



STATE OF HAWAII  
DEPARTMENT OF EDUCATION  
P.O. BOX 2360  
HONOLULU, HAWAII 96804

**LATE**

**Date:** 04/10/2019

**Time:** 02:05 PM

**Location:** 309

**Committee:** House Lower & Higher  
Education  
House Housing

**Department:** Education

**Person Testifying:** Dr. Christina M. Kishimoto, Superintendent of Education

**Title of Resolution:** SCR 056 REQUESTING THE DEPARTMENT OF EDUCATION TO CONVENE A SCHOOL IMPACT FEE REVIEW TASK FORCE TO REVIEW THE SCHOOL IMPACT FEES LAW, INCLUDING ENFORCEMENT OF EXISTING LAW, AND MAKE ANY RECOMMENDATIONS TO ADDRESS CURRENT AND FUTURE NEEDS FOR THE DEVELOPMENT OF NEW SCHOOLS TO ACCOMMODATE PROJECTED POPULATION GROWTH.

**Department's Position:**

The Department of Education (Department) supports SCR 56.

The Department recognizes the challenges of new school development. Early last year the Department recommended to the Board of Education an amendment to Policy 301-2, Creating Communities for Learners, for new school development in urban areas. This amendment allows for smaller school sites in urban in-fill areas.

In addition, the Department is currently working on the first vertical elementary school in an urban area. The project at 690 Pohukaina will include a vertical elementary school which will utilize Mother Waldron Park for outdoor recreational activities.

Additionally, the State Auditor's office recently started an audit of our school impact fee program. Their conclusions, in conjunction with the findings of this task force, can only benefit the Department moving forward.

The establishment of a task force will help to ensure that all appropriate measures are considered in the future development of new schools in both urban areas and green field areas.

Thank you for this opportunity to present testimony on this measure.

The Hawaii State Department of Education seeks to advance the goals of the Strategic Plan which is focused on student success, staff success, and successful systems of support. This is achieved through targeted work around three impact strategies: school design, student voice,

and teacher collaboration. Detailed information is available at [www.hawaiipublicschools.org](http://www.hawaiipublicschools.org).



**TESTIMONY TO THE HOUSE COMMITTEES ON EDUCATION, AND HOUSING  
State Capitol, Conference Room 309  
415 South Beretania Street  
2:05 PM**

April 10, 2019

RE: SENATE CONCURRENT RESOLUTION NO. 56, REQUESTING THE DEPARTMENT OF EDUCATION TO CONVENE A SCHOOL IMPACT FEE REVIEW TASK FORCE TO REVIEW THE SCHOOL IMPACT FEES LAW, INCLUDING ENFORCEMENT OF EXISTING LAW, AND MAKE ANY RECOMMENDATIONS TO ADDRESS CURRENT AND FUTURE NEEDS FOR THE DEVELOPMENT OF NEW SCHOOLS TO ACCOMMODATE PROJECTED POPULATION GROWTH

Chairs Woodson and Brower, Vice Chairs Hashem, Peruso, and Matayoshi, and members of the committees:

My name is Gladys Quinto Marrone, CEO of the Building Industry Association of Hawaii (BIA-Hawaii). Chartered in 1955, the Building Industry Association of Hawaii is a professional trade organization affiliated with the National Association of Home Builders, representing the building industry and its associates. BIA-Hawaii takes a leadership role in unifying and promoting the interests of the industry to enhance the quality of life for the people of Hawaii. Our members build the communities we all call home.

BIA-Hawaii is in **strong support** of S.C.R. 56, which proposes to convene a School Impact Fee Task Force. As stated in the concurrent resolution, when the original impact fee law was passed in 2007 (Act 245) development at that time was primarily focused on "green field" development. With the city's urban growth boundaries, all future development on Oahu is being directed into the urban core. The impact fee law for green fields requires the following:

- 50 Acres for a New High School
- 18 Acres for a New Middle School
- 12 Acres for a New Elementary School

These acreages are unrealistic when redeveloping in a dense urban setting like urban Honolulu. In addition, there needs to be a defined standard for size of new urban in-fill schools. Should schools be more vertical? How many students should these schools be designed for? Would a certain amount of space or square footage in project at a transit station satisfy a new school requirement? These are some of the questions that the task force needs to address in developing an urban in-fill school impact fee.

We also would strongly suggest that the task force include representatives from the development/land-owner community. We would also suggest the task force include representatives from BIA Hawaii, General Contractors Association of Hawaii, and/or the Land Use Research Foundation. Proper representation would allow for an urban in-fill school impact fee that would address the concerns of the Department of Education as well as the development community.

We are in strong support of S.C.R. 56 and appreciate the opportunity provide comments.



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737 Bishop Street, Suite 2750  
Honolulu, Hawai'i 96813  
Office: 808-585-7900

Representative Justin Woodson, Chair  
Representative Mark Hashem, Vice Chair  
Representative Amy Perruso, Vice Chair  
House Committee on Lower & Higher Education

Representative Tom Brower, Chair  
Representative Scot Matayoshi, Vice Chair  
House Committee on Housing

**RE: SCR 56 – Requesting the Department of Education to Convene a School Impact Fee Review Task Force to Review the School Impact Fees Law, Including Enforcement of Existing Law, and Make Any Recommendations to Address Current and Future Needs for the Development of New Schools to Accommodate Projected Population Growth – IN SUPPORT Wednesday, April 10, 2019; 2:05 p.m.; Conference Room 309**

Aloha Chairs Woodson and Brower, Vice Chairs Hashem, Perruso and Matayoshi and members of the Committees,

Hunt Development Group **supports** Senate Concurrent Resolution No. 56 which requests the Department of Education to convene a School Impact Fee Review Task Force.

The original legislation relating to school impact fees addressed “greenfield” development and did not address projects in the urban core. New legislation is needed to appropriately address urban core development. Also, we believe the task force should review existing underutilized school sites and identify options.

Thank you for the opportunity to provide comments in support.

Steve Colon  
President, Development, Hawaii Region



Corey Rosenlee  
President  
Osa Tui Jr.  
Vice President  
Logan Okita  
Secretary-Treasurer  
Wilbert Holck  
Executive Director

TESTIMONY BEFORE THE HOUSE COMMITTEE ON  
LOWER AND HIGHER EDUCATION

RE: SCR 56 - REQUESTING THE DEPARTMENT OF EDUCATION TO CONVENE A SCHOOL IMPACT FEE REVIEW TASK FORCE TO REVIEW THE SCHOOL IMPACT FEES LAW, INCLUDING ENFORCEMENT OF EXISTING LAW, AND MAKE ANY RECOMMENDATIONS TO ADDRESS CURRENT AND FUTURE NEEDS FOR THE DEVELOPMENT OF NEW SCHOOLS TO ACCOMMODATE PROJECTED POPULATION GROWTH.

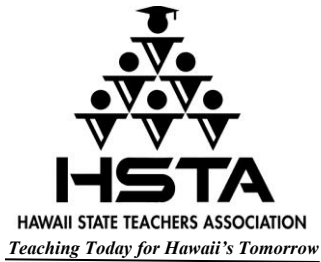
WEDNESDAY, APRIL 10, 2019

COREY ROSENLEE, PRESIDENT  
HAWAII STATE TEACHERS ASSOCIATION

Chair Woodson, and Members of the Committee:

The Hawaii State Teachers Association **supports SCR 56**, requesting the Department of Education to convene a school impact fee review task force to review the school impact fees law, including enforcement of existing law, and make sure any recommendations to address current and future needs for the development of new schools to accommodate projected population growth.

Our state's public school buildings are approximately 66-years-old on average. Facilities are damaged, restrooms and water foundations are in disrepair, classroom windows are broken, and campuses are plagued by rat and insect infestations. Our students, especially those with special needs, are subjected to dilapidated infrastructure, and overcrowded campuses, such as those at Campbell High School. Though the population has expanded in Ewa Beach tremendously over the last 30 years, there is still only one high school in Ewa Beach. Our state's repair and maintenance backlog is huge and the total cost of lingering projects runs into the hundreds of millions of dollars. Maintenance and capacity problems are particularly painful for developing communities, like the 'Ewa Plain, which will welcome 28,000 more buildings by the year 2021, and Kaka'ako, in which 39,000 new multi-family units are projected to be built within an approximately half-mile radius of rail transit stations, per the Honolulu Community Development Authority. The state will need more funding, that much is clear.



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Corey Rosenlee  
President

Osa Tui Jr.  
Vice President

Logan Okita  
Secretary-Treasurer

Wilbert Holck  
Executive Director

Expanding Impact Fees areas, and expanding these fees to nonresidential properties is vital for the support of our public school facilities. Some may argue that nonresidential development should not have to chip in for public schools, but quite the contrary is shown from research by the Development, Planning, and Financial Group, Inc., along with the Brookings Institute, that both indicate that new business growth actually contributes to the pace and scale of development. New businesses are used to incentivize the sale of neighboring residential units, from which they directly benefit creating jobs and thus contributing to the need for more public schools. Nonresidential development also takes a toll on the state's infrastructure in Hawai'i, and public schools are directly impacted. Other areas across the U.S., such as Newark, successfully impose impact fees on nonresidential development along with residential development for the above reasons. We need to expand the areas affected by impact fees as well.

In 2018, the Hawai'i Board of Education established the Kalihi-Ala Moana School Impact Fee District. Developers of residential units in the urban core will now have to pay \$3,864 when applying for new building permits, helping to offset the cost of educating the children of families living in the estimated 39,000 new dwelling units needed for urban Honolulu in coming years. **Nonresidential developments should not be exempt and should also contribute. Impact fees should also be expanded to other areas as currently impact fees are not imposed state-wide.**

A quality education is priceless and an investment in a strong economy in Hawai'i, we cannot continue to underfund our schools and it is everyone's kuleana. To explore how the expansion of impact fees, and the current enforcement of these fees are collected, in order to provide our children with quality school facilities, the Hawaii State Teachers Association asks that your committee to **support SCR 56.**



**Testimony to the House Committees on Lower and Higher  
Education, and Housing  
Wednesday, April 10, 2019 at 2:05 P.M.  
Conference Room 309, State Capitol**

**RE: SCR NO. 56, REQUESTING THE DEPARTMENT OF EDUCATION TO CONVENE A SCHOOL IMPACT FEE REVIEW TASK FORCE TO REVIEW THE SCHOOL IMPACT FEES LAW, INCLUDING ENFORCEMENT OF EXISTING LAW, AND MAKE ANY RECOMMENDATIONS TO ADDRESS CURRENT AND FUTURE NEEDS FOR THE DEVELOPMENT OF NEW SCHOOLS TO ACCOMMODATE PROJECTED POPULATION GROWTH**

Chairs Woodson and Brower, Vice Chairs Hashem, Perruso and Matayoshi, and Members of the Committees:

The Chamber of Commerce Hawaii (“The Chamber”) **supports** Senate Concurrent Resolution No. 56 which proposes to convene a School Impact Fee Task Force.

The Chamber is Hawaii’s leading statewide business advocacy organization, representing about 2,000+ 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.

As stated in the concurrent resolution, when the original impact fee law was passed in 2007 (Act 245) development at that time was primarily focused on “Green Field” development. With the City’s Urban Growth Boundaries, all future development on Oahu are being directed into the “Urban Core.” The impact fee law for Green Fields requires the following:

- 50 Acres for a New High School
- 18 Acres for a New Middle School
- 12 Acres for a New Elementary School

As you might expect, these acreages are unrealistic when redeveloping in a dense urban setting like urban Honolulu. In addition, there needs to be an “established” standard for size of new urban in-fill schools. Should schools be more vertical? How many students should these schools be designed for? Would a certain amount of space or square footage in project at a transit station satisfy a new school requirement? These are some of the questions that the Task Force needs to address in developing an urban in-fill school impact fee.

We also would suggest that the Task Force include representatives from the development/land owner community. We believe that the Task Force that lead to Act 245 included representatives from the private sector.



# Chamber *of* Commerce HAWAII

*The Voice of Business*

Additionally, we would suggest the task force include representatives from BIA Hawaii, GCA Hawaii, and/or LURF (Land Use Research Foundation). Proper representation would allow for an urban in-fill school impact fee that would address the concerns of the Department of Education as well as the development community.

Thank you for the opportunity to provide testimony.