measures which maximize the potential for TOD, promote effective community planning and provide a vision for neighborhood improvements and future urban redevelopment.**
2. **The HART Executive Director and CEO is authorized to submit testimony on pertinent legislation consistent with the overall policies set forth herein.**

3. This Resolution shall take effect immediately upon its adoption.

ADOPTED by the Board of the Honolulu Authority for Rapid Transportation on
DEC 19 2013.


Board Chair

ATTEST:


Board Administrator



Chamber of Commerce HAWAII

The Voice of Business

**Testimony to the House Committee on Finance
Wednesday, April 2, 2014 at 2:00 P.M.
Conference Room 308, State Capitol**

RE: SENATE BILL 2436 SD2 HD1 RELATING TO COMMUNITY PLANNING

Chair Luke, Vice Chairs Nishimoto and Johanson, and members of the Committee:

The Chamber of Commerce of Hawaii ("The Chamber") **supports** SB 2436 SD2 HD1, which establishes the transit-oriented development advisory committee to make recommendations about sustainable development projects close to transit.

The Chamber is the largest business organization in Hawaii, representing over 1,000 businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

Through the transit-oriented development advisory committee, this bill supports sustainable efforts to advance in transportation development. This step is a foundation for the future success of transit-oriented technology. However, we would like offer the consideration of including businesses and employers on the advisory committee. Representatives from the business community on the committee would provide helpful advice on planning and development of these transit-oriented projects.

Thank you for the opportunity to testify.

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GCA of Hawaii

GENERAL CONTRACTORS ASSOCIATION OF HAWAII

Quality People. Quality Projects.

Uploaded via Capitol Website

April 2, 2014

TO: HONORABLE SYLVIA LUKE, CHAIR, HONORABLE SCOTT NISHIMOTO,
HONORABLE AARON JOHANSON, VICE CHAIRS AND MEMBERS OF HOUSE
COMMITTEE ON FINANCE

SUBJECT: **S.B. 2436, SD2, HD1. RELATING TO COMMUNITY PLANNING.** Establishes the
transit-oriented development advisory committee to make recommendations about
sustainable development projects close to transit. Effective July 1, 2050. (SB2436 HD1)

Hearing

DATE: Wednesday, April 2, 2014
TIME: 2:00 p.m.
PLACE: Conference Room 308

Dear Chair Luke, Vice Chairs Nishimoto and Johanson and Members of the Committee,

The General Contractors Association of Hawaii (GCA) is an organization comprised of approximately six hundred general contractors, subcontractors, and construction related firms. The GCA was established in 1932 and is the largest construction association in the State of Hawaii. The GCA's mission is to represent its members in all matters related to the construction industry, while improving the quality of construction and protecting the public interest.

The GCA is in support of the intent of S.B. 2436, SD2, HD1 which is to ensure that the state, city and the Honolulu Authority for Rapid Transportation are working together to maximize our investment in rail transit and achieve the promise of transit-oriented development (TOD).

The GCA continues to support the Honolulu Rail Transit Project together with the concerted efforts of all parties involved to plan and construct the rail transit project. All parties must continue to work together to get this project delivered to the residents of the City and County of Honolulu. Rail will provide the most reliable, cost-efficient and convenient transportation pipeline between urban Honolulu and West Oahu.

GCA appreciates the opportunity to share our support of this measure.

DEPARTMENT OF PLANNING AND PERMITTING
CITY AND COUNTY OF HONOLULU

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KIRK CALDWELL
MAYOR



GEORGE I. ATTA, FAICP
DIRECTOR

ARTHUR D. CHALLACOMBE
DEPUTY DIRECTOR

April 2, 2014

LATE

The Honorable Sylvia Luke, Chair
and Members of the Committee on Finance
Hawaii State House of Representatives
Hawaii State Capitol
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Chair Luke and Committee Members:

SUBJECT: Senate Bill No. 2436, SD2, HD1
Relating to Community Planning

The Department of Planning and Permitting (DPP) and the City's Transit Oriented Development (TOD) Program **support the intent** of Senate Bill No. 2436, SD2, HD1, but have concerns with the Bill as drafted. The Bill would establish a TOD advisory committee to make recommendations about sustainable development projects close to transit, and to advise and assist the Legislature and State agencies.

We applaud interest in getting State agencies more involved in implementing TOD development projects. The State owns a significant amount of land around many of the stations, and has access to resources, partnerships, incentives and financing capacity that can be used to catalyze development on several of those parcels. We share the Bill's interest in maximizing the impact of State policies, land, and resources to support TOD projects that will enhance Oahu's neighborhoods, and look forward to continuing our partnership with the State. However, many of the proposed tasks in the Bill would appear to duplicate what the City's TOD Program and our partners (including many State agencies) have been working on for the last seven years. Senate Bill No. 2436, SD2, HD1, would set up a new advisory committee, which would take significant amount of time to get "up to speed" on TOD plans and initiatives, and ultimately just produce annual reports.

The DPP's TOD Program has developed six draft Neighborhood TOD Plans for the areas around 15 of the transit stations, and we are preparing to conduct the Airport and Aloha Stadium TOD plans for four stations (the remaining two station areas are under Hawaii Community Development Authority [HCDA] jurisdiction). Each plan is based on extensive community participation, with three to four public workshops in each area; several smaller stakeholder meetings with land owners, business and community groups; and detailed community surveys. Thorough technical analysis underlies each plan, including market analysis and feasibility studies. All of this work is available at www.todhonolulu.org and has been shared with State agencies. In fact, several key State agencies have been members of the advisory

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and Members of the Committee on Finance
Hawaii State House of Representatives
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committee that shaped these plans, and participated at community workshops (State agencies are listed below). We do appreciate prior Senate committees' amendments to reflect our concerns, which added: "Identification of similar development plans, such as the city and county of Honolulu department of planning and permitting's neighborhood TOD plans."

The stations are, for the most part, located in well-established neighborhoods, many members who have spent years talking with us about how the TOD plans mesh with neighborhood goals. It would be difficult to start those conversations again with a new task force, and we wouldn't want to suggest dramatically new ideas without taking them back to the community. Forming a new task force would put the project back at least a year.

For the last year, we have focused on an implementation strategy to catalyze development opportunities, infrastructure investments, and neighborhood enhancements. We have started drafting land use ordinance and zoning updates, based on the Neighborhood TOD plans, which will make it easier to develop mixed-use projects that reflect the community's vision. The City's new TOD Sub-cabinet is a working group of infrastructure, transportation, environmental, housing, and planning directors who meet weekly to focus inter-agency efforts on expediting catalytic projects in the TOD areas, with a focus on feasibility, infrastructure availability, market interest, and ability to leverage other investments. Three catalytic projects were selected for this year, along with multimodal access and safety improvements around the first half of the rail stations that will open in 2017. We are also working with landowners and developers to generate interest in potential projects in key areas. These efforts have identified several potential sites, projects, and policies where the State's efforts could help leverage City and private developer investments.

The DPP has already been working with several State agencies on TOD-related issues, including the Department of Education (potential redevelopment opportunities and school access); Department of Health (potential bike share system and environmental/brownfields issues); Department of Accounting and General Services (potential State facilities and projects in TOD areas); Office of Planning (TOD planning and policy); Department of Hawaiian Home Lands (East Kapolei, Kalihi, and downtown TOD plans); HCDA (Downtown and East Kapolei Plans, and mobility and infrastructure improvements in Kakaako); Hawaii Housing Finance and Development Corporation (housing policy and project finance); Hawaii Public Housing Authority (Kalihi and Downtown TOD plans); Department of Land and Natural Resources (development of the East Kapolei TOD Plan); and the University of Hawaii system (West Oahu, Leeward Community College, and Honolulu Community College campuses and long-term redevelopment potential). We are preparing to initiate the Aloha Stadium TOD Plan, and have been meeting with DAGS and the Stadium Authority. We are also initiating the Airport Neighborhood TOD Plan, and will be working closely with the State Department of Transportation, as well as transit station access and safety improvements for the station areas along Farrington and Kamehameha highways.

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and Members of the Committee on Finance
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Rather than wait for a new advisory committee to meet quarterly and replicate much of the analysis done over the last several years, we respectfully suggest that it may be more effective – and quicker – to use our TOD Program's efforts as a starting point. Perhaps the DPP could host a series of work sessions with key State agencies to walk through each of the TOD Plans, present what we have learned about community goals, needs and potential, explore infrastructure issues, and highlight key development opportunities. This effort could identify several potential sites, projects, and policies where the State's efforts could help leverage City and private developer investments. We suggest that the emphasis should be on implementing projects – getting State resources directed geographically to the transit corridor. This effort could also help locate any new State facilities, especially offices, near rail stations. This is in keeping with recommendations from Smart Growth America in a study last year led by the State Office of Planning.

In summary, the DPP and the TOD Program **support the intent** of Senate Bill No. 2436, SD2, HD1. We recommend that State agencies meet with our TOD team to identify potential target areas where State land, resources, and policies can be focused to expedite affordable and middle-class housing development. We have included State agencies from the beginning of our TOD program in 2007, initially in the formulation of neighborhood TOD plans, and then broadening into defining regional policies and identifying sites for development of TOD projects. In lieu of this Bill, we would support a Resolution that endorses the continued joint efforts by State agencies to work with the City, and asks them to work together to focus on constructing projects that meet shared goals related to economic development, affordable housing, and sustainability.

Thank you for the opportunity to testify.

Very truly yours,

A handwritten signature in blue ink, appearing to read "George I. Atta".

George I. Atta, FAICP
Director

GIA:cl
SB2436SD2HD1-hbr