DEPARTMENT OF PLANNING AND PERMITTING CITY AND COUNTY OF HONOLULU

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The Honorable Angus L. K. McKelvey, Chair and Members of the Committee on Economic Revitalization, Business, & Military Affairs State House of Representatives State Capitol Honolulu, Hawaii 96813

Dear Chair McKelvey and Members:

Subject: House Bill No. 617

Relating to Mass Transit Route Economic Zones

The Department of Planning and Permitting has **comments** on House Bill No. 617 which establishes a task force to evaluate the feasibility of economic zones around Oahu's transit system.

We welcome the state's interest in developing incentives under a new economic zone program. However, the representation of the City and County of Honolulu on the task force should be expanded. Currently the bill proposes a 14-member task force, of which only 2 represent the City. In addition, representatives from the private sector, especially the financial and development sectors should also be included.

It should be underscored that the task force should be focused on state incentives that complement City's incentives. The City is already investigating financial and other incentives that it can offer to good transit-oriented developments. The task force should also be mindful that incentives should not be crafted for all development projects. Only projects that encourage more walkable neighborhoods, reflect more compact development, address community needs and benefits, and increase transit ridership should be eligible for incentives.

We look forward to an amended bill reflecting the above concerns.

The Honorable Angus L. K. McKelvey, Chair and Members of the Committee on Economic Revitalization, Business, & Military Affairs State House of Representatives Re: House Bill No. 617 February 17, 2009 Page 2

Thank you for the opportunity to testify.

Very truly yours,

David K. Tanoue, Acting Director Department of Planning and Permitting

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