



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

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Statement of
MIKE MCCARTNEY
Director

Department of Business, Economic Development, and Tourism
before the
HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT

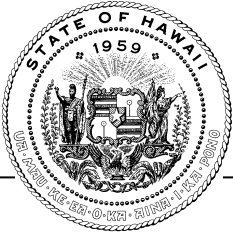
Tuesday, March 23, 2021
10:15 AM
State Capitol, Conference Room 312

In consideration of
SB 1054, SD2
RELATING TO THE BROWNFIELDS CLEANUP REVOLVING LOAN FUND.

Chair Quinlan, Vice Chair Holt and members of the Committee. The Department of Business, Economic Development and Tourism (DBEDT) **strongly supports** Administration Bill, SB 1054, SD2, which amends Hawaii Revised Statutes (HRS) § 201--18 to allow the use of funds in the Hawaii Brownfields Cleanup Revolving Loan Fund (HBCRLF) to be used for cleanup grants and brownfields site assessments. The HBCRLF Program was capitalized with a \$2 million grant from the U.S. Environmental Protection Agency (EPA), and is administered by the Office of Planning (OP).

This measure is needed to authorize use of HBCRLF funds—currently limited to loans—for cleanup grants and site assessments, which are allowed under the EPA closeout agreement with DBEDT for the HBCRLF grant. Broadening the use of funds for cleanup grants and site assessments will result in more effective and timely use of the funds, and facilitate reuse of underutilized, contaminated properties slated for redevelopment for affordable housing and community open space and park enhancements.

Thank you for the opportunity to testify.



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DAVID Y. IGE
GOVERNOR

MARY ALICE EVANS
DIRECTOR
OFFICE OF PLANNING

Statement of
MARY ALICE EVANS
Director, Office of Planning
before the
HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT
Tuesday, March 23, 2021
10:15 AM
Via Videoconference

in consideration of
SB 1054, SD2
RELATING TO THE BROWNFIELDS CLEANUP REVOLVING LOAN FUND.

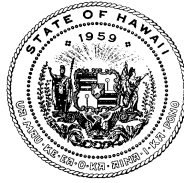
Chair Quinlan, Vice Chair Holt, and Members of the House Committee on Economic Development.

The Office of Planning (OP) **strongly supports** Administration Bill, SB 1054, SD2, which would amend Hawaii Revised Statutes (HRS) § 201-18 to allow the use of funds in the Hawaii Brownfields Cleanup Revolving Loan Fund (HBCRLF) to be used for cleanup grants and brownfields site assessments, in addition to cleanup loans.

We appreciate the continued support of the Legislature for this measure. As the program administrator of the HBCRLF Program, we know this measure, which would expand use of the funds for grants to eligible entities, would facilitate more productive use of the remaining HBCRLF funds to advance eligible public and non-profit projects of community benefit.

OP has already identified with its EPA and Department of Health partners, several potential projects that seek site assessment and/or cleanup grant funds for underutilized, contaminated properties that are slated for redevelopment for affordable housing and community open space and park enhancements. Passage of this measure will allow OP to prepare rule amendments that would enable the use and distribution of funds as grants and for site assessment activities.

Thank you for the opportunity to testify on this measure.



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WRITTEN
TESTIMONY ONLY

**Testimony in SUPPORT of SB1054 SD2
RELATING TO THE BROWNFIELDS CLEANUP REVOLVING LOAN FUND**

**REPRESENTATIVE SEAN QUINLAN, CHAIR
REPRESENTATIVE DANIEL HOLT, VICE CHAIR
HOUSE COMMITTEE ON ECONOMIC DEVELOPMENT**

Hearing Date: 2/23/2021 10:15am Room Number: Via Videoconference

1 **Fiscal Implications:** This measure will not impact the priorities identified in the Governor's
2 Executive Budget Request for the Department of Health's (Department) appropriations and
3 personnel priorities.

4 **Department Testimony:** The Department strongly supports this measure to expand the Hawaii
5 Brownfields Cleanup Revolving Loan Fund (BFRLF) authority to enable sub-grants to eligible
6 public, private, and non-profit entities for the assessment and cleanup of contaminated properties
7 and return them to productive reuse.

8 The Department has dedicated federally funded staff within the Hazard Evaluation and
9 Emergency Response Office to actively support safe redevelopment of Brownfields sites. These
10 sites are often underutilized due to contamination or perceived contamination that hinders
11 redevelopment. The Department actively supports property owners and potential purchasers
12 through outreach, Brownfield forums, and technical assistance needed to complete assessment
13 and remediation to prepare sites for redevelopment. A key part of this effort are our partnerships
14 with Office of Planning who manages the BFRLF and United States of Environmental Protection
15 Agency (US EPA) who initially capitalized the fund and provides ongoing, annual competitive
16 assessment and remediation grants.

17 Expanding the use of the BFRLF to conduct assessments and where necessary, cleanups of
18 potentially contaminated property, will encourage redevelopment of commercial or industrial

1 properties that are left idled, abandoned and underutilized because of contamination. Expanding
2 the use of the loan funds to sub-grants will benefit the local community by having more lands to
3 be developed for affordable housing, public parks, and open areas. This will also promote infill
4 redevelopment that will provide more land available for housing away from productive
5 agricultural lands.

6 The Department serves as the Site Manager for the Hawaii Brownfields Cleanup Revolving Loan
7 Fund Program with Office of Planning provides oversight and technical review in the assessment
8 and cleanup of these contaminated properties. The Department believes that this legislation will
9 benefit the state, counties, private owners, non-profit organizations in providing more available
10 lands for redevelopment.

11 **Offered Amendments: None**

12 Thank you for the opportunity to testify on this measure.