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HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
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IN REPLY REFER TO:

Statement of
Craig K. Hirai
Hawaii Housing Finance and Development Corporation
Before the

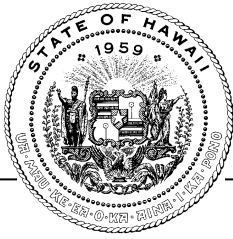
SENATE COMMITTEE ON WAYS AND MEANS

February 20, 2019 at 10:00 a.m.
State Capitol, Room 211

In consideration of
S.B. 1389, S.D. 1
RELATING TO TRANSIT-ORIENTED DEVELOPMENT ZONES.

The HHFDC *offers the following comments* on S.B. 1389, S.D. 1. HHFDC supports the intent of this bill and is willing to establish and operate the transit-oriented development (TOD) infrastructure improvement zones subaccounts within the Dwelling Unit Revolving Fund as proposed herein.

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



OFFICE OF PLANNING STATE OF HAWAII

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Statement of
RODNEY FUNAKOSHI
Planning Program Administrator, Office of Planning
before the
SENATE COMMITTEE ON WAYS AND MEANS
Wednesday, February 20, 2019
10:05 AM
State Capitol, Conference Room 211

in consideration of
SB 1389, SD 1
RELATING TO TRANSIT-ORIENTED DEVELOPMENT ZONES.

Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Senate Committee on Ways and Means.

The Office of Planning (OP) **supports** SB 1389, SD 1, provided that the bill's passage does not replace or adversely impact priorities indicated in the Administration's Executive Budget. SB 1389 would authorize, in part: (1) the designation of transit-oriented development (TOD) infrastructure improvement zones; (2) the Hawaii Community Development Authority (HCDA) to develop a transit-oriented development (TOD) infrastructure improvement zone program; (3) the establishment of TOD zone infrastructure improvement zone subaccounts in the Dwelling Unit Revolving Fund (DURF) administered by the Hawaii Housing Finance and Development Corporation (HHFDC) for public infrastructure financing in TOD zones; and (4) the appropriation of funds for temporary staff at HCDA to administer the TOD infrastructure improvement zone program.

OP believes that SB 1389, SD 1 provides an improved framework for expediting the delivery of needed infrastructure improvements in support of State TOD projects in TOD-designated areas, as outlined in the *State Strategic Plan for Transit-Oriented Development (TOD Strategic Plan)* re-issued by the Hawaii Interagency Council for Transit-Oriented Development (TOD Council) in August 2018.

OP appreciates that SD 1 provides a clearer focus on critical infrastructure necessary for the development of TOD communities around public transit, as well as greater flexibility for collaboration between the State and the counties in determining how regional infrastructure improvements will be financed and delivered. This could enable more effective use of alternative delivery systems and value-capture tools for this purpose.

OP also appreciates the amendments in SD 1 that would enable HCDA to assist with infrastructure that supports TOD on the Neighbor Islands as well as on Oahu. However, we are concerned that the amended definition of TOD infrastructure improvement zone on page 13 deletes all reference to proximity to public transit stations or hubs, which is critical to focusing these State investments in areas identified for higher-density, mixed-use TOD development. We prefer that the original definition on page 7 of SB 1389 be reinstated with “fixed” in line 18 deleted to accommodate Neighbor Island TOD.

Thank you for this opportunity to provide comments.

SB-1389-SD-1

Submitted on: 2/19/2019 8:57:45 AM

Testimony for WAM on 2/20/2019 10:05:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	Testifying for O`ahu County Committee on Legislative Priorities of the Democratic Party of Hawai`i	Support	No

Comments:



Chamber of Commerce HAWAII

The Voice of Business

**Testimony to the Senate Committees on Ways & Means
Wednesday, February 20, 2019 at 10:05 A.M.
Conference Room 211, State Capitol**

RE: SB 1389 SD1 RELATING TO TRANSIT ORIENTED DEVELOPMENT ZONES

Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Committees:

The Chamber of Commerce Hawaii ("The Chamber") supports the intent of SB 1389 SD1, which authorizes the Hawaii Housing Finance & Development Corporation (HHFDC), at the request of the Hawaii Community Development Authority (HCDA), to establish and operate transit-oriented development infrastructure improvement zones sub-accounts within the dwelling unit revolving fund for the benefit of infrastructure improvement projects within a transit-oriented development infrastructure improvement zone.

The bill also requires HCDA to develop a transit-oriented development infrastructure improvement zone program to foster infrastructure development by strategically investing in public facilities. It also requires the executive director of HHFDC in collaboration with the executive director of HCDA and Hawaii interagency council for transit-oriented development to conduct a study examining the current infrastructure of a transit-oriented development infrastructure improvement zone and the requirements necessary to upgrade the infrastructure to facilitate future transit-oriented development. It appropriates funds to HCDA for staff necessary to develop and manage the transit-oriented development infrastructure improvement zone program.

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.

We support the intent but believe that the bill does not go far enough to optimize the use of the State owned lands within the ½ mile radius of a transit station. We believe the bill should give HCDA the overall long term (50+ years) master planning and zoning authority over the State owned lands within each of the TOD's. This would address one of the glaring problems the State has in planning for its assets along the transit corridor, which is no one entity has the authority to redevelop the State's assets along the transit corridor "in the best interest of the State of Hawaii."

Each user agency plans for development/redevelopment with its own mission in mind. No one entity is looking to replace existing uses or combine uses to maximize the use of the property for the



Chamber of Commerce HAWAII

The Voice of Business

benefit of State of Hawaii. Without a master plan that optimizes the use of the State owned lands, the infrastructure will not be sized correctly to take advantage of redevelopment opportunities in the future.

HCDA is the appropriate entity to redevelop the state owned lands at each of the transit stations. Essentially each station could be viewed as another “Kakaako” but with a lot more state owned land available for redevelopment. HCDA should use its authority to enhance the value of the state owned lands at each of the transit stations.

Thank you for the opportunity to testify.



LATE

**TESTIMONY TO THE SENATE COMMITTEE ON WAYS AND MEANS
State Capitol, Conference Room 211
415 South Beretania Street
10:05 AM**

February 20, 2019

RE: SENATE BILL NO. 1389 SD 1, RELATING TO TRANSIT ORIENTED DEVELOPMENT ZONES

Chair Dela Cruz, Vice Chair Keith-Agaran, and members of the committee:

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 **supports the intent** of S.B. 1389 SD1, which authorizes the Hawaii Housing Finance and Development Corporation (HHFDC), at the request of the Hawaii Community Development Authority (HCDA), to establish and operate transit-oriented development infrastructure improvement zone sub-accounts within the dwelling unit revolving fund for the benefit of infrastructure improvement projects within a transit-oriented development infrastructure improvement zone.

The bill also requires HCDA to develop a transit-oriented development infrastructure improvement zone program to foster infrastructure development by strategically investing in public facilities. It also requires the executive director of HHFDC in collaboration with the executive director of HCDA and Hawaii interagency council for transit-oriented development to conduct a study examining the current infrastructure of a transit-oriented development infrastructure improvement zone and the requirements necessary to upgrade the infrastructure to facilitate future transit-oriented development, and appropriates funds to HCDA for staff necessary to develop and manage the transit-oriented development infrastructure improvement zone program.

We support the intent of this measure, but believe that the bill does not go far enough to optimize the use of the state-owned lands within the ½ mile radius of a transit station. We believe the bill should give HCDA the overall long term (50+ years) master planning and zoning authority over the state-owned lands within each of the TODs. This would address one of the glaring problems the State has in planning for its assets along the transit corridor, which currently states that no single entity has the authority to redevelop the State's assets along the transit corridor "in the best interest of the State of Hawaii".

Each user agency plans for development/redevelopment with its own mission in mind. No one entity is looking to replace existing uses or combine uses to maximize the use of the property for the benefit of State of Hawaii. Without a master plan that optimizes the use of the state-owned lands, the infrastructure will not be sized correctly to take advantage of redevelopment opportunities in the future.



HCDA is the appropriate entity to redevelop the state owned lands at each of the transit stations. Essentially, each station could be viewed as another Kakaako, but with a lot more state-owned land available for redevelopment. HCDA should use its authority to enhance the value of the state-owned lands at each of the transit stations.

We support the intent of S.B. 1389 SD1, and appreciate the opportunity provide comments.