

# OFFICE OF PLANNING STATE OF HAWAII

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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 COMMITTEES ON HOUSING AND TRANSPORTATION**  
Tuesday, March 14, 2017  
9:45 AM  
State Capitol, Conference Room 423

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

Chairs Brower and Aquino, Vice Chairs Nakamura and Quinlan and members of the House Committees on Housing and Transportation.

The Office of Planning (OP) supports Senate Bill 1148, SD2, which appropriates moneys for the executive director of the Hawaii Community Development Authority to conduct a feasibility study regarding: (1) the HCDA assuming the role of planning, developing, and redeveloping all state-owned lands, except lands administered by the Hawaii Public Housing Authority (HPHA), within one mile of the Honolulu rail transit system; and (2) creating a new community development district along the Honolulu rail corridor.

OP appreciates that SB 1148, SD2 acknowledges the role of the Hawaii Interagency Council for Transit-Oriented Development (TOD Council) as the coordinating agency for TOD planning established under Hawaii Revised Statutes (HRS) § 226-64, including 1) developing and implementing a state strategic plan for TOD, including mixed-use and affordable rental housing units, 2) facilitating funding for TOD programs and projects, 3) monitoring TOD implementation and recommending needed policy and statutory changes, and 4) reviewing capital improvement project requests for TOD on State land.

OP finds that a feasibility study is warranted to determine the best means to pursue the development of State properties along the rail line. OP offers the following two comments on SB 1148, SD2:

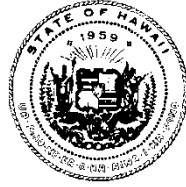
- OP believes that a one-mile radius is quite extensive, and suggests that the radius be limited to one-half mile, so that residents living in the community development district benefit from a walkable radius to transit. Research indicates that a one-half mile radius is the distance residents are willing to walk to transit, and the transit catchment area for the community development districts should reflect this specific

metric. More appropriately consistent with Hawaii Revised Statutes (HRS) § 226-64, the measure should be revised to apply to “lands within county-designated TOD areas, or within a one-half mile radius of public transit stations, if a county has not designated TOD zones.” Section 1, subsection 1 on page 2 should be amended to read:

- (1) The Hawaii Community Development Authority assuming the role of planning, developing, and redeveloping all state-owned lands within one-half mile of the Honolulu rail transit system, except state-owned lands currently under the administration of the Hawaii Public Housing Authority;
- Some of the proposed duties of the HCDA, including the planning of a community development district, would overlap with the duties of the TOD Council. OP suggests the roles and responsibilities examined in the feasibility study as described on pages 2-3, focus on TOD implementation—namely development, redevelopment, permitting, acquisition and the provision of infrastructure systems.

Thank you for the opportunity to testify on this matter.

DAVID Y. IGE  
GOVERNOR



HAKIM OUANSAFI  
EXECUTIVE DIRECTOR

BARBARA E. ARASHIRO  
EXECUTIVE ASSISTANT

**STATE OF HAWAII**  
HAWAII PUBLIC HOUSING AUTHORITY  
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Statement of  
**Hakim Ouansafi**  
Hawaii Public Housing Authority  
Before the

**HOUSE COMMITTEE ON HOUSING  
AND  
HOUSE COMMITTEE ON TRANSPORTATION**

**Tuesday, March 14, 2017  
Room 423, Hawaii State Capitol  
9:45 AM**

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

Honorable Chair Brower, Honorable Chair Aquino, and Members of the House Committee on Housing, and the House Committee on Transportation, thank you for the opportunity to provide testimony regarding Senate Bill 1148, SD2, relating to community development.

The Hawaii Public Housing Authority (HPHA) **supports the intent of SB 1148 SD2**, which directs the Hawaii Community Development Authority to conduct a feasibility study relating to: 1) the planning, developing, and redeveloping of all state-owned lands, except lands administered by the HPHA, within a one mile of the Honolulu Rail Transit system, and 2) creating a new community development district along the rail corridor.

The HPHA appreciates the exemption from the feasibility study 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 Committees on Housing and Transportation with the HPHA's comments regarding SB 1148, SD2. We thank you very much for your dedicated support.



HAWAII COMMUNITY  
DEVELOPMENT AUTHORITY



KAKA'KO  
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STATEMENT OF

JESSE K. SOUKI, EXECUTIVE DIRECTOR  
HAWAII COMMUNITY DEVELOPMENT AUTHORITY

BEFORE THE  
HOUSE COMMITTEES ON HOUSING AND TRANSPORTATION

Tuesday, March 14, 2017  
9:45 A.M.

State Capitol, Conference Room 423

in consideration, of

**SB1148, SD2 – RELATING TO COMMUNITY DEVELOPMENT**

Chairs Brower and Aquino, Vice Chairs Nakamura and Quinlan 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.

Preparation of the feasibility study will require an outside consultant with relevant expertise. At minimum, the feasibility study should include technical, administrative, and financial analysis and studies. We estimate the cost of retaining outside expertise to be approximately \$300,000.00.

Under the timeline in the proposed bill, funding for the feasibility study will not be available until after July 1, 2017. Consequently, HCDA will not have adequate time to engage a consultant and prepare a feasibility study that satisfactorily addresses the matters that the bill intends to address before the next legislative session. To address this issue, the bill should be amended to allow final submission of the report 20 days prior to the 2019 legislative session; however, we would have no objection to producing an interim report prior to the next legislative session.

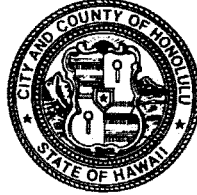
I note the SD2 as drafted provides appropriations over two fiscal years, but leaves the deadline as 20 days prior to the 2018 legislative session. I would request the date be corrected to prior to the 2019 legislative session.

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

DEPARTMENT OF PLANNING AND PERMITTING  
**CITY AND COUNTY OF HONOLULU**

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KIRK CALDWELL  
MAYOR



KATHY K. SOKUGAWA  
ACTING DIRECTOR  
  
TIMOTHY F. T. HIU  
ACTING DEPUTY DIRECTOR

March 14, 2017

The Honorable Tom Brower, Chair  
and Members of the Committee on Housing  
The Honorable Henry J. C. Aquino, Chair  
and Members of the Committee on Transportation  
Hawaii House of Representatives  
Hawaii State Capitol  
415 South Beretania Street  
Honolulu, Hawaii 96813

Dear Chairs Brower and Aquino, and Committee Members:

Subject: Senate Bill No. 1148, SD 2  
Relating to Community Development

The Department of Planning and Permitting (DPP) has a **mixed position** on Senate Bill No. 1148, SD 2, which would authorize the Hawaii Community Development Authority (HCDA) to conduct a feasibility study on three issues.

**We do not oppose Issue No. 1**, to study whether HCDA should assume the role of planning, developing, and redeveloping all State-owned lands within one mile of our rail transit system. We have long believed that successful transit-oriented development (TOD) requires coordinated efforts between the City and landowners. Since the State is a major landowner near several of the rail stations, increased support from the State is welcomed. This may further the work already being conducted by the Hawaii Interagency Council for Transit-Oriented Development.

We suggest that the State Office of Planning be considered the lead agency on the study. As a planning agency, it is capable of making this assessment. It is not only a co-chair of the interagency TOD council, but is already charged with approving State TOD projects under Act 130 (2016).

**We oppose Issue No. 2**, to study whether there should be a new HCDA community development district along the rail corridor. This would ignore existing collaborative planning efforts, including implementing infrastructure improvements. Rather than accelerate action on TOD and affordable housing, creating a new State community development district -- and the extensive new rules, procedures and staffing

The Honorable Tom Brower, Chair  
and Members of the Committee on Housing  
The Honorable Henry J. C. Aquino, Chair  
and Members of the Committee on Transportation  
Hawaii House of Representatives  
Senate Bill No. 1148, SD 2  
March 14, 2017  
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it would require -- could set back progress by several years. Funds required to conduct this study could be better allocated.

We believe it is critical for the State to coordinate planning and prioritize its investments in TOD infrastructure and projects on State lands. The City is eager to continue collaborating with the State on this effort. However, it should not usurp City land use planning and project approval functions, but take advantage of, and build on, the strengths of each.

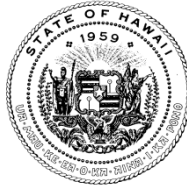
Please delete Issue No. 2 so that we can support Senate Bill No. 1148, SD 2.

Thank you for the opportunity to testify.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Kathy Sokugawa', written in a cursive style.

Kathy Sokugawa  
Acting Director



**STATE OF HAWAII**  
**DEPARTMENT OF TRANSPORTATION**  
869 PUNCHBOWL STREET  
HONOLULU, HAWAII 96813-5097

March 14, 2017  
9:45 AM  
State Capitol, Room 423

**LATE**

**SB 1148 SD2**  
**RELATING TO COMMUNITY DEVELOPMENT**

House Committees on Housing and Transportation

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The Department of Transportation (DOT) offers **comments** to Senate Bill 1148 Senate Draft 2 which proposes to provide funding to the Hawaii Community Development Authority (HCDA) executive director to explore the HCDA assuming the role of planning, developing, and redeveloping all state owned land within one (1) mile of the Honolulu rail transit system and creating a new community development district along the rail corridor.

The DOT has significant concerns regarding the bills proposal to study the feasibility of transferring authority and/or jurisdiction over the planning, development and redevelopment of Airport, Harbors, or Highways properties within one mile of the rail system to HCDA. 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 proposed 1-mile limit surrounding the rail system will encompass areas of the Federal Aid highways system such as H-1 Freeway, Nimitz Highway, Ala Moana Boulevard and other roads on state owned lands. 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 assuming the role to plan, develop, and redevelop all state owned lands within a 1-mile limit of the Honolulu rail transit system, 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 planning, development, redevelopment, operations, management and maintenance decisions related to state roadways should remain within DOT.

Thank you for the opportunity to provide testimony.