



HAWAII COMMUNITY
DEVELOPMENT AUTHORITY



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STATEMENT OF

JESSE K. SOUKI, EXECUTIVE DIRECTOR
HAWAII COMMUNITY DEVELOPMENT AUTHORITY

BEFORE THE
HOUSE COMMITTEE ON FINANCE

Thursday, March 30, 2017
3:00 p.m.

State Capitol, Conference Room 308

in consideration, of

SB1148, SD2, HD2 – RELATING TO COMMUNITY DEVELOPMENT

Chair Luke, Vice Chair Cullen, and members of the committee.

This testimony reflects my view alone. The Hawaii Community Development Authority (HCDA) has not acted on this measure.

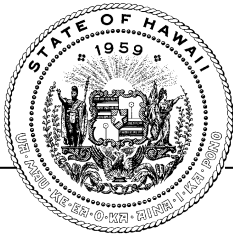
In my capacity as the HCDA Executive Director, I respectfully offer the following **comments** on SB1148, SD2, HD2.

This bill to create Transit Oriented Development (TOD) improvement programs will, at a minimum, require HCDA to engage a consultant to identify necessary public facilities within the TOD zone. HCDA does not have the expertise on staff to do this work. We estimate the cost of retaining outside expertise to be approximately \$300,000.00.

We would also anticipate requesting money for more positions and consultants in future years as the program grows.

On Page 14, line 12, the words “or TOD zone” should be added after “development district” to clarify that the cost of providing public facilities be assessed against real property in the TOD zone.

Thank you for the opportunity to provide comments on this bill.



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DAVID Y. IGE
GOVERNOR

LEO R. ASUNCION
DIRECTOR
OFFICE OF PLANNING

Statement of
LEO R. ASUNCION
Director, Office of Planning
before the
HOUSE COMMITTEE ON FINANCE
Thursday, March 30, 2017
3:00 PM
State Capitol, Conference Room 308

in consideration of
SB 1148, SD2, HD2
RELATING TO COMMUNITY DEVELOPMENT

Chair Luke, Vice Chair Cullen, and members of the House Committee on Finance.

The Office of Planning (OP) supports Senate Bill 1148, SD2, HD2 which requires the Hawaii Community Development Authority (HCDA) to develop a transit-oriented development (TOD) zone improvement program to foster community development by strategically investing in public facilities, and appropriates funds for this purpose.

The coordination and financing of infrastructure improvements, including public facilities, in planned growth areas, such as along the Honolulu rail corridor, is a major impediment to realizing the potential of TOD in providing needed housing and creating vibrant and sustainable mixed-use communities. OP concurs that the State plays an important role in overcoming barriers to TOD, including encouraging needed investments in regional public facilities such as roads, sewer, and stormwater/drainage, and finds that the construction and installation of certain public facilities is necessary and desirable to facilitate the renewal and redevelopment of areas proximate to proposed fixed transit stations. OP believes that by designating the HCDA as the implementing authority for TOD Zone Improvement Programs will accelerate community development in TOD areas.

OP offers the comment that the some of the proposed TOD Zone Improvement duties tasked to the HCDA in SB 1148, SD2, HD2 currently overlap with those of the Hawaii Interagency Council recently established pursuant to Hawaii Revised Statutes (HRS) § 226-64 (Act 130, SLH 2016). The Strategic Plan will identify and prioritize State projects for financing planning for infrastructure and facilities needed for TOD projects. Any implementation of strategic public facility investments in TOD Zone Improvement programs should incorporate the recommendations provided in the Strategic Plan. Further coordination on strategic improvements for public facilities may be required among OP as the lead agency for coordination of State TOD projects, the Hawaii Interagency TOD Council and the HCDA.

Thank you for the opportunity to testify on this matter.

DAVID Y. IGE
GOVERNOR

RODERICK K. BECKER
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An Agency of the State of Hawaii

ROSS I. YAMASAKI
CHAIRMAN, STADIUM AUTHORITY

SCOTT L. CHAN
MANAGER

RYAN G. ANDREWS
DEPUTY MANAGER

TESTIMONY
OF
ROSS YAMASAKI, CHAIRMAN
STADIUM AUTHORITY
TO THE
HOUSE COMMITTEE
ON
FINANCE

March 30, 2017

S.B. 1148, SD2, HD2

RELATING TO COMMUNITY DEVELOPMENT,

Chair Luke, Vice Chair Cullen, and members of the committee, thank you for the opportunity to submit testimony in the form of comments to S.B. 1148, SD2, HD2.

The Stadium Authority (Authority) established pursuant to Hawaii Revised Statutes §109-2 is the entity responsible for establishing policy as it relates to the overall operation and future of the Aloha Stadium and its related facilities.

As such, the Authority appreciates the language in HD2, subsection (11) that excludes Stadium Authority lands from being designated as “TOD zone” parcels.

In doing so, the measure’s language:

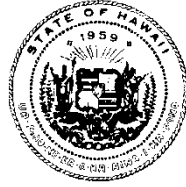
- Removes any potential for conflict between the two separate legislatively empowered authorities.
- Allows the Stadium Authority to continue on track with planning, assessments, and studies required to begin the process of property development.
- Aligns the Authority with SB 994, SD1, HD1 that seeks to reaffirm and elaborate on the responsibility and oversight of the Stadium Authority Board as well as provide the resources required to ensure that the Authority is able to meet its goal and objectives.

The Authority would also like to share with the committee that for the past several years, the Authority has worked collaboratively with the City & County of Honolulu's Department of Planning and Permitting – Transit Oriented Development (TOD) Group and the State of Hawaii's Hawaii Interagency Council for Transit-Oriented Development (HIC-TOD) in a symbiotic relationship that supports the planning and development of land surrounding the Aloha Stadium Rail Transit Station. Both HIC-TOD and the City's TOD programs have been working in conjunction with the Authority and its consultant to move the planning and development phase forward.

Based on the foregoing, the Authority appreciates the Legislature's position that it continue to be excluded from the proposed statutory oversight that SB 1148, SD2, HD2 seeks to establish and, in doing so, allows the Authority to continue to move forward supported through its current collaborative professional relationships that it has already established.

Thank you for the opportunity to provide testimony on SB 1148, SD2, HD2.

DAVID Y. IGE
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HAKIM OUANSAFI
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LATE

Statement of
Hakim Ouansafi
Hawaii Public Housing Authority
Before the

HOUSE COMMITTEE ON FINANCE

Thursday, March 30, 2017
Room 308, Hawaii State Capitol
3:00 PM

In consideration of
SB 1148, SD2, HD2
RELATING TO COMMUNITY DEVELOPMENT

Honorable Chair Luke and Members of the House Committee on Finance, thank you for the opportunity to provide testimony regarding Senate Bill 1148, SD2, HD2, relating to community development.

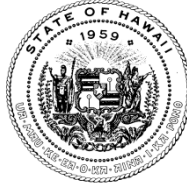
The Hawaii Public Housing Authority (HPHA) **supports the intent** of SB 1148 SD2, HD2, which directs the Hawaii Community Development Authority to develop transit-oriented development zone improvement program to foster community development by strategically investing in public funds.

The HPHA appreciates the exemption from the study and the TOD zones in order to conform with federal law and the Annual Contributions Contract (ACC) with the U.S. Department of Housing and Urban Development (HUD), Section 5 which requires the Housing Authority (HA) at all times to develop and operate all projects in compliance with all the provisions of the ACC and all applicable statutes, executive orders and regulations issued by HUD, as they shall be amended from time to time, including but not limited to these regulations promulgated by HUD at Title 24 of the Code of Federal Regulations.

Four years ago, the HPHA implemented a strategy regarding transit-oriented development (TOD) for the agency, identifying approximately 10,000 units and 9 projects. HPHA successfully completed the procurement process and selected private developers for three private-public partnership. The HPHA has already entered into one Master Development Agreement (MDA), two predevelopment agreements, and two MDAs are anticipated in the next few weeks. The community engagement process is in the final stages of completion and Environmental Impact

studies will begin shortly on the two largest projects, with the third to follow. These ongoing projects will generate more than 3,000 units with the first phase of development anticipated to begin next year.

As the leaders in housing low-income residents, the HPHA appreciates the opportunity to provide the House Committee Finance with the HPHA's comments regarding SB 1148, SD2, HD2. We thank you very much for your dedicated support.



Testimony by:
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DIRECTOR

Deputy Directors
JADE T. BUTAY
ROSS M. HIGASHI
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March 30, 2017
3:00 PM
State Capitol, Room 308

**S.B. 1148, S.D. 2, H.D. 2
RELATING TO COMMUNITY DEVELOPMENT**

House Committees on Finance

The Department of Transportation (DOT) offers **comments** to S.B. 1148, S.D.2, H.D.2, which proposes to define “TOD” and “TOD zone” and designate the Hawaii Community Development Authority (HCDA) to implement the TOD Zone Improvement Program, and describe the requirements for the composition of the Authority’s membership for TOD zones.

The DOT has significant concerns regarding the bills proposal to transfer authority and/or jurisdiction over Airport, Harbors, or Highways properties within a half-mile of the rail stations to HCDA. Additionally, the bill proposes that the HCDA authority shall develop a TOD zone improvement program to identify necessary public facilities within a TOD zone. The lands under the jurisdiction of the DOT are vital to the safe and efficient movement of people and goods throughout the entire state, as well as between Hawaii and mainland and international ports. The DOT must be able to plan, administer, develop and manage such lands to accommodate the ever evolving needs and anticipated future transportation demands while ensuring compliance with federal regulations (Federal Transit Administration (FTA), Federal Highway Administration (FHWA), Federal Aviation Administration (FAA), and Maritime Administration (MARAD).

The DOT is responsible under federal law for the performance and maintenance of our Federal Aid highways system. The half-mile limit surrounding the rail stations will encompass portions of the Federal Aid highways system such as H-1 Freeway, Nimitz Highway, Ala Moana Boulevard and other roads. Federal laws and regulations require the DOT to properly maintain federal aid roadways up to a certain level of good repair, and will require the development of plans, and later implementation for freight movements on the interstate systems. Thus the DOT has concerns of HCDA implementing TOD zone improvement programs for all lands within a half-mile limit of the Honolulu rail transit stations, and DOT is the agency held accountable for Federal compliance for these improvements, and for decisions that may affect maintenance and performance of the Federal Aid highway system.

Please also consider that Noncompliance of federal requirements could result in the loss of federal funds, or reduced flexibility in the use of federal funds due to conditions imposed by the federal government. The DOT feels that authority and jurisdiction of all of DOT's facilities should remain within DOT.

Thank you for the opportunity to provide testimony.