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THE VOICE OF THE CONSTRUCTION INDUSTRY

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## Testimony to the Senate Committee on Ways & Means Friday, February 26, 2016 9:25 am State Capitol - Conference Room 211

### **RE: SB 2731: Relating to School Impact Fees.**

Dear Chair Tokuda, Vice-Chair Dela Cruz, 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. We are also in strong support of the proposed S.B. 2731 SD 1, which, along with establishing a task force would require all 201H affordable housing projects to be subject to the public school impact fee requirements.

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.

Furthermore, with respect to 201H projects, we believe that the impact fee should apply to these projects because these projects would ultimately be a source of a large amount of school aged children. Perhaps an exemption could be considered for 201H projects that are specific to Senior or assisted care units.

We express our strong support for both S.B. 2731 and S.B. 2731 SD 1, and appreciate the opportunity to express our views on this matter.



**Testimony to the Senate Committee on Ways and Means  
Friday, February 26, 2016 at 9:25 A.M.  
Conference Room 211, State Capitol**

**RE: SENATE BILL 2731 RELATING TO SCHOOLS**

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **strongly supports** SB 2731, which Establishes a task force to review the school impact fees law and recommend any necessary amendments. Appropriates funds for the administrative and operating expenses of the task force.

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.

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 pro-active in



# Chamber *of* Commerce HAWAII

*The Voice of Business*

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.

**From:** [mailinglist@capitol.hawaii.gov](mailto:mailinglist@capitol.hawaii.gov)  
**To:** [WAM Testimony](#)  
**Cc:** [kuuleia@hawaii.edu](mailto:kuuleia@hawaii.edu)  
**Subject:** \*Submitted testimony for SB2731 on Feb 26, 2016 09:25AM\*  
**Date:** Tuesday, February 23, 2016 11:02:39 PM

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**SB2731**

Submitted on: 2/23/2016

Testimony for WAM on Feb 26, 2016 09:25AM in Conference Room 211

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Kuulei Arizo	Individual	Support	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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**From:** [mailinglist@capitol.hawaii.gov](mailto:mailinglist@capitol.hawaii.gov)  
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**Cc:** [rkailianu57@gmail.com](mailto:rkailianu57@gmail.com)  
**Subject:** \*Submitted testimony for SB2731 on Feb 26, 2016 09:25AM\*  
**Date:** Tuesday, February 23, 2016 9:57:41 PM

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**SB2731**

Submitted on: 2/23/2016

Testimony for WAM on Feb 26, 2016 09:25AM in Conference Room 211

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Rachel L. Kailianu	Individual	Oppose	Yes

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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