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ECONOMIC DEVELOPMENT & TOURISM**
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Statement of
JAMES KUNANE TOKIOKA
Director
Department of Business, Economic Development, and Tourism
before the
SENATE COMMITTEE ON TRANSPORTATION AND CULTURE AND THE ARTS

Tuesday, March 18, 2025
3:00 PM
State Capitol, Conference Room 224

In consideration of
HB 1007, HD2
RELATING TO THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY.

Chair Lee, Vice Chair Inouye, and members of the Committee:

Thank you for the opportunity to testify in strong support of HB 1007 HD2, an Administration bill, which clarifies the roles and responsibilities of the Hawaii Community Development Authority (HCDA).

This housekeeping measure authorizes the HCDA to cooperate with or assist public and private sector entities to engage in projects that improve the State, which HCDA has been asked to do by the legislature and other state agencies in the past. As a part of its mandate, HCDA collaborates with private entities and federal, state and county agencies to complete community development plans for the betterment of the State.

This bill also repeals the transit-oriented development infrastructure improvement district and board under HCDA (see HRS 206E, Part X) and increases administrative efficiency by establishing the transit-oriented development infrastructure improvement program instead.

Thank you for the opportunity to testify.



**HAWAII COMMUNITY
DEVELOPMENT AUTHORITY**

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CRAIG K. NAKAMOTO
EXECUTIVE DIRECTOR

Statement of
CRAIG K. NAKAMOTO
Executive Director
Hawai'i Community Development Authority
before the
SENATE COMMITTEE ON TRANSPORTATION AND CULTURE AND THE ARTS

Tuesday, March 18, 2025
3:00 PM
State Capitol, Conference Room 224 & Videoconference

In consideration of
HB1007, HD2
RELATING TO THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY.

Chair Lee, Vice Chair Inouye, and members of the Committee.

The Hawai'i Community Development Authority (HCDA) **strongly supports** HB1007, HD2, which has two parts that are critical to the agency's future.

The first part, a housekeeping measure, authorizes the HCDA to cooperate with private and public sector entities to engage in projects that improve the State. Such cooperation is envisioned to make government more efficient by allowing HCDA to assist other public sector entities, particularly state agencies.

Since the Legislature established the HCDA in 1976 with the Kaka'ako Community Development District, the Legislature expanded the responsibilities of the HCDA to include other community development districts, and responsibilities to develop infrastructure that supports transit-oriented development statewide, and helping and cooperating with other public and private sector entities with projects that improve communities statewide, such as preparing a study of the feasibility and market outlook for the future Waiākea Peninsula in collaboration with the Department of Land and Natural Resources.

Given the evolution of the HCDA's responsibilities, this section should be revised to reflect the current responsibilities and roles of the HCDA.

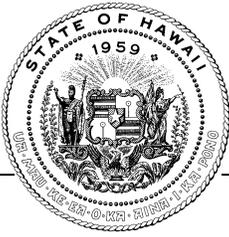
The second part of the bill would amend the Transit-Oriented Development Infrastructure Improvement District, *chapter 206E, part X, HRS*, currently under HCDA,

into a Transit-Oriented Development Infrastructure Improvement Program, for efficiency, by eliminating the four county boards representing each of the four counties.

Transit-oriented development projects are prioritized by the Transit-Oriented Development Interagency Council, which has statewide representatives from the public and private sectors. Through this process, projects are vetted by the council and its community representatives. Eliminating the four county boards removes redundancy.

The new TOD Infrastructure Improvement Program would continue to have the immediate oversight of the HCDA Board and HCDA would continue to maintain its effectiveness in executing TOD Projects.

Thank you for the opportunity to provide testimony.



**STATE OF HAWAII
OFFICE OF PLANNING
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Statement of
MARY ALICE EVANS, Director

before the
SENATE COMMITTEE ON TRANSPORTATION AND CULTURE AND THE ARTS
Tuesday, March 18, 2025
3:00 PM
State Capitol, Conference Room 224

in consideration of
HB 1007, HD2
RELATING TO THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY

Chair Lee, Vice Chair Inouye, and Members of the Committee.

The Office of Planning and Sustainable Development (OPSD) **strongly supports** HB 1007, HD2, an Administration bill, which redefines the transit-oriented development (TOD) infrastructure improvement district provisions in Hawai'i Revised Statutes (HRS) Chapter 206E, as a TOD infrastructure improvement program under the Hawai'i Community Development Authority (HCDA).

Through its work with the Hawai'i Interagency Council for Transit-Oriented Development (TOD Council), OPSD has advocated for regional infrastructure improvements and financing tools to deliver infrastructure that is hindering development of affordable housing and mixed-use communities in TOD areas. OPSD and HCDA have worked collaboratively through the TOD Council to tackle some of these infrastructure deficits, including most recently partnering on the preparation of an infrastructure implementation master plan for State and other lands surrounding the three East Kapolei Skyline stations.

OPSD believes HB 1007, HD2 will result in a more responsive and flexible program to support the planning, design, and construction of infrastructure improvements needed to support development, including affordable housing, in TOD areas.

OPSD notes that the language on page 7, lines 20-21 is broad and rather ambiguous. OPSD suggests that specific language authorizing HCDA to establish an infrastructure financing district that would allow revenues to be ringfenced for infrastructure funding and financing would be preferable to the existing language. OPSD is willing to work with HCDA and legislators on alternative language, but we defer to HCDA on this matter.

Thank you for the opportunity to testify on this measure.

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TESTIMONY OF KALI WATSON, CHAIR
HAWAIIAN HOMES COMMISSION
BEFORE THE SENATE COMMITTEE ON TRANSPORTATION
AND CULTURE AND THE ARTS
HEARING ON MARCH 18, 2025 AT 3:00PM IN CR 224

**HB 1007, HD 2, RELATING TO THE HAWAII COMMUNITY DEVELOPMENT
AUTHORITY**

March 17, 2025

Aloha Chair Lee, Vice Chair Inouye, and Members of the Committee:

The Department of Hawaiian Home Lands (DHHL) **supports** this bill which 1) authorizes the Hawaii Community Development Authority (HCDA) to cooperate with or assist public and private sector entities to engage in projects that improve the State, 2) establishes the transit-oriented development infrastructure improvement program under the Hawaii Community Development Authority and 3) repeals the transit-oriented development infrastructure improvement district and board.

DHHL recognizes the need for collaborative planning and coordination for master planned, mixed use communities. DHHL has existing homestead communities, current projects, and potential transit-oriented development projects that are in alignment with the potential of this measure. DHHL stands ready to work collaboratively with HCDA and other respective agencies to ensure the development of comprehensive communities where beneficiaries and community members can have the infrastructure necessary to facilitate community development; and sufficient culturally appropriate agricultural, education, and natural-resource restoration and management.

Thank you for your consideration of our testimony.



Testimony of the Oahu Metropolitan Planning Organization

Senate Committee on Transportation and Culture and the Arts

**March 18, 2025 at 3:00PM
Conference Room 224 & Videoconference**

HB 1007 HD 2 Relating to Hawaii Community Development Authority

Dear Chair Lee, Vice Chair Inouye, and Committee Members,

The Oahu Metropolitan Planning Organization (OahuMPO) **supports HB 1007 HD 2**, which authorizes the Hawai'i Community Development Authority to cooperate with or assist public and private sector entities to engage in projects that improve the State, establishes the transit-oriented development infrastructure improvement program under the Hawai'i Community Development Authority, and repeals the transit-oriented development infrastructure improvement district and board.

Streamlining transit-oriented development infrastructure improvements will allow more housing to be built more quickly, and therefore more people to live closer to future rail stations. This will encourage more walkable, connected communities where residents drive far less each day than their counterparts in more sprawling locations.¹ In addition, when more mixed-use and transit-oriented housing is provided, it makes it easier for people to get around without their car which can reduce emissions in the near term, reduce transportation costs, provide more opportunities for physical activity, and improve access to necessities for both people who don't have a car and those with cars.²

According to the State Climate Commission Report, "Drivers of VMT and priority reduction strategies in Hawaii", households in suburban areas drive around 37 percent more than those in urban centers and households on the suburban fringe drive 68 percent more.³ Limiting outward growth and concentrating more growth in urban infill areas and those near high quality transit, will be critical for Hawaii to meet its climate and energy goals. This is because mixed use development results in shorter trips, fewer trips, and more trips taken by lower-carbon modes.⁴ With more compact development, people drive 20 to 40 percent less, at minimal or reduced cost, while reaping other fiscal and

¹ <https://smartgrowthamerica.org/wp-content/uploads/2020/10/Driving-Down-Emissions-FINAL.pdf>

² IBID.

³ https://climate.hawaii.gov/wp-content/uploads/2023/07/USCA_Hawaii_VMT_strategies_Feb22.pdf

⁴ <https://smartgrowthamerica.org/wp-content/uploads/2020/10/Driving-Down-Emissions-FINAL.pdf>

health benefits.⁵ Whether people care about reducing their own emissions or not, by providing more opportunities for them to live where emissions are naturally lower per person, we can work within the market to help address climate change.

The bill is also consistent with the State Climate Commission's *Investing in Transportation Choices Toolkit*⁶ and *Drivers of VMT and Priority Reduction Strategies for Hawaii*, which identified infill and mixed-use development, and parking management, as key strategies to reduce greenhouse gas emissions, vehicle miles traveled and improve transportation choices for Hawaii residents.

This bill is consistent with several goals of the Oahu Regional Transportation Plan including support for active and public transportation, promoting an equitable transportation system, and improving air quality and protecting environmental and cultural assets. Providing more housing in and around high-quality public transportation and where people can meet their daily needs without a car, can help residents save on their transportation costs, improve their quality of life, and reduce transportation emissions and traffic congestion.

The OahuMPO is the federally designated Metropolitan Planning Organization (MPO) on the island of Oahu responsible for carrying out a multimodal transportation planning process, including the development of a long-range (25-year horizon) metropolitan transportation plan, referred to as the Oahu Regional Transportation Plan (ORTP), which encourages and promotes a safe, efficient, and resilient transportation system that serves the mobility needs of all people and freight (including walkways, bicycles, and transit), fosters economic growth and development, while minimizing fuel consumption and air pollution (23 CFR 450.300).

Thank you for the opportunity to provide testimony on this measure.

⁵ https://www.nrdc.org/sites/default/files/cit_07092401a.pdf

⁶ <https://climate.hawaii.gov/wp-content/uploads/2023/07/Investing-in-Transportation-Choices-V6.pdf>