

SB707

Establishes the state smart growth public infrastructure policy. Requires state agencies involved in the planning, development, and financing of public infrastructure to consider smart growth criteria prior to approving or financing any public infrastructure projects. Requires the executive officers of each state agency involved in the planning, development, and financing of public infrastructure projects to attest that a project meets the smart growth criteria or prepare a statement of justification. Requires each state agency involved in the planning, development, and financing of public infrastructure to create a smart growth advisory committee. Precludes any private right of action. Takes effect on July 1, 2014.

NEIL ABERCROMBIE
GOVERNOR



Testimony of
GLENN M. OKIMOTO
DIRECTOR

Deputy Directors
JADE BUTAY
FORD N. FUCHIGAMI
RANDY GRUNE
JADINE URASAKI

IN REPLY REFER TO:
(808) 586-2165

STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

February 11, 2013
3:00 p.m.
State Capitol, Room 16

**S.B. 707 proposed S.D. 1
RELATING TO ECONOMIC DEVELOPMENT**

Senate Committee(s) on Economic Development, Government Operations and Housing
& Water and Land

The Department of Transportation **opposes** Senate Bill 707 as proposed in Senate Draft 1.

The proposed bill would render the Aloha Tower Development Corporation (ATDC) ineffective in managing the Aloha Tower Marketplace and adjoining properties under its jurisdiction due to the requirement to comply with Chapter 171 on every lease transaction.

Compliance with Chapter 171 in the Hawaii Revised Statutes requires any change in leasehold interests to go before the Department of Land and Natural Resources (DLNR), Land Board for approval. The lessee of the Aloha Tower Marketplace currently hires a property management firm to handle the myriad of tenant lease changes that occur in the operation of such a property.

This bill would require that any change to a tenant lease, such as a 100 square foot kiosk space, would have to go before the Land Board. This would add a considerable delay to the tenant's lease approval process and create significant operational burdens upon the tenant, the lessee of the marketplace property, the ATDC and the DLNR's Land Board. It would be counter-productive and detrimental to normal business operations at the marketplace property.

Thank you for the opportunity to provide testimony.



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Thank you for the opportunity to provide testimony.





STATE OF HAWAII
AGRIBUSINESS DEVELOPMENT CORPORATION
235 S. Beretania Street, Room 205
Honolulu, HI 96813
Phone: (808) 586-0186 Fax: (808) 586-0189

TESTIMONY OF JAMES J. NAKATANI
EXECUTIVE DIRECTOR
AGRIBUSINESS DEVELOPMENT CORPORATION

BEFORE THE SENATE COMMITTEES ON
ECONOMIC DEVELOPMENT, GOVERNMENT
OPERATIONS AND HOUSING
AND
WATER AND LAND

Monday, February 11, 2013
3:00 p.m.
Conference Room 16

SENATE BILL NO. 707, SD 1, Proposed
RELATING TO ECONOMIC DEVELOPMENT

Chairpersons Dela Cruz and Solomon and Members of the joint Committees:

Thank you for the opportunity to testify on Senate Bill No. 707. The purpose of this measure is to repeal exemptions of certain state entities which include the Agribusiness Development Corporation (ADC). ADC strongly opposes this bill.

The proposed bill repeals certain exemptions which allow ADC to effectuate the purpose of Chapter 163D, HRS, which is to transition abandoned plantation lands and water systems across the state. Knowing that the downsizing of the sugar and pineapple industries will idle a valuable inventory of supporting infrastructure including irrigation systems, roads, drainage systems, processing facilities, workshops, and warehouses, the state established Chapter 163D, HRS, to conserve

and convert the arable lands and their associated production infrastructure in a timely manner into new productive uses.

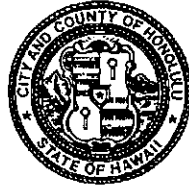
ADC, and all of the entities mentioned in this measure have been useful tools for the State to grow the economy and create jobs. These corporations and agencies were established to generate revenue and assist the departments address ongoing issues. Without the exemptions, these corporations would be rendered ineffective.

Thank you for the opportunity to testify.

DEPARTMENT OF PLANNING AND PERMITTING
CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET, 7TH FLOOR • HONOLULU, HAWAII 96813
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KIRK CALDWELL
MAYOR



JIRO A. SUMADA
ACTING DIRECTOR

February 11, 2013

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

Dear Chairs Dela Cruz, Solomon and Committee Members:

**Subject: Senate Bill No. 707, Proposed SD 1
Relating to Economic Development**

The Department of Planning and Permitting **supports** those sections of Senate Bill No. 707, Proposed SD 1, which would require state agencies involved with land development to comply with county ordinances and regulations. This includes the Department of Hawaiian Home Lands (DHHL) and the Hawaii Community Development Authority (HCDA).

It is a challenge to fulfill City Charter and state mandates to a comprehensive plan for our county and implement those plans with appropriate regulations when there are significant lands that are exempt from our planning and zoning processes. The most notable exemptions are lands under DHHL and HCDA. Not only do these exemptions make it virtually impossible to have a single regional strategy for land use, but it also makes it very difficult to complete and implement master plans for infrastructure, especially water and sewer lines. In addition, the long term effects of disconnected strategies is borne out by current struggles over the maintenance and repair of infrastructure systems that were not built to City standards, but are inherently entwined with City systems.

We agree with the mandates of both DHHL and HCDA, and they can be realized while still complying with county requirements, which will also make better use of the combined (but limited) resources of the State and the counties.

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

The Honorable Malama Solomon, Chair
and Members of the Committee on Water and Land
State Senate

Re: Senate Bill No. 707, Proposed SD 1

February 11, 2013

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Please move Senate Bill No. 707, Proposed SD 1 forward with the provisions on compliance with county land use requirements. Thank you for the opportunity to testify.

Very truly yours,



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

JAS:jmf

sb707ProposedSD1-EconomicDevelopment-k2

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CITY AND COUNTY OF HONOLULU

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February 11, 2013

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and Members of the Committee on Economic Development,
Government Operations and Housing
The Honorable Malama Solomon, Chair
and Members of the Committee on Water and Land
State Senate
Hawaii State Capitol
415 South Beretania Street
Honolulu, Hawaii 96813

Dear Chairs Dela Cruz, Solomon and Committee Members:

**Subject: Senate Bill No. 707, Proposed SD 1
Relating to Economic Development**

The Department of Planning and Permitting **supports** Senate Bill 707, Proposed SD 1, which would require both the Department of Hawaiian Home Lands (DHHL) and the Public Land Development Corporation (PLDC) to comply with county planning and zoning programs.

It is a challenge to fulfill City charter and State mandates to a comprehensive plan for our county and implement those plans with appropriate regulations when there are significant lands that are exempt from our planning and zoning processes. The most notable exemptions are lands under the Hawaii Community Development Authority (HCDA) and DHHL. Not only do these exemptions make it virtually impossible to have a single regional strategy for land use, but it also makes it very difficult to complete and implement master plans for infrastructure, especially water and sewer lines. In addition, the long term effects of a disconnected strategy is borne out by current struggles over the maintenance and repair of infrastructure systems that were not built to City standards, but are inherently entwined with City systems.

While we agree with the mandates of both DHHL and PLDC, they can be realized not only with complying with county requirements, but making better use of the combined (but limited) resources of the State and the counties.

The Honorable Donovan M. Dela Cruz, Chair
and Members of the Committee on Economic Development,
Government Operations and Housing
The Honorable Malama Solomon, Chair
and Members of the Committee on Water and Land
State Senate

Re: Senate Bill No. 707, Proposed SD 1

February 11, 2013

Page 2

Please move Senate Bill No. 707, Proposed SD 1 forward. Thank you for the opportunity to testify.

Very truly yours,



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

JAS:jmf
sb707SD1Prop-EcoDev-k



The Senate
Joint Committees on Economic Development, Government Operations and Housing
and Water and Land
Monday, February 11, 2013
3:00 p.m.

SB 707, SD1, Relating to Economic Development.

Dear Chairpersons Dela Cruz and Solomon and Committee Members:

The University of Hawaii Professional Assembly (UHPA) has grave concerns regarding the wholesale repeal of exemptions for Research Corporation of the University of Hawaii (RCUH) without proper discourse on what prompts this level of diminution in the ability to manage a unique state agency. UHPA has many University of Hawaii faculty members that rely upon RCUH to provide administrative services for grants and contracts which often require the purchase of specialized and highly technical equipment. The repeal of the procurement exemption alone will create substantive difficulty in meeting the requirements of grants and contracts that require purchase of specified products or services. Such repeal places at risk the ability to attract and maintain existing sources of external funding. The very nature of research demands that there be a state agency that has to the flexibility to engage in a very competitive world environment for external funds.

UHPA opposes SB 707, SD1 and encourages the Committees to defer action.

Respectively submitted,

A handwritten signature in black ink, appearing to read "Kristeen Hanselman", is written over the typed name.

Kristeen Hanselman
Associate Executive Director

UNIVERSITY OF HAWAII
PROFESSIONAL ASSEMBLY

1017 Palm Drive • Honolulu, Hawaii 96814-1928
Telephone: (808) 593-2157 • Facsimile: (808) 593-2160
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Testimony Presented Before the
Senate Committee on Economic Development, Government Operations
and Housing
and the
Senate Committee on Water and Land
February 11, 2013 at 3:00 p.m.
by
Donald O. Straney, Ph.D.
Chancellor, University of Hawai'i at Hilo

SB707 Proposed SD1 Relating to Economic Development

Chairs Dela Cruz and Solomon, Vice Chairs Slom and Shimabukuro and
Members of the Committees:

My name is Donald Straney, Chancellor of the University of Hawai'i at Hilo. We oppose SB707 Proposed SD1, Part XI that would repeal the flexibility provided RCUH by the Hawai'i State Legislature in 1965 to carry out its mission of supporting the research and training activities of the University of Hawai'i and the State of Hawai'i.

The UH Hilo research enterprise has grown from \$12 million in FY 2002 to \$17 million in FY 2012. This has translated into 575 jobs for our island residents in the field of science and research that would have otherwise caused many of our people to leave Hawai'i to seek these opportunities elsewhere. Students conducting real hands-on research, under the supervision of faculty, comprise 20% of the job positions. The emphasis of STEM education at UH Hilo provide a strong foundation for rich training opportunities for students entering the workforce or graduate school and is consistent with our State needs and goals.

Repealing RCUH's exception to the State laws identified in SB707 Proposed SD1 will have a negative impact on our ability to take advantage of federal funding opportunities, conduct research, provide jobs for our community and contribute to our island's economic development.

Thank you for the opportunity to testify on SB707 Proposed SD1. Aloha.