

DAVID Y. IGE
GOVERNOR OF HAWAII



**STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES**

POST OFFICE BOX 621
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**Testimony of
SUZANNE D. CASE
Chairperson**

**Before the Senate Committees on
ECONOMIC DEVELOPMENT, TOURISM, AND TECHNOLOGY
and
WATER AND LAND**

**Monday, March 20, 2017
2:45 P.M.
State Capitol, Conference Room 414**

**In consideration of
HOUSE BILL 1310, HOUSE DRAFT 1
RELATING TO THE WAIAKEA PENINSULA REDEVELOPMENT DISTRICT**

House Bill 1310, House Draft 1 proposes to establish the Waiakea Peninsula Redevelopment District (WPRD) in East Hawaii, and create a planning committee and revolving fund for the district. **The Department of Land and Natural Resources (Department) offers the following comments on this bill.**

Under Chapter 171, Hawaii Revised Statutes (HRS), the Board of Land and Natural Resources (Board) is authorized to issue leases up to a maximum term of 65 years. Section 171-32, HRS, provides that it is the policy of the State to issue leases by public auction. At the end of their lease terms, lessees have little incentive to invest in improvements to their leasehold properties because the leases cannot be extended further. Rather, new leases of the lands must be issued pursuant to the public auction process. As a result, the properties frequently fall into disrepair.

In 2015, the Legislative Reference Bureau (LRB) issued Report No. 2, Commercial Leasing of Public Lands: State Policies Regarding Leases Near End of Term. LRB found other states in the nation that had maximum lease terms and reviewed how those states' leasing practices dealt with end of the term leases. LRB concluded its report in stating:

While some states have policies that generally address the maintenance and improvement of leased public lands, these policies appear to arise when a lease agreement is initially drafted and entered into, or within the context of negotiations for a lease renewal, rather than during the last few years of an

SUZANNE D. CASE
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

KEKOA KALUHIWA
FIRST DEPUTY

JEFFREY T. PEARSON, P.E.
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

existing lease. In comparison, commercial leases of public lands in Hawaii include a general covenant that requires lessees to maintain the property. The Bureau offers no conclusions regarding which, if any, of the policies employed by the other states represents practices that should be incorporated into the commercial leasing of public lands in Hawaii.

The proposed WPRD encompasses the Waiakea Peninsula in Hilo. Although a number of State leasehold properties in this area are in poor condition, the Department points out that the Hilo Hawaiian Hotel, the Hilo Bay Café (former Nihon Restaurant site), and the Grand Naniloa Hotel are State leasehold properties that are in good condition, with Naniloa currently undergoing an extensive renovation. The long-term leases for Uncle Billy's Hilo Bay Hotel (now the Pagoda Hilo Bay Hotel), Country Club Condominium (which is now a residential apartment building – not a condominium), and Reed's Bay Resort Hotel all expired in 2016 and have been converted to month-to-month revocable permits. No new leases for these sites have issued yet because the Department has been working the County of Hawaii Banyan Drive Hawaii Redevelopment Agency (BDHRA), and prior to that the Banyan Drive Task Force, to develop a long term plan for the area. Once a long-term plan for Banyan Drive is settled on, the Department can issue new long-term resort leases for these properties, if that is what BDHRA ultimately supports.¹

In the past, the Department has generally opposed legislative bills that proposed to allow existing lessees to acquire new lease terms on leases that are scheduled to expire soon, following instead general public policy to promote fairness in competition in access to public property. One reason for the Department's position was the statutory policy mentioned above favoring issuance of leases by public auction. Another reason was to preserve the State's legal right to the remaining value of the improvements after the lease term; when leases expire, the lessees' improvements on the land revert to State ownership pursuant to the express terms of the lease, unless the State directs the lessee to remove the improvements. Assuming the improvements have some remaining useful life, the State is then in a position to auction leases of improved properties at potentially greater rents than the State would receive for a ground lease alone, which amounts can in turn be applied to public purposes.

The Department notes that there are a number of bills before the Legislature this session that would allow for the extension of existing leases. If one of these measures becomes law, the Legislature will have established a new policy for the Department to follow in the leasing of its public lands. Additionally, the Department recognizes that a prior legislative act providing for extensions of resort leases did have a beneficial effect on one State lease on Banyan Drive. The lessee of Hilo Hawaiian Hotel property took advantage of Act 219 Session Laws of Hawaii 2011 to extend its lease from 2031 to 2068, making substantial improvements to the property pursuant to a development agreement negotiated between the State and the lessee.

¹ The Department procured a consultant to conduct a number of studies to facilitate planning for Banyan Drive including a market study on tourism to determine if the area could support a new hotel, and studies on sea level rise, the viability of master leasing multiple parcels in the area, and the remaining useful life of existing structures on expiring lease premises. Another consultant, Erskine Architects, conducted a much more detailed architectural and engineering study on whether existing improvements on the expired lease premises should be demolished or rehabilitated. These studies are publicly available on the Department's website at <http://dlnr.hawaii.gov/ld/kanoiehua-and-banyan-drive-studies/>

The Department thus acknowledges different public policy benefits from different approaches. Based on this, the Department now takes a neutral stance on legislative proposals to extend existing leases.

The Department respectfully suggests that extensions of existing leases in exchange for lessees making substantial improvements may be the better way to deal with end of lease issues and redevelopment on Waiakea Peninsula.

In addition, the Department identifies the following issues with respect to this measure:

The Department is unclear as to the effect of this bill on existing ongoing state and county collaboration on redevelopment for Waiakea Peninsula

As explained above, the Department has been working with the BDHRA regarding plans for the Banyan Drive area. Additionally, as mentioned above, the Department procured consultants for Banyan Drive to analyze market trends, and explore options for redevelopment and rehabilitation of specific parcels or areas. After the 2013 legislative session, former Governor Abercrombie approved the formation of a Banyan Drive Task Force that met a number of times to discuss many of the issues covered by the bill. The task force members included representatives from local businesses, the former executive director of the Big Island Visitors Bureau, the executive director of the 'Imiloa Astronomy Center of Hawaii, and representatives from the Hawaii County Mayor's Office and State legislators also attended the meetings. This informal task force worked well and at limited expense to the State.

The bill creates a new layer of redevelopment process in addition to the task force and the BDHRA: the WPRD and a planning committee to serve as a policy-making board for the district. In addition to an administrator, the planning committee would likely require a secretary and perhaps more staff for proper administration, as well as office equipment, supplies, and travel expenses for the committee members. There will be added expense for the committee to comply with HRS Chapter 92's sunshine law requirements. Further, the committee's actions may be subject to contested case hearings and appeals. The bill provides no direct appropriation to carry out the purposes of the measure. A conservative budget for such a planning committee, including payroll, fringe benefits, hearing officer fees, and other costs and expenses, would be \$500,000 annually.

The Department relies on the revenues from leases of public lands to fulfill its fiduciary duties

House Bill 1310 proposes that 50% of the revenues from the WPRD are to be deposited into a redevelopment district revolving fund, and that moneys in the fund shall be used solely for the WPRD. The Department and Board are responsible for managing approximately 1.3 million acres of public lands comprised of sensitive natural, cultural and recreational resources. The Department's responsibilities include managing and maintaining the State's coastal lands and waters, water resources, conservation and forestry lands, historical sites, small boat harbors, parks, and recreational facilities; performing public safety duties (e.g., flood and rockfall prevention); issuing and managing leases of public lands (agriculture, pasture, commercial,

industrial, and resort leases); maintaining unencumbered public lands; and enforcing the Department's rules/regulations.

To properly perform these fiduciary duties, the Board determined that the Department should utilize a portion of the lands it manages to generate revenues to support the Department's operations and management of public lands/programs. Annual lease revenues currently support the Special Land and Development Fund (SLDF), with revenues coming primarily from leases for commercial, industrial, resort, geothermal and other renewable energy projects.

The SLDF is a critical and increasingly important funding source for various divisions within the Department to deal with emergency response to natural catastrophes such as fire, rockfall, flood or earthquake and hazard investigation and mitigation. The SLDF also is critical for staff support of various programs and funding conservation projects on all state lands. It has also become an important source of state match for federally funded endangered species and invasive species initiatives that otherwise would not go forward.

The authority to construct, improve, renovate and revitalize areas within the counties is already authorized under Sections 46-80.5 and Chapter 53, HRS

The bill seeks to redevelop the WPRD. However, the bill is unnecessary because there are already existing laws and ordinances that provide the process and financing to effect redevelopment, as evidenced by the County of Hawaii's creation of BDHRA under Chapter 53, HRS.

Section 46-80.5, HRS, authorizes the various counties to enact ordinances to create special improvement districts for the purpose of providing and financing such improvements, services, and facilities within the special improvement district as the applicable county council determines necessary or desirable to restore or promote business activity in the special improvement district. This is the same purpose sought by House Bill 1310.

Under the authority of Section 46-80.5, HRS, the County of Hawaii, as an example, enacted Chapter 12 of the Hawaii County Code, which authorizes the County of Hawaii to create improvement districts to construct new, or improve existing infrastructure and facilities, including roadways and utility infrastructure and improvements. It should also be noted that the responsibilities for maintaining such improvements within the proposed redevelopment districts are already vested with the County of Hawaii. Most, if not all, of the public roadways and utility infrastructure within any potentially designated district boundaries have been dedicated to the County.

Thank you for the opportunity to comment on this measure.

DAVID Y. IGE
GOVERNOR



WESLEY K. MACHIDA
DIRECTOR

LAUREL A. JOHNSTON
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
P.O. BOX 150
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ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

WRITTEN ONLY

TESTIMONY BY WESLEY K. MACHIDA
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEES ON ECONOMIC DEVELOPMENT, TOURISM, AND
TECHNOLOGY AND WATER AND LAND
ON
HOUSE BILL NO. 1310, H.D. 1

March 20, 2017
2:45 p.m.
Room 414

RELATING TO THE WAIAKEA PENINSULA REDEVELOPMENT DISTRICT

House Bill (H.B.) No. 1310, H.D. 1, establishes the Waiakea Peninsula Redevelopment District on the island of Hawaii and the Waiakea Peninsula Redevelopment District Planning Committee to help carry out the revitalization effort. The bill creates the Waiakea Peninsula Redevelopment District Revolving Fund that would generate revenues through: 50% of the income, revenues, and receipts from the public lands in the redevelopment district; legislative appropriations; and grants, gifts, and other funds accepted by the planning committee. The measure will be repealed on June 30, 2027.

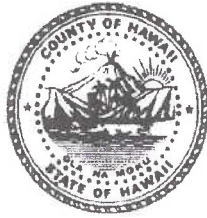
The Department of Budget and Finance, as a matter of general policy, does not support the creation of any revolving fund which does not meet the requirements of Section 37-52.4 of the HRS. Revolving funds should: 1) serve a need as demonstrated by the purpose, scope of work and an explanation why the program cannot be implemented successfully under the general fund appropriation process; 2) reflect a clear nexus between the benefits sought and charges made upon the users or

beneficiaries or a clear link between the program and the sources of revenue; 3) provide an appropriate means of financing for the program or activity; and 4) demonstrate the capacity to be financially self-sustaining. In regards to H.B. No. 1310, H.D. 1, it is difficult to determine if there is a clear nexus between the benefits sought and the users and whether the proposed source of revenues will be self-sustaining. It appears that H.B. No. 1310, H.D. 1, is relying on the redevelopment district framework proposed in H.B. No. 1469 to provide clarity on how the revolving funds will be used and the appointment and powers of the planning committee.

The department also has a concern on the general fund revenue impact of the bill since half of the revenue, income, and receipts from public lands in the Waiakea Peninsula will be diverted away from the Special Land and Development Fund. Pursuant to Section 171-19, HRS, excess moneys in the Special Land and Development Fund lapse to the credit of the State general fund.

Thank you for your consideration of our comments.

Harry Kim
Mayor



Wil Okabe
Managing Director

Barbara J. Kossow
Deputy Managing Director

County of Hawai'i
Office of the Mayor

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March 16, 2017

Senator Glenn Wakai, Chair
Committee on Economic Development, Tourism and Technology
Hawai'i State Capitol
Honolulu, HI 96813

Senator Karl Rhoads, Chair
Committee on Water and Land
Hawai'i State Capitol
Honolulu, HI 96813

Dear Chairs Wakai and Rhoads, and Members:

**RE: HB 1310, HD 1 and HB 1479, HD 2
Relating to the Waiakea Peninsula Redevelopment District
and Relating to the Hilo Community Economic District**

Thank you for this opportunity to testify in support of the intent and purpose of HB 1310, HD1 and HB1479, HD2.

We appreciate the attention that the Legislature has placed on the disposition of State lands within and proximate to the Banyan Drive peninsula and the Kanoelehua Industrial Area. Great opportunities exist to partner with private sector businesses to carry out important economic revitalization efforts and optimize the use of these lands for the benefit of the entire community. Our County's ongoing efforts with the Banyan Drive Hawai'i Redevelopment Agency (BDHRA) reflect that such benefits are not simply economic, but social and cultural as well. It is with this comprehensive approach in mind that we support the bills introduced during this legislative session that seek to explore opportunities regarding the use and management of State-owned lands within the core economic section of Hilo. We especially appreciate the work of Senator Kahele, who authored SB1292 and has worked so hard on this issue.

In terms of most of the technical details in these bills, I would appreciate if you would consider the testimony of my Planning Department, which is being submitted separately. But I do want to offer the following comments:

1. The lessees in the Kanoelehua Industrial Area are caught in an economic bind, unable to improve their properties because their leases are close to expiration. We therefore believe that the broader scope of HB 1479 (and SB1292) is preferable to the more narrow scope of HB 1310.
2. If one of these bills becomes law, the Hilo Community Economic District (HCED) will be the only redevelopment district outside of the City and County of Honolulu. For this reason, we ask that consideration be given to providing that the District have a voting majority of members from the Hilo community. I think this could be accomplished if the County Planning Director was a voting member, the cultural specialist was a cultural practitioner from the Hilo community, and the Director of Transportation was dropped or made ex officio, non-voting (I don't think transportation will be as significant an issue as it has been on Oahu).
3. The idea of having a local cultural specialist is important, separate and apart from the issue of majority control. Current statutory language provides for just one cultural specialist for all redevelopment districts. We hope you will change that to provide for a separate cultural specialist for the Hilo redevelopment district, even if one specialist for all the Oahu districts has been satisfactory.
4. We cannot afford to jeopardize or divert the real property tax revenue that comes from the affected parcels and currently goes into the County general fund (we estimate \$3M).

There are two concerns here.

First, SB 1292, SD2 says that

§206E-D Hilo community economic revolving fund. (a) There is established in the state treasury the Hilo community economic revolving fund, into which shall be deposited:

- (1) Notwithstanding any law to the contrary, including section 206E-16, all revenue, income, and receipts of the authority for the district;

Second, it seems, at least in theory, that the Authority could issue leases that provide for the lessee to be exempt from property taxes for the term of the lease.

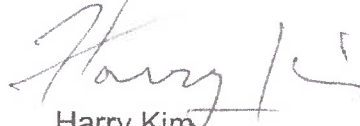
We do not think that the Legislature intends to affect real property taxes, so we ask for language that makes it crystal clear that real property taxes are not part of

“revenues, income, and receipts...”, that leases cannot affect property tax obligations, and that all property taxes will continue to flow to the County general fund.

5. The bills say their purpose is to deal with State-owned land, so perhaps language should be inserted that says that this statute applies only to land within the district boundaries that is State-owned. We have not determined how much non-State owned land might be affected.

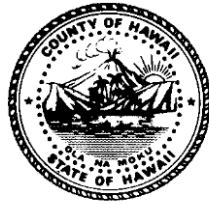
Again, we thank you for these important initiatives, and we strongly support these bills.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Harry Kim", with a stylized flourish at the end.

Harry Kim
Mayor

Harry Kim
Mayor



Michael Yee
Director

Daryn Arai
Deputy Director

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Testimony of
MICHAEL YEE
Planning Director

**Before the Senate Committee on Economic Development, Tourism and Technology
and the Committee on Water and Land**

Monday, March 20, 2017
2:45PM
State Capitol, Conference Room 414

In consideration of
**HB 1310 HD1, RELATING TO THE WAIĀKEA PENINSULA REDEVELOPMENT
DISTRICT**

HB 1469 HD1, RELATING TO PUBLIC LANDS

HB 1479 HD2, RELATING TO THE HILO COMMUNITY ECONMOIC DISTRICT

The Planning Department has been involved in the planning phases of proposed redevelopment actions within the Waiākea peninsula over the past year through our support of the recently established Banyan Drive Hawai'i Redevelopment Agency (BDHRA). It is understood that an unintended consequence of the State's leasing policies under HRS 171 has been the lack of reinvestment by lessees into the infrastructure of leased properties and the infrastructures' subsequent decline. Hilo is particularly affected by these leasing policies as there are substantial tracts of State lands in our community. Planning and the BDHRA are supportive of proposed legislation to stimulate reinvestment and economic growth through changes to the State's leasing policies. Planning and the BDHRA also agree that the properties identified in HB1310 HD1, HB1479 HD2, and SB1292 SD2 could benefit from revisions to leasing policies and from comprehensive planning efforts to identify a successful path forward that supports the lessees and the broader interests and concerns of our community.

Planning and the BDHRA are aware that the Legislature must consider the two structurally different approaches these bills are proposing; redevelopment under DLNR direction through HB1310 HD1 versus redevelopment under the Hawai'i Community Development Authority under HB1479 HD2 and SB1292 SD2. The strengths and benefits of both entities should be considered as these bills move forward.

HB1469 HD1 proposes changes to HRS 171, pertaining to management and disposition of public lands. Planning is offering the following specific comments on HB1469 HD1.

- The purpose of this bill, in part, is to: §171-A(b)(2) “establish a plan for the designated area, including district-wide improvements, that is coordinated with State and county land use and planning policies;”. The director of planning of the county in which the designated district is located is identified as an “ex-officio, voting member of the committee”, which is to contain 9 members. Language should be made clear to identify both the director of planning and the chairperson of the board of land and natural resources as members that count toward a voting quorum of the committee’s membership.
- Under §171-D(b)(2)(B), we recommend adding a new section: (vii) Land Use Planning or similar field;
- Under §171-D(b)(2), we recommend adding new section: §171-D(b)(2)(C) One member shall be selected on the basis of their knowledge of history and cultural traditions or practices within the redevelopment area.
- Under §171-F(e), consider replacing the date 2020 with the Legislative session directly following the two-year anniversary of the formation of the planning committee for the redevelopment district.
- Concerning Section 171-F(e). Planning questions whether 2-years is long enough to develop a redevelopment plan with needed studies and public input. This section should include a provision for a time extension of not more than 2 additional years in case more time to develop a redevelopment plan is needed.
- Concerning Section 171-F(f). The County of Hawai‘i has begun implementation of HRS Chapter 53 relating to Urban Renewal Law within the Waiākea Peninsula. A redevelopment plan developed pursuant to Chapter 171, HRS should work with or incorporate the redevelopment actions or plan developed pursuant to Chapter 53, HRS.
- Under §171-35(6), include the underscored in the bill’s language: “Where applicable, adequate protection of forests, watershed areas, game management areas, wildlife sanctuaries, important cultural or historical sites, and public hunting areas, reservation of rights-of-way and access to other public lands, public hunting areas, game management areas, or public beaches, and prevention of nuisance and waste; and”

Planning recognizes that **HB1310 HD1** is dependent on the proposed structure provided by the passing of HB1469_ HD1 or a version thereof. Specific comments are provided for HB1469_ HD1 above.

HB1479 HD2, and its companion bill SB1292 SD2, proposes use of HRS 206E, Hawai‘i Community Development Authority, to prompt needed changes in a number of State-owned property in the area of East Hawai‘i. As previously noted, Hawai‘i County established the BDHRA through use of HRS 53 in order to plan for and redevelop lands along Banyan Drive in Hilo. In review of HRS 206E and HRS 53, it would appear both sets of legislation employ

similar powers and duties to the respective authority or agency. If the Legislature considers the adoption of HB1479 HD2 or SB1292 SD2 the County would request that the progress made to date by BDHRA (such as the development of a conceptual master plan) be incorporated into the Hilo Community Economic Development District effort.

The County would note that, in comparing HB1479 HD2 with its companion Senate bill, it appears the House bill has included a number of requests made by HDCA that seem necessary in order for that entity to successfully take on the planning and redevelopment of the district. As such, the House version of the bill might be more complete than the Senate version at this time.

Planning is offering the following specific comments on HB1479 HD2.

Concerning Section 206E-3. In the case of the Hilo Community Economic Development District, the cultural specialist identified in subsection (b) should be from the district. This could be done by making the existing position an “at-large” position and including a cultural specialist from the district, or by adding language that identifies that each cultural specialist should be from the individual economic development districts. The Planning Director should be included as an ex-officio *voting* member of the authority. Specifically relating to the Hilo Community Economic Development District, Planning makes the following language suggestions identified in subsection (4); deletions ~~struck~~, additions underlined:

(4) For matters affecting the Hilo community economic development district, the following members shall be considered in determining quorum and majority and shall be eligible to vote:

(A) The director of finance or the director’s designee;

(B) The director of transportation or the director’s designee;

(C) The director of planning or the director’s designee;

~~(D)~~(D) The cultural specialist-at large;

(E)The cultural specialist from the district;

~~(D)~~(F) The three at-large members; and

~~(E)~~(G) The three representatives of the Hilo community economic development district;

~~provided that the director of planning and permitting of the relevant county or the director’s designee shall participate in these matters as an ex officio, nonvoting member and shall not be considered in determining quorum and majority.~~

Mahalo for your consideration of these important initiatives.

The Twenty-Ninth Legislature
Regular Session of 2017

THE STATE SENATE

Committee on Economic Development, Tourism, and Technology

Senator Glenn Wakai, Chair

Senator Brian T. Taniguchi, Vice Chair

Committee on Water and Land

Senator Karl Rhoads, Chair

Senator Mike Gabbard, Vice Chair

State Capitol, Conference Room 414

Monday, March 20, 2017; 2:45 p.m.

**STATEMENT OF THE ILWU LOCAL 142 ON H.B. 1310 H.D. 1
RELATING TO THE WAIAKEA PENINSULA REDEVELOPMENT DISTRICT**

The ILWU Local 142 supports H.B. 1310 H.D. 1, which establishes the Waiakea Peninsula Redevelopment District, planning committee and revolving fund. H.B. 1310 H.D. 1 creates a strategic planning committee to develop an overall plan that would leverage the potential for tourism and other related industries to thrive in the redevelopment district. The planning committee would also develop strategies for creating economic incentives for major investments and improvements to infrastructure in the district.

H.B. 1310 H.D. 1 creates a Waiakea Peninsula Redevelopment Special Fund which provides a tool to marshal financial resources that may be available, to implement the plan and strategies generated by the planning committee. With approximately eighty five per cent of the visitor accommodations from east Hawaii County being located in the District, and the State being the predominant land owner, these factors should assist the planning committee in carrying out its mission.

This bill creates a mechanism for bringing together people, resources, and good ideas to help revitalize the Waiakea Peninsula Redevelopment District, and recognizes the potential for increased growth and economic activities. These kinds of efforts will further the social, environmental, and economic wellbeing of the residents of East Hawaii and Hawaii Island.

The ILWU urges passage of H.B. 1310 H.D. 1. Thank you for the opportunity to share our views on this matter.



HB1310 HD1

Senate Committee's ETT/WTL
ETT Chair Glenn Wakai
WTL Chair Karl Rhoads

Aloha Chairs Wakai & Rhoads,

I am Garth Yamanaka, Committee chair for Government affairs for the Kanoelehua Industrial Area Association (KIAA). Established in 1968, KIAA is an active business association that is comprised of both small and large businesses and organizations within specific Hilo and Keaau boundaries. One of our goals is to advance the commercial and community interests of our member firms. Presently, we represent approximately 350 business members employing approximately 4,500 workers.

KIAA supports the purpose of this measure which is to establish the Waiakea peninsula redevelopment district, planning committee and revolving fund. The current framework for management of the Waiakea peninsula has been sub-par to market expectations, which is having a harmful effect on the economy of East Hawaii. The passing of HB 1310 HD1 will help to push policy in the right direction as local expertise has an opportunity to be a part of a redevelopment district that will allow public lands to be managed properly which in turn will help the sites on the Waiakea peninsula to be revitalized and relevant in today's market.

We urge you to pass HB 1310 HD 1 and Mahalo for this opportunity to provide testimony.

Mahalo,

Garth Yamanaka
Committee Chair for Government Affairs
KIAA



The following individuals express their support for the following:

HB1310 HD1

Name	Company	Address	Phone	Email	IP Address
Brian Nakano	Chika Nakano Repair Shop	90 Pookela st Hilo, HI 96720	808-935-1862	cnrs@interpac.net	98.155.11.107
David S. De Luz, Jr.	Big Island Toyota, Inc./De Luz Chevrolet	811 Kanoelehua Avenue Hilo, HI 96720	808-895-4284	djr@teamdeluz.com	74.87.59.244
Garth Yamanaka	Yamanaka Enterprises Inc	1266 Kamehameha Ave Hilo, HI 96720	808-935-9766	garthyama@gmail.com	72.253.170.140
Joni Y Uemura		792 Hualani Street Hilo, HI 96720	808-935-7220	JoniU@HawaiiForklift.com	72.130.231.180
Mike Nakashima	Rannikks Auto Specialists	843 Leilani Street Hilo, HI 96720	808-961-3889	rannikksmike@hawaii.rr.com	72.130.226.56
Neil Takeda		95-706 Lauawa Street Mililani, HI 96789	808-623-5020	takebasa@hotmail.com	64.29.88.4
Paul Muranaka	Hawaii Farm Services, LLC	1133 Manono St., Suite 1 Hilo, HI 96720	808-935-9009		72.253.7.14
Steve Handy Jr.	One Handy Subway Ltd.	1032 Kukuau Street Hilo, HI 96720	808-990-6335	seshandy@hawaii.rr.com	72.130.234.181
Welden K. Ahuna	Rainbow Isle Refrigeration & Air Conditioning, Inc.	831-H Leilani Street Hilo, HI 96720	808-935-4424	rainbowisle1@aol.com	72.234.33.139
Glenn Hara	THY & Associates, Inc.	16-151 Wiliama Street Keaau, HI 96749	808-966-5444	glenn@thyassociates.com	173.198.71.234

Jacqueline Watanabe	Big Island Toyota	811 Kanoelehua Ave Hilo HI 96720	808-895- 5099HB1479	jdeluz@teamdeluz.com	74.87.59.244
Craig Takamine	Takamine Construction, Inc.	1266 Kamehameha Ave Hilo, HI 96720	808-989-8044	craighilo@gmail.com	70.212.132.68
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Cory C Aguiar	KIAA	820 Piialani St., Suite 201 Hilo, HI 96720	808-961-5422	caguiar@kiaahilo.org	66.91.0.61
Charla Ann Kahele	Sig Zane Designs	122 Kamehameha Ave Hilo, HI 96720	808-935-9980	kahele@sigzane.com	66.91.178.21

Testimony of
Christopher Delaunay, Government Relations Manager
Pacific Resource Partnership

THE SENATE
THE TWENTY-NINTH LEGISLATURE
REGULAR SESSION OF 2017

COMMITTEE ON ECONOMIC DEVELOPMENT, TOURISM, AND TECHNOLOGY

Senator Glenn Wakai, Chair
Senator Brian T. Taniguchi, Vice Chair

COMMITTEE ON WATER AND LAND

Senator Karl Rhoads, Chair
Senator Mike Gabbard, Vice Chair

NOTICE OF HEARING

DATE: Monday, March 20, 2017
TIME: 2:45 pm
PLACE: Conference Room 414

Aloha Chairs Wakai & Rhoads, Vice Chairs Taniguchi & Gabbard, and Members of the Committees:

PRP supports HB 1310, HD1, relating to the Waiakea Peninsula Redevelopment District, which establishes the Waiakea Peninsula Redevelopment District, Planning Committee, and Revolving Fund.

The revitalization and redevelopment of the Waiakea Peninsula in Hilo is an important component to the overall economic well-being of East Hawaii. However, the economic potential of the area cannot be fully realized without much-needed improvements to its aging infrastructure and facilities. HB 1310, HD1 will give Hilo the tools it needs to improve the infrastructure at the Waiakea Peninsula, which will stimulate the economy of East Hawaii by attracting new hotels, business opportunities, and patrons to the area.

Thank you for allowing us to testify on HB 1310, HD1 and we respectfully request your support in moving this bill forward.



(Continued From Page 1)

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.



HAWAII LABORERS-EMPLOYERS COOPERATION AND EDUCATION TRUST
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**TESTIMONY OF HAWAII LECET
CLYDE T. HAYASHI – DIRECTOR**

SENATE COMMITTEE ON ECONOMIC DEVELOPMENT, TOURISM, AND TECHNOLOGY
Senator Glenn Wakai, Chair
Senator Brian Taniguchi, Vice Chair

SENATE COMMITTEE ON WATER AND LAND
Senator Karl Rhoads, Chair
Senator Mike Gabbard, Vice Chair

NOTICE OF HEARING

DATE: Monday, March 20, 2017
TIME: 2:45 p.m.
PLACE: State Capitol, Room 414

TESTIMONY ON HOUSE BILL NO. 1310 HD1, RELATING TO THE WAIAKEA PENINSULA

ALOHA COMMITTEE CHAIR GLENN WAKAI, COMMITTEE CHAIR KARL RHOADS, AND
COMMITTEE MEMBERS:

My name is Clyde T. Hayashi, and I am the Director of Hawaii LECET. Hawaii LECET is a labor-management partnership between the Hawaii Laborers Union, Local 368, and its unionized contractors.

Mahalo for the opportunity to testify in **STRONG SUPPORT** of House Bill No. 1310 HD1, especially on behalf of over 300 members and their families and our many contractors who call the Big Island home. This bill will establish the Waiakea Peninsula Redevelopment District, Planning Committee, and Revolving Fund.

The Waiakea Peninsula area contains 85 percent of the overnight visitor accommodations in East Hawaii and the State owns a large part of the area. With proper management and support, that area could become an economic driver for East Hawaii, with hotel and resort, commercial and public activities all existing together.

HB 1310, together with HB 1469, will provide the Waiakea Peninsula and the surrounding area an opportunity to finally realize economic revitalization and growth which will greatly benefit the East Hawaii community.

For these reasons, Hawaii LECET **STRONGLY SUPPORTS HB 1469 HD1.**

From: mailinglist@capitol.hawaii.gov
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Subject: *Submitted testimony for HB1310 on Mar 20, 2017 14:45PM*

HB1310

Submitted on: 3/16/2017

Testimony for ETT/WTL on Mar 20, 2017 14:45PM in Conference Room 414

Submitted By	Organization	Testifier Position	Present at Hearing
Douglass Adams	Individual	Support	No

Comments:

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HB1310

Submitted on: 3/17/2017

Testimony for ETT/WTL on Mar 20, 2017 14:45PM in Conference Room 414

Submitted By	Organization	Testifier Position	Present at Hearing
Council Woman Sue Lee Loy	Individual	Support	No

Comments:

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HB1310

Submitted on: 3/17/2017

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Submitted By	Organization	Testifier Position	Present at Hearing
Al M. Inoue	Individual	Support	No

Comments:

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HB1310

Submitted on: 3/18/2017

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Submitted By	Organization	Testifier Position	Present at Hearing
Douglass Adams	Individual	Support	No

Comments:

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