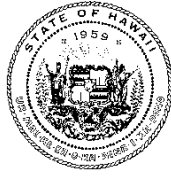


DAVID Y. IGE
GOVERNOR



DOUGLAS MURDOCK
Comptroller

AUDREY HIDANO
Deputy Comptroller

STATE OF HAWAII
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES

P.O. BOX 119, HONOLULU, HAWAII 96810-0119

TESTIMONY
OF
DOUGLAS MURDOCK, COMPTROLLER
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
TO THE
SENATE COMMITTEE
ON
WAYS AND MEANS
ON
FEBRUARY 26, 2016

S.B. 2249, SD1

RELATING TO THE WAILUKU PROPERTIES

Chair Tokuda and members of the Committee, thank you for the opportunity to testify on S.B. 2249, SD1.

The Department of Accounting and General Services (DAGS) supports the intent of S.B. 2249, SD1, provided its passage allows the proposed actions to be incorporated into our existing program efforts and provided further, the measure does not replace or adversely impact priorities indicated in the Executive Budget.

DAGS holds our position as provided in our testimony for S.B. 2249, and wishes to add that, if acquisition of one or more of the specified properties proves to be feasible and appropriate, the process for executing the acquisition(s) is likely to extend beyond the normal lapse date of June 30, 2017, for fiscal year 2016-2017 general revenue funds. DAGS would not be able to complete the transaction should funds lapse prior to closure of the purchase(s).

Thank you for the opportunity to testify on this matter.



The Judiciary, State of Hawaii

Testimony to the Senate Committee on Ways and Means

Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz, Vice Chair

Friday, February 26, 2016, 9:45 a.m.
State Capitol, Conference Room 211

by

Rodney A. Maile

Administrative Director of the Courts

WRITTEN TESTIMONY ONLY

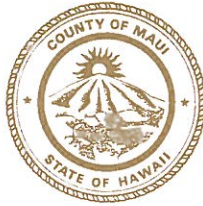
Bill No. and Title: Senate Bill No. 2249, S.D. 1, Relating to the Wailuku Properties.

Purpose: Requires the Department of Accounting and General Services to develop a Wailuku state office master plan to address the shortage of space in the Wailuku State Office Building and Old Courthouse Building. Makes an appropriation for the master plan. Makes an appropriation for the purchase of certain other properties in Wailuku.

Judiciary's Position:

The Judiciary takes no position on Senate Bill No. 2249, S.D. 1. The bill identifies the Judiciary as an appropriate stakeholder with whom the Department of Accounting and General Services shall consult in developing a Wailuku State Office Master Plan. Having programs in leased space roughly totaling some 13,300 square feet, the Judiciary's Second Circuit, is currently facing space shortages in the Wailuku-Kahului area. To consolidate operations and accommodate projected growth through 2030, the Hawai'i Judiciary Facilities Master Plan recommends that 82,000 SF be added in the Wailuku-Kahului area. Hoapili Hale comprises approximately 80,000 SF. There, the Second Circuit is confronting mounting deferred maintenance needs, currently estimated at roughly \$20.0 million. Given these issues, the Judiciary would be open to participating in a discussion of a master state office plan for the area.

Thank you for the opportunity to testify on Senate Bill No. 2249, S.D. 1.



OFFICE OF THE MAYOR

Ke'ena O Ka Meia

COUNTY OF MAUI – Kalana O Maui

**TESTIMONY OF ALAN ARAKAWA, MAYOR
COUNTY OF MAUI**

BEFORE THE SENATE COMMITTEE ON WAYS AND MEANS

Friday, February 26, 2016
9:45 a.m. - Conference Room 211

SB 2249, SD1, RELATING TO WAILUKU PROPERTIES

Honorable Jill N. Tokuda, Chair
Honorable Donovan M. Dela Cruz, Vice Chair
Honorable Members of the Senate Committee on Ways and Means

Thank you for allowing me this opportunity to testify in **STRONG SUPPORT OF SB 2249, SD1.**

As mayor of Maui County I support this bill for the following reasons:

1. Wailuku town is the civic and government heart of Maui County. It comprises of the Judiciary, the Maui County seat of government, locally owned businesses, higher education and health care facilities. Wailuku town is where the State Judiciary and State office campus belong.
2. The over six-hundred employees of the judiciary and State offices, as well as the daily influx of jurors, attorneys, court reports, and others are customers of the Wailuku town businesses. They, along with many residents and visitors shop, eat, have their shoes repaired, cut their hair, get their taxes done, and more.
3. Unfortunately, many of the existing facilities and buildings are aging, and there is a severe shortage of parking. Improvements, upgrades and expansion are sorely needed for the State Judiciary and campus.
4. There is adequate acreage within Wailuku Town to accommodate all of the forecasted needs for building square footage and parking. The existing B-3 zoning of the property where the State campus sits affords a density of development that would allow a much greater utilization and functionality (permitting up to 12 stories).

Sen. Jill N. Tokuda
SB 2249, SD1
02/26/2016
Page 2 of 2

5. As the County of Maui is currently investing significant resources into revitalizing Wailuku town, now would be the opportune time to initiate and implement the Wailuku State Office Master Plan. I look forward to working with the state so that we can all be a part of Wailuku town's success.

For these reasons I STRONGLY SUPPORT **SB 2249, SD1.**

ALAN ARAKAWA
Mayor

WILLIAM MITCHELL, Chair
DON FUJIMOTO, Vice-Chair
FRANK DeREGO
CAROL BALL
JONATHAN STARR



COUNTY OF MAUI
MAUI REDEVELOPMENT AGENCY

**TESTIMONY OF THE MAUI REDEVELOPMENT AGENCY
COUNTY OF MAUI**

BEFORE THE SENATE COMMITTEE ON WAYS AND MEANS

Friday, February 26, 2016
9:45 a.m. - Conference Room 211

SB 2249, SD1, RELATING TO WAILUKU PROPERTIES

Honorable Jill N. Tokuda, Chair
Honorable Donovan M. Dela Cruz, Vice Chair
Honorable Members of the Senate Committee on Ways and Means

Thank you for providing this opportunity to testify in **SUPPORT OF SB 2249, SD1.**

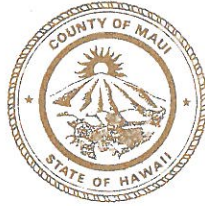
The Maui Redevelopment Agency strongly supports the implementation of a comprehensive state office and judiciary master plan in Wailuku Town. The mission of the Wailuku Redevelopment Program is to orchestrate key infrastructure projects, economic development initiatives and policy improvements that will result in a competitive and thriving business district. The government and medical facilities in town are the key economic drivers for Wailuku that support the many locally owned small businesses. Directing investment towards medical and government sectors helps the Wailuku Redevelopment Area by creating a rising tide that will raise all boats.

Wailuku Town is Maui Island's downtown and the civic heart of Maui County. In the coming years, our vision is to embrace and celebrate Wailuku's unique urban environment, by developing signature parks and public spaces, and connecting the downtown with walkable streets, well designed buildings and new inclusive housing options. As the County of Maui is also poised to invest in its Wailuku campus, the Maui Redevelopment Agency sees this as a wonderful opportunity to partner and plan in a strategic, comprehensive and cost effective way.

Thank you for your consideration of the position of the MRA set forth in this testimony. For these reasons we **STRONGLY SUPPORT SB 2249, SD1**

William Mitchell
Maui Redevelopment Agency, Chair

ALAN M. ARAKAWA
MAYOR



KEITH A. REGAN
MANAGING DIRECTOR

DEPARTMENT OF MANAGEMENT
COUNTY OF MAUI

TESTIMONY OF KEITH REGAN, MANAGING DIRECTOR
COUNTY OF MAUI

BEFORE THE SENATE COMMITTEE ON WAYS AND MEANS

Friday, February 26, 2016
9:45 a.m. - Conference Room 211

SB 2249, SD1, RELATING TO WAILUKU PROPERTIES

Honorable Jill N. Tokuda, Chair
Honorable Donovan M. Dela Cruz, Vice Chair
Honorable Members of the Senate Committee on Ways and Means

Thank you for this opportunity to testify in **SUPPORT OF SB 2249, SD1.**

My name is Keith Regan, Managing Director for the County of Maui, and I strongly support this bill for the following reasons:

1. Wailuku town is often called the "heart of Maui County." It is home to the state Judiciary and other state offices where over six-hundred state employees serve the community on a daily basis. Also located within Wailuku town are the offices of the Maui County Council, the Office of the Mayor and numerous county departments. Having both state and county offices within walking distance of each other makes it easier for people seeking state and county services.
2. There are also many locally owned businesses, health care facilities, restaurants, and higher education in Wailuku town. Residents and visitors also enjoy First Friday block parties and many other cultural events here.
3. Unfortunately, Wailuku town is dealing with growing pains. Many of the existing facilities and buildings are aging, and there is a severe shortage of parking. Improvements, upgrades and expansion are desperately needed for the State Judiciary and campus.
4. There is adequate acreage within Wailuku Town to accommodate all of the forecasted needs for building square footage and parking. The existing B-3 zoning of the property where the State campus sits affords a density of development that would allow a much greater utilization and functionality (permitting up to 12 stories).

5. The County of Maui understands that having a sense of community, and encouraging working relationships between state and county government, private businesses, and the public is important. Therefore we are currently investing significant resources into revitalizing Wailuku town and believe that this is an opportune time to initiate and implement the Wailuku State Office Master Plan.

For these reasons I STRONGLY SUPPORT **SB 2249, SD1.**

TO: Chair Jill Tokuda and members of the Senate Ways and Means Committee

FROM: Richard Dan, Kamaaina Loan, Wailuku

RE: SB 2249, planning for state offices in Wailuku

My name is Richard Dan and I have operated Kamaaina Loan And Cash For Gold on North Market Street in Wailuku for nearly 40 years, among the oldest continuous businesses in Wailuku. I am pleased to be able to support the intent of SB 2249, which will be good for Mauians in general and for my business in particular.

The State Office Building was built when Maui's population was about half what it is today. When Circuit Court Judge Joel August retired a few years ago, he told The Maui News that the Second Circuit Court building was obsolete the day it opened, and things have only gotten worse given present security concerns and IT infrastructure requirements.

You have statements from DAGS regarding the need for space for state offices.

Wailuku has always been and remains the government and financial center of Maui, and I believe it should continue as such. My business – which today occupies four storefronts on North Market Street – is a part of that complex. I have benefitted from the presence of state employees, private lawyers and others who do business in the courts and with state agencies as my customers.

I have also been impacted because state workers soak up so much of the public parking in downtown Wailuku, competing with private businesses that pay the taxes that keep the lights on in the state buildings. We public and private entities have had a long and mutually beneficial relationship here. It is time to modernize it.

I hope the coordination between DAGS and the Judiciary is close when the planning begins. In addition, parking is the lifeblood of Wailuku. The town was built before there were any cars that needed to be parked. Trying to fit modern facilities into a horse-and-buggy town will take care and skill.

There is no question that the state needs to modernize its operations in Wailuku. Equally, there is no question that Wailuku remains the central point for public services, as convenient as can be to the population centers of Lahaina, Kihei, Wailuku-Kahului and Upcountry.

Mahalo Richard Dan

Kamaaina Loan 42 50 52 98 North Market street Wailuku hi 96793 808 242 5555

From: mailinglist@capitol.hawaii.gov
To: [WAM Testimony](#)
Cc: tina@kiheiice.com
Subject: Submitted testimony for SB2249 on Feb 26, 2016 09:45AM
Date: Wednesday, February 24, 2016 5:31:56 PM

SB2249

Submitted on: 2/24/2016

Testimony for WAM on Feb 26, 2016 09:45AM in Conference Room 211

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Tina Wildberger | Individual | Support | No |

Comments: Aloha Esteemed Senators, Please support this bill to help Wailuku town, as our county seat and State satellite Capitol serve the needs of people conducting business and enjoying Maui's only urban experience. Wailuku can set the example for live/work urban design and improvement with the appropriate support from state legislators. Mahalo, Tina Wildberger

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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TESTIMONY OF THE WAILUKU COMMUNITY ASSOCIATION (WCA)

Related to SB 2249SD1, Wailuku Properties

The Wailuku Community Association (WCA) strongly supports SB 2249SD1 and the implementation of a comprehensive Wailuku state office master plan for Wailuku. This legislation is in line with the current purpose of the WCA “to foster a sense of community and establish working relationships with all agencies, government, business, residents and visitors in Wailuku.”

Wailuku serves as a central town comprising the Maui County seat of government, the Judiciary, vibrant businesses and professionals, art venues, higher education and health care facilities. It has been transitioning into a mixed use, live-work-play, walkable and bicycle friendly environment.

Due to healthy growth and expansion, Wailuku must address growing pains. The Judiciary, the Maui County seat of government facilities and the State building require renovation and expansion. Specifically, the Judiciary building and its parking system are not in compliance with current safety standards and regulations. The State buildings require more space, additional parking and updated elevators and other structural improvements.

When time is of the essence to problem solve, rarely are solutions readily available. However, there are solutions to the current problems facing Wailuku. If the available vacant space in the town is used efficiently, if all the interested parties come together to use and share space wisely and if the interests of the public for a safe Wailuku environment are all blended together the problems can be solved.

Simply put, the proposed bill will initiate the process to solve these problems. If not now, when is the time to solve these problems?

Thank you for your consideration of the position of the WCA set forth in this testimony.

A handwritten signature in black ink, appearing to read 'Ashley Takitani Leahey', with a stylized flourish at the end.

Ashley Takitani Leahey
Wailuku Community Association

From: mailinglist@capitol.hawaii.gov
To: [WAM Testimony](#)
Cc: bill.rees@outrigger.com
Subject: Submitted testimony for SB2249 on Feb 26, 2016 09:45AM
Date: Wednesday, February 24, 2016 4:19:06 PM

SB2249

Submitted on: 2/24/2016

Testimony for WAM on Feb 26, 2016 09:45AM in Conference Room 211

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| William Rees | Individual | Support | No |

Comments: Hawaii state government offices are an important aspect of Wailuku Town's vitality. As a long-term property owner and resident of Wailuku, I would urge you to pass this bill in support of the economic health of the Wailuku community.

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From: mailinglist@capitol.hawaii.gov
To: [WAM Testimony](#)
Cc: oluolu@maui.net
Subject: Submitted testimony for SB2249 on Feb 26, 2016 09:45AM
Date: Wednesday, February 24, 2016 3:04:36 PM

SB2249

Submitted on: 2/24/2016

Testimony for WAM on Feb 26, 2016 09:45AM in Conference Room 211

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Helen Nielsen | Individual | Support | No |

Comments: Please support this bill to re-build the State government's campus in Wailuku, Maui. This project is long overdue and will not only bring the buildings into compliance but will in the long term improve efficiency of State government services throughout Maui County. All of this will help the town of Wailuku to remain vibrant and economically strong as the seat of County, State and Federal government for the County. Thank you for your support.

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Testimony of Jonathan Starr

Related to SB2249SD1, Relating to Wailuku Properties

I wish to express strong support and appreciation for SB2249SD1, and the creation and implementation of a State Office Master Plan for Wailuku.

I am a commercial property owner in Wailuku, a few blocks away from the State and County facilities, and a Member of the Maui Redevelopment Agency and the Wailuku Community Association Board of Directors. I have been working for two decades toward the improvement of our Historic Town of Wailuku into a vibrant Live – Work – Play walkable community that does justice to Maui County’s center of Government, Business, Arts, Higher Education, and Health Care.

On my own properties, comprising approximately an acre and a half in the center of town, I have been waiting for the day when economic factors will support the construction of a dense rental workforce apartment project for several hundred of the approximately 30,000 community members who work within a one mile radius of Market and Main Streets.

Both the State Offices and Judiciary, and the Maui County seat of Government have needed revamping for a number of years. Recently, the County of Maui has initiated a new master plan, under which a new office building and parking and other improvements are being planned. Maui Medical Group and other long-term Wailuku entities are also expanding and building new facilities, and an Entertainment District is developing around two active legitimate theatre & dance organizations in the Market Street and Vineyard Street axis. A Clean and Safe Program has been implemented, and it is succeeding in improving our Streetscapes, and many new festivals and pop up programs are in the works. A program to study and digitally map infrastructure, to quantify future needs and create a timeline for integration into County departmental CIP programs is in the works.

The Wailuku State Government Campus has numerous issues that need to be addressed. These relate to capacity (many State programs and agencies require space not currently available), security (particularly the Judiciary does not meet current safety & security standards, with parking below the courts), maintainability (elevators, waterproofing etc), and parking deficit. There is additional land area adjacent to the State facilities that may be available for State Governmental usage, and greater density in Wailuku’s core would be welcomed and would help the town.

In the past there has been consideration of moving State and Judicial functions out into active agricultural lands in the Pu’unene area. This would be bad policy and contrary to all State and County planning principles, along with good sense.

The proposed Bill is in accord with Maui County Planning, Actions and Community Interest. The present time is the ideal time to implement the Wailuku State Office Master Plan, since great efficiencies and symbiosis would be found by working with Maui County as it revamps the County Campus and reviews and improves infrastructure and parking etc.

Mahalo for your efforts here.

Jonathan Starr
Starr Properties, Wailuku
Member, Maui Redevelopment Agency
Wailuku Community Association Board of Directors
Past Chairman, Maui Planning Commission
kalepa@maui.net
(808) 283-1183