

STAND. COM. REP. NO.

44

Honolulu, Hawaii

February 6, 2017

RE: H.B. No. 626  
H.D. 1

Honorable Joseph M. Souki  
Speaker, House of Representatives  
Twenty-Ninth State Legislature  
Regular Session of 2017  
State of Hawaii

Sir:

Your Committee on Economic Development & Business, to which was referred H.B. No. 626 entitled:

"A BILL FOR AN ACT RELATING TO URBAN REDEVELOPMENT,"

begs leave to report as follows:

The purpose of this measure is to promote the long-range planning and implementation of the development of State-owned assets near rail transit stations by, among other things:

- (1) Establishing a State Transit Oriented Development Authority (Authority) to plan and develop infrastructure capacity on state lands within a one-half mile radius of specified stations;
- (2) Encouraging the Authority to enter into public-private partnerships with private investors; and
- (3) Establishing a State Transit Oriented Development District, the district boundaries of which include a one-half mile radius around each of the following rail transit stations: University of Hawaii, west Oahu; Leeward Community College; Aloha Stadium; Kalihi; and Iwilei.

The Chamber of Commerce Hawaii, Building Industry Association of Hawaii, and a concerned individual supported this bill. The Department of Planning and Permitting of the City and County of

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Honolulu and a concerned individual opposed this measure. The Department of Taxation, Department of Transportation, and the Office of Planning submitted comments.

Your Committee has amended this measure by:

- (1) Requiring that the private developer member of the Authority have experience developing affordable housing projects in Hawaii;
- (2) Clarifying that the assessment lien on real property benefiting from bond-financed public facilities does not have priority over statutorily specified tax debts due the State, in addition to real property tax liens;
- (3) Amending the effective date to July 1, 2038, to facilitate further discussion; and
- (4) Making technical, nonsubstantive amendments for clarity, consistency, and style.

Your Committee respectfully requests the Committee on Finance to consider making this bill applicable to taxable years beginning after December 31, 2017. In addition, your Committee notes that many of the duties of the Authority in this measure currently overlap those of the Hawaii Interagency Council for Transit-Oriented Development established by section 226-63, Hawaii Revised Statutes.

As affirmed by the record of votes of the members of your Committee on Economic Development & Business that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 626, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 626, H.D. 1, and be referred to your Committees on Transportation and Housing.



Respectfully submitted on  
behalf of the members of the  
Committee on Economic  
Development & Business,



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MARK M. NAKASHIMA, Chair



