

# SB919

Allows the land use commission to establish a transfer of development rights program. Specifies certain requirements for transfer of development rights. Allows the creation of a transfer of development rights credit bank. Establishes the conservation stewardship fund. Requires the commission to adopt rules. Appropriates funds from the environmental response revolving fund.

NEIL ABERCROMBIE  
Governor

SHAN S. TSUTSUI  
Lieutenant Governor

RICHARD LIM  
Director



**LAND USE COMMISSION**  
Department of Business, Economic Development & Tourism  
State of Hawai'i

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Statement of  
**Daniel E. Orodenker**  
**Executive Officer**  
Land Use Commission  
Before the  
**Senate Committee on Water & Land**  
**Senate Committee on Economic Development, Government Operations & Housing**  
Tuesday February 11, 2013  
2:50 PM  
State Capitol, Conference Room 016

In consideration of  
**SB 919**  
**RELATING TO TRANSFER OF DEVELOPMENT RIGHTS**

Chairs Solomon and Dela Cruz, Vice Chairs Shimabukuro and Slom, members of the Committee on Water and Land and the Committee on Economic Development, Government Operations & Housing:

The Land Use Commission supports the intent of SB 919 but notes that there are some practical issues that need to be resolved. In addition, we could only consider this proposal if it does not replace or adversely impact priorities contained in the Executive Budget.

The Land Use Commission (LUC) whole-heartedly supports a policy of limiting urban sprawl and increasing density in the urban core to alleviate infrastructure issues and preserving land for open space, agriculture and recreational use. It is recognized that transfer of development rights programs have had an effect on community planning and been successful around the country. However, the actual implementation of such a program is complex, takes time and resources and must be developed in a manner that precisely fits the geographic and political structure.

Issues that need to be resolved include:

- o County participation;
- o Identification of receiving markets (or if any market exists for the purchase of development rights);
- o Identification of transferring areas;
- o Implications on the Important Agricultural Land laws and initiative;

- The links to urban growth boundary planning (do urban expansion plans need to be modified);
- What methods are required to create a market for development rights; and
- Coordination with, and implications to, transit on all Islands but especially on the Transit-Oriented Development program on Oahu.

In order to ensure that a Transfer of Development Rights program is adequately developed a detailed study would have to be performed as part of the initial process to determine what type of a program would work in the Hawaii land use system, what incentives are required, what types of development rights have value in Hawaii and what actions need to be taken to develop a market for the sale of development rights. In sum, if the program is to be successful it must be carefully tailored to the existing land use structure.

While the issue is an urgent one we would suggest that prior to the establishment of the program, the Land Use Commission be authorized to undertake a study and planning process to determine if the system could be successful and if so, what problems need to be overcome and how.

It is our estimation that the complexity of this exercise would require an appropriation of \$220,000.00 a year for a two year period.

Thank you for the opportunity to testify on this matter.

**Dane Wicker**

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**From:** Piikea Tomczyk  
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**SB919**

Submitted on: 2/11/2013  
Testimony for WTL/EGH on Feb 11, 2013 14:50PM in Conference Room 016

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Kerri Marks	Individual	Oppose	No

Comments:

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