

March 22, 2016

TO: Senator Breene Harimoto, Chair
Senate Committee on Housing

FROM: Rev. Bob Nakata and Catherine Graham
Co-Chairs, FACE Housing Task Force and the Housing Coalition

RE: **Testimony on HB2069, HD2 Relating to Community Improvement Districts**

Thank you for this opportunity to testify on HB2069, HD2 to create a model Transit Oriented Development (TOD) project and to create affordable rental housing in the Iwelei-Kapalama District of Honolulu. It is adjacent to two stops along Honolulu's Transit System. There are several parcels owned by the City and State which are suited for affordable rental units, are close to the Salvation Army and the Institute for Human Services, and are slated for sewer improvements.

It is a place where a pilot project could be implemented relatively quickly. We urge you to keep this bill moving. It could bear fruit while larger plans are being brought on line.

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Testimony to the House Committee on Housing
Tuesday, March 22, 2016

Regarding HB2069 HD2 Relating to Community Improvement Districts

Aloha Chair Harimoto, Vice Chair Galuteria, and esteemed members of Committee on Housing,

Hawaii Bicycling League **supports the intent of HB2069 HD2** to facilitate walkable, bikeable, and transit-rich development in the Kapalama and Iwilei areas.

Experiences from around the country have taught us that carefully planned development coordinated with walking, biking, and transit improvements can create communities where people have more transportation choices, spend less on transportation, and live happier, healthier lives. The Kapalama and Iwilei areas with their central location and future rail stations offer us an opportunity to learn from these national best practices and create a truly pedestrian-, bicycle-, and transit-rich community.

Kapalama and Iwilei along with Kalihi and Palama are already one of Hawaii's most multi-modal areas, with three times as many commuters walking, bicycling, and taking transit (42.3% to 16.1%) and three times as many households not owning a car (28.3% to 10.4%) as the Oahu average. This is in spite of the fact that the area's streets are in need of significant biking and walking improvements - the three pedestrian deaths on North King Street in 2014 show the severity of need. In this context, walking and biking improvements in Kapalama and Iwilei will be a major benefit to the surrounding communities making walking and bicycling safer and more accessible for transportation, recreation, and health.

Thank you very much for considering the comments of the Hawaii Bicycling League. If you have any questions or would like to discuss further, please contact Chad Taniguchi (808-735-5756, chad@hbl.org) or Daniel Alexander (808-275-6717, daniel@hbl.org).

Ride and Drive Aloha,

Chad Taniguchi, Executive Director

Daniel Alexander, Advocacy Director

BIA-HAWAII

BUILDING INDUSTRY ASSOCIATION

THE VOICE OF THE CONSTRUCTION INDUSTRY

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Testimony to the Senate Committee on Housing Tuesday, March 22, 2016 2:50 p.m. State Capitol - Conference Room 225

RE: H.B. 2069 H.D. 2: Relating to Community Improvement Districts.

Dear Chair Harimoto, Vice-Chair Galuteria, and members of the Committee:

My name is Gladys Marrone, Chief Executive Officer for the Building Industry Association of Hawaii (BIA-Hawaii), the Voice of the Construction Industry. We promote our members through advocacy and education, and provide community outreach programs to enhance the quality of life for the people of Hawaii. BIA-Hawaii is a not-for-profit professional trade organization chartered in 1955, and affiliated with the National Association of Home Builders.

BIA-HAWAII **supports the intent** of H.B. 2069 H.D. 2, which would establish a community improvement districts program with a revolving fund, and a pilot project in Kapalama.

We believe that there is a need for government leadership in the redevelopment areas near the transit stations. There is a pressing need to address infrastructure capacity building along the entire transit corridor if we are to realize any of the increased density at the transit stations.

However, we question the need to create another layer of government through the proposed local redevelopment agency. We strongly believe that the appropriate entity to oversee the planning and redevelopment efforts would be an entity attached to the HCDA. HCDA currently has all of the statutory authority to redevelop urban areas, as has been done in Kakaako. Creating an entity within the existing structure of HCDA with the specific role of planning and redeveloping the lands near the transit stations would be a more efficient and effect approach than what is being proposed in the bill.

We understand that there are other bills which would give HCDA authority to plan and redevelop areas around the transit stations.

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



KAMEHAMEHA SCHOOLS

March 22, 2016

WRITTEN TESTIMONY TO THE SENATE COMMITTEE ON HOUSING

By

Walter Thoenmes III, Managing Director of Commercial Real Estate
Kamehameha Schools

Hearing Date: March 22, 2016

2:50 p.m. /Conference Room 225

Hawaii State Capitol

To: Senator Breene Harimoto, Chair
Senator Brickwood Galuteria, Vice Chair
Members of the Senate Committee on Housing

RE: House Bill No. 2069 H.D. 2, Relating to Community Improvement Districts

Chair Harimoto, Vice Chair Galuteria, and members of the Committee,

As an institution that values the collective efforts of communities and the importance of locally-based solutions, Kamehameha Schools respectfully requests that HB 2069 (this “Bill”) – which seeks to establish a community improvement districts program with a revolving fund, and a pilot project in Kapālama – **be held in committee.**

Kamehameha Schools recognizes that Kapālama is a community largely populated with industrial businesses and small, family-owned operations that have served Kapālama for generations. A community engagement process to gather stakeholder input can provide a path toward the identification of shared goals and address the underlying intent of this Bill, producing a balanced and economically viable development plan for Kapālama.

The complexity and importance of the subject matter of this Bill are too important to be developed by trial and error.

Kamehameha Schools welcomes the opportunity to enter into a process inclusive of community stakeholders, the State, the City, and other applicable agencies to discuss preparations for a detailed, and cost-effective plan, that is responsive to this Bill’s goals and honors the interests of family-owned businesses, local residents, and other stakeholders in the area.

Mahalo for the opportunity to provide our comments on this measure.



**HAWAII OPERATING ENGINEERS
INDUSTRY STABILIZATION FUND**



*Uniting our strengths and working together
for a better tomorrow.*

Affiliated AFL-CIO
OPEIU - 3 - AFL-CIO (8)

March 22, 2016

Honorable Breene Harimoto, Chair
Honorable Brickwood Galuteria, Vice Chair
And Members of the Committee on Housing
Hawaii State Capitol
Honolulu, HI

RE: In Support of HB 2069 - Relating To Community Improvement
Districts: Establishes a community improvement districts
program with a revolving fund, and a pilot project in Kapalama

Chair Harimoto and Members of the Committee,

John R. Monis, representing the Hawaii Operating Engineers Industry Stabilization Fund (HOEISF), a labor management fund representing 300 general contractors in the heavy civil engineering and 4000 members in the construction industry.

HOEISF supports the intent of House Bill 2069 HD3 to establish a community improvement districts program with a revolving fund, and a pilot project in Kapalama. HOEISF support the Bill's intent to create a new infrastructure-funding source and cross-jurisdictional framework to address pressing housing needs and believe that there is a need for government leadership in the redevelopment areas near the transit stations.

Thank you for your support in allowing this to happen.

Sincerely,

John R. Monis
JOHN R. MONIS

Executive Director
Hawaii Operating Engineers
Industry Stabilization Fund

IRON WORKERS STABILIZATION FUND

March 22, 2016

Breene Harimoto, Chair
Committee on Housing
Senate
State Capitol
Honolulu, HI 96813

Re: **H.B. No. 2069, HD2, Relating to Community Improvement Districts**
Hearing date – Tuesday, March 22, 2016, 2:50 p.m
Conference Room 225

Chair Harimoto and Members:

Thank you for giving us the opportunity to testify on this measure.

The Hawaii Iron Workers Stabilization Fund **SUPPORTS the intent** of HB 2069, HD2, which authorizes community improvement districts with a revolving fund, and a pilot project in the Kapalama area. This measure seeks to coordinate the efforts of the City and County of Honolulu and the State to provide the needed infrastructure for transit oriented development.

The pilot program focuses on an older neighborhood that is in dire need of infrastructure improvement. The goals set out for the pilot program include 6,000 residential units, with 3,000 being affordable rentals and 1,500 being affordable in fee. These new units would be a major step towards providing the needed workforce housing in the urban core.

The City is currently undertaking an in depth study of the area of the pilot program in the Iwilei-Kapalama infrastructure master plan. We suggest that this legislation be flexible enough to incorporate the findings of the master plan.

We ask that following be considered: First, that renters of the affordable rentals have an option to purchase after 8-years of tenancy. Homeownership will provide Hawaii's working families a chance at financial security and the American dream. Second, that any developer which receives funds from the revolving fund must be subject to a project labor agreement. Project labor agreements will ensure construction runs smoothly and efficiently with labor disputes resolved prior to ground breaking. We applaud this effort by the State to coordinate with the City.

Sincerely,


T. George Paris, Executive Director

▪ HB2069, HD2 RELATING TO COMMUNITY IMPROVEMENT DISTRICTS

Aloha my name is Stanford Carr, President of Stanford Carr Development. I serve as the President of the Land Use Research Foundation, member of the Building Industry of Hawaii, Urban Land Institute and the Chamber of Commerce, please let this testimony serve as my support for HB2069 Relating to Community Improvement District.

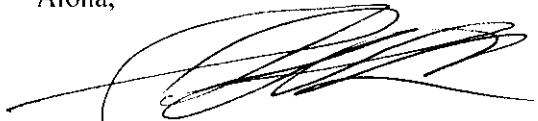
Community Facility District Bond Financing has historically been a successful tool in financing infrastructure and public improvements with Community Improvement District.

Establishing a pilot project in Kapalama will prove to be a very successful example for redeveloping the neighborhood in anticipation of the light rail under construction. The Kapalama district is ideal for mixed use redevelopment which should include a diverse mix of housing opportunities including workforce rentals, entry level for-sale products and commercial uses. Creating an improvement district will encourage redevelopment and the use of tax exempt bond financing utilize private capital financing and not relying on tax payer funds and government financing. This type of financing has been used successfully in many other cities in their efforts to revitalize neighborhoods through reinvesting in public infrastructure and improvements such as parks and pedestrian bikeway through a Public Private Partnership with developers and the private capital markets.

I urge the Committee on Housing to please pass this important legislation which will provide the frame work and encourage smart development within the urban core of Honolulu.

Please feel free to call me at 547-2225 should have any questions or would to further discuss the incredible merits of this bill.

Aloha,



Stanford S. Carr



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FOUNDATION OF HAWAII

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March 22, 2016

Senator Breene Harimoto, Chair
Senator Brickwood Galuteria, Vice Chair
Senate Committee on Housing

Support of Intent and Proposed Amendments to HB 2069, HD2 Relating to Community Improvement Districts. (Establishes a community improvement districts program with a revolving fund, and a pilot project in Kapalama.)

HOU Hearing: Tuesday, March 22, 2016, 2:50 p.m., Conf. Rm. 225

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. One of LURF's missions 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.

HB 2069, HD2. This measure would establish a community improvement districts (CIDs) program with a revolving fund, and a pilot project in Kapalama. The purpose of this bill is to establish CIDs as an innovative means of accelerating appropriate development in certain areas of the State.

LURF's Position. LURF supports the intent of HB 2069, HD2, and respectfully recommends that this measure be **amended as recommended by the City and County of Honolulu (City)**, with respect to, among other things, (1) Expanding the uses of the proposed revolving fund to allow "fair share" improvement district assessments by state agencies within the CID; (2) Allow flexibility to expand of the boundaries of the Kapalama CID, because infrastructure improvements may involve other neighboring areas as well; and (3) Prior to adoption of the CIDs, require a public hearing on the specific boundaries and goals of each CID, so that the public can be informed and provide input prior to the finalization of the CID.

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