

**STATE OF HAWAI'I  
OFFICE OF PLANNING  
& SUSTAINABLE DEVELOPMENT**

**JOSH GREEN, M.D.**  
GOVERNOR

**SYLVIA LUKE**  
LT. GOVERNOR

**MARY ALICE EVANS**  
DIRECTOR

235 South Beretania Street, 6th Floor, Honolulu, Hawai'i 96813  
Mailing Address: P.O. Box 2359, Honolulu, Hawai'i 96804

Telephone: (808) 587-2846  
Fax: (808) 587-2824  
Web: <https://planning.hawaii.gov/>

Statement of  
**MARY ALICE EVANS, Director**

before the  
**HOUSE COMMITTEE ON JUDICIARY AND HAWAIIAN AFFAIRS**  
Wednesday, February 12, 2025  
2:00 PM  
State Capitol, Conference Room 325

in consideration of  
**HB 1007, HD1**  
**RELATING TO THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY**

Chair Tarnas, Vice Chair Poepoe, and Members of the Committee:

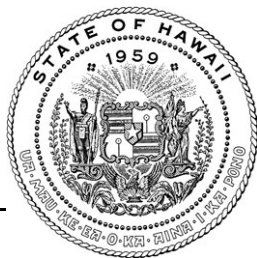
The Office of Planning and Sustainable Development (OPSD) **strongly supports** HB 1007, HD1, an Administration bill, and offers two amendments on this measure. HB 1007, HD1 redefines the transit-oriented development (TOD) infrastructure improvement district provisions in Hawai'i Revised Statutes (HRS) 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, HD1 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 offers two amendments. First, we suggest on page 7, line 14 to replace "shall" with "may" to ensure that lands within a large unsubdivided parcel unsuited for development are not automatically included within a program area. Second, we suggest that HCDA retain the authority to establish an infrastructure improvement district as needed to facilitate intergovernmental agreements and cost-sharing of implementation of infrastructure improvements.

Thank you for the opportunity to testify on this measure.



**DEPARTMENT OF BUSINESS,  
ECONOMIC DEVELOPMENT & TOURISM**  
KA 'OIHANA HO'OMOHALA PĀ'OIHANA, 'IMI WAIWAI  
A HO'OMĀKA'IKA'I

**JOSH GREEN, M.D.**  
GOVERNOR

**SYLVIA LUKE**  
LT. GOVERNOR

**JAMES KUNANE TOKIOKA**  
DIRECTOR

**DANE K. WICKER**  
DEPUTY DIRECTOR

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813  
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804  
Web site: [dbedt.hawaii.gov](http://dbedt.hawaii.gov)

Telephone: (808) 586-2355  
Fax: (808) 586-2377

Statement of  
**JAMES KUNANE TOKIOKA**  
**Director**  
Department of Business, Economic Development, and Tourism  
before the  
**HOUSE COMMITTEE ON JUDICIARY AND HAWAIIAN AFFAIRS**

Wednesday, February 12, 2025  
2:00 PM  
State Capitol, Conference Room 325

In consideration of  
**HB 1007, HD1**  
**RELATING TO THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY.**

Chair Tarnas, Vice Chair Poepoe, and members of the Committee:

Thank you for the opportunity to testify in strong support of HB 1007 HD1, an Administration bill, which clarifies the roles and responsibilities of the Hawaii Community Development Authority (HCDA).

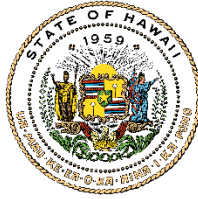
This housekeeping measure authorizes the HCDA to cooperate with or assist public and private sector entities to engage in projects that improve the State, which HCDA has been asked to do by the legislature and other state agencies in the past. As a part of its mandate, HCDA collaborates with private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

JOSH GREEN, M.D.  
GOVERNOR | KE KIA'ĀINA

SYLVIA LUKE  
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA



**STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAI'**  
**DEPARTMENT OF LAND AND NATURAL RESOURCES**  
**KA 'OIHANA KUMUWAIWAI 'ĀINA**

P.O. BOX 621  
HONOLULU, HAWAII 96809

**DAWN N.S. CHANG**  
CHAIRPERSON  
BOARD OF LAND AND NATURAL RESOURCES  
COMMISSION ON WATER RESOURCE  
MANAGEMENT

**RYAN K.P. KANAKA'OLE**  
FIRST DEPUTY

**CIARA W.K. KAHANE**  
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES  
BOATING AND OCEAN RECREATION  
BUREAU OF CONVEYANCES  
COMMISSION ON WATER RESOURCE  
MANAGEMENT  
CONSERVATION AND COASTAL LANDS  
CONSERVATION AND RESOURCES  
ENFORCEMENT  
ENGINEERING  
FORESTRY AND WILDLIFE  
HISTORIC PRESERVATION  
KAHOOLAWE ISLAND RESERVE COMMISSION  
LAND  
STATE PARKS

**Testimony of**  
**DAWN N. S. CHANG**  
**Chairperson**

**Before the House Committee on**  
**JUDICIARY & HAWAIIAN AFFAIRS**

**Wednesday, February 12, 2025**  
**2:00 PM**  
**State Capitol, Conference Room 325 & Videoconference**

**In consideration of**  
**HOUSE BILL 1007, HOUSE DRAFT 1**  
**RELATING TO THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY**

House Bill 1007, House Draft 1 proposes to authorize the Hawaii Community Development Authority (HCDA) to cooperate with or assist public and private sector entities to engage in projects that improve the State. The measure also proposes to establish the transit-oriented development infrastructure improvement program under HCDA and repeal the transit-oriented development infrastructure improvement district and board. **The Department of Land and Natural Resources (Department) offers the following comments on this measure.**

This measure also proposes to authorize HCDA to acquire lands by condemnation to implement this measure, including property "already devoted to a public use". The Department does not object to HCDA being empowered to acquire real property by condemnation. This provision, however, would seem to include lands held by the Department or set aside to other agencies for public purposes. The Department objects to HCDA being given authority to condemn lands held by the Department or set aside via executive order to other agencies and would request that such lands be excluded from HCDA's condemnation powers. Accordingly, the Department requests this measure be amended by deleting the verbiage "including property already devoted to a public use," on lines 8 and 9 of page 21 of this measure.

Mahalo for the opportunity to comment on this measure.



**HAWAII COMMUNITY  
DEVELOPMENT AUTHORITY**

547 Queen Street, Honolulu, Hawaii 96813  
Telephone: (808) 594-0300 Fax: (808) 587-0299  
Web site: <http://dbedt.hawaii.gov/hcda/>

JOSH GREEN, M.D.  
GOVERNOR

SYLVIA LUKE  
LT. GOVERNOR

STERLING HIGA  
CHAIRPERSON

CRAIG K. NAKAMOTO  
EXECUTIVE DIRECTOR

Statement of  
**CRAIG K. NAKAMOTO**  
**Executive Director**  
Hawai'i Community Development Authority  
before the  
**HOUSE COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS**

Wednesday, February 12, 2025  
2:00 pm  
State Capitol, Conference Room 325 & Videoconference

In consideration of  
**HB 1007, HD1**  
**RELATING TO THE HAWAI'I COMMUNITY DEVELOPMENT AUTHORITY.**

Chair Tarnas, Vice Chair Poepoe, and members of the Committee.

The Hawai'i Community Development Authority (HCDA) strongly supports HB1007 HD1, which has two significant parts, that are critical to the agency's future.

1. Cooperation with other entities

The first part of the bill is a housekeeping measure that 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 explicitly allowing HCDA to assist other state agencies and entities outside of established community development districts.

The Legislature established HCDA in 1976 as a public entity which was to determine community development programs and cooperate with private enterprise and the various components of federal, state, and county governments in bringing plans to fruition. Since then, the Legislature expanded the responsibilities of the HCDA beyond Kaka'ako to include other community development districts (Kalaeloa, He'eia and Pūlehunui) and development of infrastructure that supports transit-oriented development statewide.

In recent years, other agencies have also tapped HCDA's planning and infrastructure experience to support other state projects, such as a feasibility and market outlook for the redevelopment of the 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.

2. Amendment of the Transit Oriented Development Improvement Districts

The second part of the bill would amend the Transit-Oriented Development (TOD) Infrastructure Improvement District, *Chapter 206E, Part X, HRS*, by eliminating HCDA's four county-specific TOD district boards and replacing it with a TOD Infrastructure Improvement Program *[Page 4, line 15 to Page 13, line 19 and throughout]*.

State TOD projects are already prioritized by the Hawai'i Interagency Council for TOD, which includes federal, state, county, private sector, and community representatives. Through this process, projects are vetted by the council and its community representatives. As such, eliminating HCDA's four county boards removes the redundancy of this process and promotes efficiency of government.

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

3. Other Housekeeping

The third part of the bill clarifies the intent of the assessments which are currently allowed in HRS §206E-246 to help fund TOD infrastructure projects *[Page 13, line 20 to Page 20, line 3]*.

The bill changes the language from "assessment" to "user fee." This change is intended to clearly establish that the beneficiaries of new TOD infrastructure may be charged to defray the costs of the project. This change also eliminates any potential statutory liens against the real property and which could otherwise be considered a new tax. This would lessen the overall impact to property owners.

The bill also allows the authority to adopt rules pursuant to Chapter 91 to implement these user fees. In general, the user fees would be applied to beneficiaries of new TOD infrastructure, such as utility companies, land owners, lessees, or licensees. Historically, HCDA has established similar infrastructure district fees on detailed project cost estimates and based on parcel size or frontage via hearings pursuant to Chapter 91, HRS. As pursuant to the adopted rules, the hearings would likely include the formula used to calculate the user fees, benefits of the project, impacts on development potential, and methods of undertaking and financing the project.

4. Condemnation

A fourth key part of the bill explicitly allows the authority to acquire property for the purposes of implementing TOD infrastructure projects *[Page 21, line 5 to line 16]*. This is currently a power assigned to the TOD boards in HRS §206E-245-5, but is explicitly included here to address the switch to an HCDA authority program. Condemnation is an important component of TOD infrastructure development, especially when new utility easements or other engineering issues need to be addressed.

Thank you for the opportunity to provide testimony.



## Testimony of the Oahu Metropolitan Planning Organization

### Committee on Judiciary and Hawaiian Affairs

February 12, 2025 at 2:00PM

Conference Room 325

**HB 1007 HD 1**

**Relating to Hawaii Community Development Authority**

Dear Chair Tarnas, Vice Chair Poepoe, and Committee Members,

The Oahu Metropolitan Planning Organization (OahuMPO) **supports HB1007 HD1**, 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.<sup>1</sup> 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.<sup>2</sup>

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.<sup>3</sup> 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.<sup>4</sup> With more compact development, people drive 20 to 40 percent less, at minimal or reduced cost, while reaping other fiscal and

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

<sup>2</sup> IBID.

<sup>3</sup> [https://climate.hawaii.gov/wp-content/uploads/2023/07/USCA\\_Hawaii\\_VMT\\_strategies\\_Feb22.pdf](https://climate.hawaii.gov/wp-content/uploads/2023/07/USCA_Hawaii_VMT_strategies_Feb22.pdf)

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

health benefits.<sup>5</sup> 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*<sup>6</sup> 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).

OahuMPO notes the amendments and comments by OPSD and HCDA and respectfully requests the Committees adopt and consider them. Thank you for the opportunity to provide testimony on this measure.

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<sup>5</sup> [https://www.nrdc.org/sites/default/files/cit\\_07092401a.pdf](https://www.nrdc.org/sites/default/files/cit_07092401a.pdf)

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



**HB-1007-HD-1**

Submitted on: 2/9/2025 11:24:23 PM

Testimony for JHA on 2/12/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Jared Tsuchiyama	Individual	Support	Written Testimony Only

## Comments:

I support this bill in that it promotes the state to invest in critical infrastructure around TOD areas. This is an area where both HCDA and HHFDC could be more focused on in general as many of their projects and focus as of late have been outside of TOD areas. The City of Honolulu while trying to invest in Iwelei/Kapalama area is clearly limited in its capacity to work on other projects and areas and will not achieve much outside by 2030. Any bill that refocuses or incentivizes HHFDC and HCDA onto TOD instead of financially supporting projects wherever they sprout up in a uncordinated way would be ideal.

**HB-1007-HD-1**

Submitted on: 2/11/2025 1:56:38 PM

Testimony for JHA on 2/12/2025 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Brian Paris	Individual	Oppose	Written Testimony Only

Comments:

Please oppose this