



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

Date: 02/08/2016
Time: 02:00 PM
Location: 309
Committee: House Education

Department: Education

Person Testifying: Kathryn S. Matayoshi, Superintendent of Education

Title of Bill: HB 2538 RELATING TO URBAN SCHOOL IMPACT DISTRICTS.

Purpose of Bill: Allows fee in lieu funds in the Kalihi to Ala Moana school impact district to be used to purchase completed construction, construct new school facilities, improve or renovate existing structures for school use, or lease land or facilities for school use.

Department's Position:

The Department of Education (DOE) supports HB 2538 as it will enable DOE to use school impact fees more effectively in its first proposed urban district. The DOE would like to establish school impact fees for residential development from Kalihi to Ala Moana in areas expected to grow due to transit oriented development. DOE has been collecting impact fees for the past five years in high growth areas that were formerly vacant or agricultural land.

The Legislature designed the impact fee law in 2007 with an emphasis on collecting land for future schools. The law is designed to collect almost 100% of the school land that would be needed by new residential development, but it only collects 10% of what is expected to be the construction cost to build facilities for the new students.

In the DOE's first effort at collecting fees in an urban setting the DOE needs to be able to apply land fees to more than just land. Funds will be needed to develop schools in high rise buildings, old shopping centers, and public housing projects. HB 2538 allows the DOE to do more than just acquire land on the ground, it would allow DOE to buy space above the ground. This is not the conventional, mostly suburban pattern of establishing new schools. DOE needs to be able to use impact fees in new ways to adapt to an urban pattern that is constrained by expensive land in small parcels, existing schools on small campuses, and a large wave of unprecedented urban development.

Thank you for this opportunity to testify.

Testimony of Brooke Wilson
Pacific Resource Partnership

State of Hawaii House of Representatives
Committee on Education
Representative Roy M. Takumi, Chair
Representative Takashi Ohno, Vice Chair

HB 2538 – Urban School Impact Districts
Monday, February 08, 2016
2:00 P.M.
State Capitol – Conference Room 309

Aloha Chair Takumi, Vice Chair Ohno and members of the Committee:

We support HB 2538 which allows fee in lieu funds in the Kalihi to Ala Moana school impact district to be used to purchase completed construction, construct new school facilities, improve or renovate existing structures for school use, or lease land or facilities for school use.

As rail and transit oriented development (TOD) draws near the urban core, we need to anticipate increased educational needs. We believe the rail and surrounding development will be more successful if the necessary infrastructure, such as schools, are in place to attract local families to live in future TOD neighborhoods.

Thank you for the opportunity to share our views with you and we respectfully ask for your support on HB 2538.

About PRP

Pacific Resource Partnership (PRP) is a not-for-profit organization that represents the Hawaii Regional Council of Carpenters, the largest construction union in the state, and more than 240 of Hawaii's top contractors. Through this unique partnership, PRP has become an influential voice for responsible construction and an advocate for creating a stronger, more sustainable Hawaii in a way that promotes a vibrant economy, creates jobs and enhances the quality of life for all residents.





IN REPLY REFER TO:
CMS-AP00-01545

HONOLULU AUTHORITY for RAPID TRANSPORTATION

Daniel A. Grabauskas
EXECUTIVE DIRECTOR AND CEO

BOARD OF DIRECTORS

Statement of
DANIEL A. GRABAUSKAS
Executive Director and CEO, Honolulu Authority for Rapid Transportation
before the

Donald G. Horner
CHAIR

Damien T.K. Kim
VICE CHAIR

HOUSE COMMITTEE ON EDUCATION

Monday, February 8, 2016
2:00 p.m.
State Capitol, Conference Room 309

George I. Atta
Michael D. Formby
Ford N. Fuchigami
Terri Fujii
Colleen Hanabusa
William "Buzz" Hong
Terrence M. Lee
Ivan M. Lui-Kwan

In consideration of
HB 2538
RELATING TO URBAN SCHOOL IMPACT DISTRICTS

Chair Roy M. Takumi, Vice Chair Takashi Ohno, and Members of the House Committee on Education,

The Honolulu Authority for Rapid Transportation (HART) supports the intent of HB2538, which would allow fee in lieu funds in the Kalihi to Ala Moana school impact district to be used to purchase completed construction, construct new school facilities, improve or renovate existing structures for school use, or lease land or facilities for school use.

Specifically, HART supports the provision of adequate educational facilities in order to support community-building in transit-oriented development areas. HART is building nine rail stations within the referenced urban Honolulu school district, representing a considerable investment in community infrastructure. Leveraging this investment with enhanced educational facilities will strengthen these communities and help foster development.

Thank you for the opportunity to provide this testimony.



Chamber of Commerce HAWAII

The Voice of Business

**Testimony to the House Committee on Education
Monday, February 8, 2016 at 2:00 P.M.
Conference Room 309, State Capitol**

RE: HOUSE BILL 2538 RELATING TO URBAN SCHOOL IMPACT DISTRICTS

Chair Takumi, Vice Chair Ohno, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **supports the intent** of HB 2538, which allows fee in lieu of funds in the Kalihi to Ala Moana school impact district to be used to purchase completed construction, construct new school facilities, improve or renovate existing structures for school use, or lease land or facilities for school use.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 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.

The Chamber supports the intent of developing impact fees for public schools in urban in-fill areas; however, we do not believe that the bill as worded can be effectively implemented. When the original school impact fee law was adopted in 2007 (Act 245, SLH 2007), it contained the following language in the preamble:

"It also recognizes the need for more detailed planning for implementation of this Act by the department of education, and recognition of how the methodology will be applied in new residential projects involving rezoned properties or parcels, current zoned parcels with or without buildings, and redevelopment projects."

There was a recognition at the time that the impact fee law would be limited to "green field" developments (i.e. new subdivision or develop of raw land). The methodology and formulas included in Act 245 would not be applicable to urban infill which would logically require a smaller footprint and conceivably be based on gross square feet included in a mixed use development.

The basic difference in area and land values between a green field development and urban in-fill development require different methodologies and formulas. Moreover, at the time Act 245 was being discussed, the Department of Education did not have specification for urban



in-fill elementary, middle and high schools. These specifications are needed in order to develop an appropriate impact fee.

We wholeheartedly support the need for an impact fee for public schools in urban in-fill areas; however, we do not believe that the present bill as drafted would accomplish what is needed to develop a fair and objective public school impact fee.

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

BIA-HAWAII

BUILDING INDUSTRY ASSOCIATION

THE VOICE OF THE CONSTRUCTION INDUSTRY

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Testimony to the Senate Committee on Education The Honorable Michelle Kidani, Chair The Honorable Breene Harimoto, Vice-Chair Members of the Committee Monday, February 8, 2016

RE: SB 2731, Relating to Education.

Dear Chair Kidani, Vice-Chair Harimoto, 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 is in strong support of S.B. 2731 which proposes to establish a task force to review the school impact fees law and recommend any necessary amendments.

Act 245, Session Laws of Hawaii 2007, established the law regarding school impact fees. Act 245 implemented a new method for financing, in part, new or expanding existing department of education educational facilities in partnership with developers of new residential developments.

The preamble language of Act 245 states: "It also recognizes the need for more detailed planning for implementation of this Act by the department of education, and recognition of how the methodology will be applied in new residential projects involving rezoned properties or parcels, current zoned parcels with or without buildings, and redevelopment projects." At the time, the Act recognized that the methodology developed in Act 245 was primarily focused on "Greenfield" developments and would not be appropriate for "in-fill" developments.

The proposed bill states that land use planning, development patterns, and preferences have changed since 2007. Kakaako, for example, has many existing and proposed high-density residential projects that will require at least one new school in that area. Further, a rail transit system may require attention if resultant population shifts require schools to be located near rail stations. The purpose of this Act is to establish a school impact fee review task force to review the law regarding school impact fees.

As the City and County of Honolulu focuses all future development along the rail transit corridor, we believe it is critical to determine an urban "in-fill" school impact fee especially in light of the fact that there are only a handful of existing public schools in the ¼ to ½ mile radius of the 20 planned transit stations. The Department of Education must be proactive in repositioning its assets along the rail transit corridor to accommodate the planned future growth areas on Oahu.

We express our strong support for S.B. 2731 and appreciate the opportunity to express our views on this matter.

HB868

Submitted on: 2/5/2016

Testimony for EDN on Feb 8, 2016 14:15PM in Conference Room 309

Submitted By	Organization	Testifier Position	Present at Hearing
Brian Burdt	Individual	Oppose	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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HB868

Submitted on: 2/5/2016

Testimony for EDN on Feb 8, 2016 14:15PM in Conference Room 309

Submitted By	Organization	Testifier Position	Present at Hearing
Bonnie Koba	Individual	Oppose	No

Comments:

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HB2538

Submitted on: 2/6/2016

Testimony for EDN on Feb 8, 2016 14:00PM in Conference Room 309

Submitted By	Organization	Testifier Position	Present at Hearing
Dylan Armstrong	Individual	Support	No

Comments:

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