

**LINDA LINGLE**  
Governor



State of Hawaii  
**DEPARTMENT OF AGRICULTURE**  
1428 South King Street  
Honolulu, Hawaii 96814-2512

**SANDRA LEE KUNIMOTO**  
Chairperson, Board of Agriculture

**DUANE K. OKAMOTO**  
Deputy to the Chairperson

**TESTIMONY OF SANDRA LEE KUNIMOTO  
CHAIRPERSON, BOARD OF AGRICULTURE**

**BEFORE THE HOUSE COMMITTEES ON  
ECONOMIC REVITALIZATION, BUSINESS & MILITARY AFFAIRS  
AND  
AGRICULTURE  
THURSDAY, FEBRUARY 5, 2009  
10:30 A.M.  
ROOM 312**

**HOUSE BILL NO. 940  
RELATING TO HIGH TECHNOLOGY**

Chairpersons McKelvey and Tsuji and Members of the Committees:

Thank you for the opportunity to testify on House Bill No. 940 that requires the Department of Business Economic Development and Tourism to consult and plan for the establishment of a high technology park at the site of the Animal Quarantine Station in Halawa and appropriates funds to build the park. The Department opposes House Bill No. 940 because it would adversely impact priorities set forth in the Executive Biennium Budget for Fiscal Years 2009-2010 and require that new facilities be built to quarantine animals to protect Hawaii against rabies.

The Hawaii Department of Agriculture (HDOA) Animal Quarantine Station is utilized to house and evaluate dogs and cats entering the State to prevent the introduction of rabies, newly emerging animal diseases and animal pests, such as ticks. In addition, the facility is also used by the U.S. Department of Agriculture (USDA), U.S. Customs and Border Protection (CBP) and the Hawaii Department of Agriculture Plant Quarantine Branch (PQ) for their respective working dog programs. The U.S. Army

Garrison through their Morale Welfare and Recreation (MWR) program also operates a pet kennel for boarding dogs and cats owned by military personnel on leave and on deployment. H.B. No. 940 does not contain provisions to relocate the quarantine station facilities and operations to achieve the Department's mission of preventing the introduction of rabies and other disease into Hawaii or address the USDA, CBP, MWR and PQ operations.

The quarantine facility has been located in Halawa Valley since the late 1960s. About 75% of the facility was demolished as part of the H3 project and \$27 million of Federal funds were used to relocate the demolished portions to another location within the Halawa site in 1990. Therefore, the majority of the facility is less than 20 years old.

The location of the Animal Quarantine Station (Station) in Halawa is convenient to pet owners and other users of the facility. Furthermore, its central location in close proximity to Honolulu International Airport affords rapid and efficient transport of animals between the airport and Station minimizing stress to the animals. The Station is also easily accessible to pet owners arriving at the Honolulu International Airport. Plans to relocate the facility must address these considerations.

Approximately 395 dogs and cats were in quarantine at the Station at the start of FY 2009. Therefore, including a contingency for an increase in the population at the Station, an estimated 700 kennels, administration building and veterinary dispensary would be required to maintain Rabies Quarantine Branch operations and allow for continued usage by other agencies.



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

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Statement of  
**THEODORE E. LIU**  
**Director**  
Department of Business, Economic Development, and Tourism  
before the  
**COMMITTEE ON ECONOMIC REVITALIZATION, BUSINESS & MILITARY  
AFFAIRS and the  
COMMITTEE ON AGRICULTURE**  
Thursday, February 05, 2009  
10:30 a.m.  
State Capitol, Conference Room 312

in consideration of  
**HB 940**  
**RELATING TO HIGH TECHNOLOGY.**

Chair McKelvey, Chair Tsuji, Vice Chair Choy, Vice Chair Wooley, and Members of the Committees.

The Department of Business, Economic Development, and Tourism (DBEDT) understands the intent of HB 940, which requires DBEDT to consult with the High Technology Development Corporation (HTDC) to plan for the establishment of a high technology park at the site of the animal quarantine facility on the island of Oahu. The bill also would appropriate funds for infrastructure to build the park. Given the current fiscal difficulties, the Department believes that it would not be prudent to pursue enactment at this time.

The department recognizes that there is a critical need for additional, appropriate infrastructure to support the growth of Hawaii's emerging technology industries, which can provide Hawaii with a source of high wage jobs and a way to ensure the State's future prosperity and global competitiveness. We express our unqualified support for this sector and the entrepreneurs and companies in it.

As I noted in my testimony on a similar proposal last year, I am concerned that a State investment should be the right amount and at the right time. If this measure is adopted as a

priority of the State and its policymakers, then I suggest that the required plan be developed in a partnership that would include other State and federal agencies, non-profits and private sector firms, including developers, in addition to HTDC. The planning process should include the development of a specific business plan (not a mere plan) with siting, sizing, lay-out and design parameters, project budget and financials, cash flows, and project timeline.

Under the state's current economic and fiscal conditions, private or other non-State general fund sources of financing should be tapped to the fullest extent possible.

Thank you for the opportunity to provide these comments.



# UNIVERSITY OF HAWAII SYSTEM

## Legislative Testimony

### **WRITTEN TESTIMONY ONLY**

Presented Before the House Committees on  
Economic Revitalization, Business & Military Affairs  
and Agriculture

February 5, 2009 at 10:30 a.m.

by

James R. Gaines

Vice President for Research, University of Hawaii System

### HB940 RELATING TO HIGH TECHNOLOGY

The University of Hawaii supports in principle HB940 RELATING TO HIGH TECHNOLOGY which would provide funding for the planning and high technology park at the site of the animal quarantine station in Halawa on the island of Oahu.

As the largest science and technology organization in the State of Hawaii, the University has a vested interest in the growth of the science and technology industry in Hawaii. The research conducted by our faculty and students often leads directly to the creation and growth of technology companies who will benefit from the development of such a park.

The current draft of this bill requires DBEDT to work with HTDC to "plan for the establishment of a high technology park". We respectfully request that the bill be amended to reflect the contributions that can be made from both the University and the private sector in the planning and development of those facilities and their operations.

Furthermore, it is the view of the University that the planning and construction of a technology park on Oahu may well be a result of needs identified in a comprehensive science and technology master plan for the State of Hawaii. The University is currently leading the development of a stakeholder driven master plan for the state that will identify and prioritize investments by the state in a larger framework of the development of the broader technology industry in the state. We believe it would be premature to proceed with specific tech park planning if the benefits of such an investment cannot be supported by a comprehensive planning document. We expect a final draft of this Science & Technology Plan to be delivered to the Legislature by November 2009.

The University thanks your Committees for the opportunity to testify on this bill and for the continued recognition and support of the role of university research and education in the economic diversification of our state.



## Oahu Technology & Innovation Center

February 4, 2009

**TO: COMMITTEE ON ECONOMIC REVITALIZATION, BUSINESS, &  
MILITARY AFFAIRS**

Rep. Angus L. K. McKelvey, Chair  
Rep. Isaac W. Choy, Vice Chair

**COMMITTEE ON AGRICULTURE**

Rep. Clift Tsuji, Chair  
Rep. Jessica Wooley, Vice Chair

**FROM: Alex McGehee**  
Project Director  
Oahu Technology & Innovation Center

**RE: Testimony In SUPPORT with Reservations of HB 940**

Honorable Chairs, Vice Chairs and Members of the Committee:

Thank you for the opportunity to provide testimony regarding concerns about HB 940. My name is Alex McGehee and I am the Project Director for the Oahu Technology and Innovation Center (OTIC).

With the assistance of the City and County of Honolulu and the Economic Development Administration of the U.S. Department of Commerce, our group is working with industry on the concept and design of a technology park for the island of Oahu.

The Oahu Technology and Innovation Center's planning stage is guided by an advisory group that includes the offices of Senator Daniel K. Inouye, Mayor Mufi Hannemann, the Chamber of Commerce of Hawaii, Enterprise Honolulu, as well as the City and County Department of Planning and Permitting, and the Office of Economic Development.

We are currently identifying industry needs, surveying the level of commitment in the private sector to build a park, and identifying possible sites for these facilities. The bill before you today states a good case for building a technology park on Oahu, but it puts government in the driver's seat for the project and we believe that is a place that should be occupied by industry.

That's why we are supporting a private-public partnership for this major initiative. We believe a true collaboration between industry and government is a far more effective way to realize the full potential of this project.

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The sites listed in the bill as: (1) lot number 184-C – having an area of 11.279 acres and (2) lot number 184-F – having an area of 14.92 acres may be too small or otherwise inadequate for the purposes of this project. Supporters of this measure might be better prepared by working with city government as well as island-based military to identify contiguous parcels within the urban area of Honolulu suitable for such a project.

Developers of the Mililani Technology Park thought they had the right idea, but it turned out to be in the wrong location. The technology industry voted with its feet and went elsewhere. That is because, for many in this economic sector, location is crucial.

The Oahu Technology & Innovation Center is in the process of reporting out an industry-wide survey to the City & County, as well as OTIC's advisory group, following which industry charrettes are planned next month to obtain further input from our local companies. We would be happy to release the results of the research to your committees.

We recommend the following:

1. Postpone approval of this measure pending further input from industry.
2. Fast-track zoning for a technology park with the recommendations of a task force appointed by the legislature and reporting back before the next session begins in 2010. The task force would be composed of a representative (1) from the State Department of Land and Natural Resources; a representative (1) from the Office of Hawaiian Affairs; a representative (1) from City and County's Department of Planning and Permitting; representatives (2) from Hawaii's congressional delegation; a representative (1) from the City and County's Office of Economic Development; a representative (1) from the High Technology Development Corporation; a representative (1) from the Oahu Technology and Innovation Center; representatives (2) from the island's technology industries; and a representative (1) from the island's military community.
3. Support the activities of this task force with an appropriation of \$100,000.

Mayor Hannemann has said the Oahu Technology & Innovation Center is, "a first step into tapping a future that will offer us an unlimited potential for growth, one inspired by our dreams and fueled by our imaginations."

We would recommend at this stage a more deliberative approach. Listen to industry, plan collaboratively and execute with a true partnership between the private and public spheres

Thank you for your consideration.

Alex McGehee  
Project Director  
Oahu Technology & Innovation Center

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Written Statement of  
**YUKA NAGASHIMA**  
**Executive Director & CEO**  
High Technology Development Corporation  
before the  
**HOUSE COMMITTEES ON ECONOMIC REVITALIZATION, BUSINESS &  
MILITARY AFFAIRS  
AND AGRICULTURE**  
Thursday February 5, 2009  
10:30 AM  
State Capitol, Conference Room 312

In consideration of  
**HB 940 RELATED TO HIGH TECHNOLOGY.**

Chairs McKelvey and Tsuji, Vice Chairs Choy and Wooley, and Members of the House Committees on Economic Revitalization, Business & Military Affairs and Agriculture.

The High Technology Development Corporation (HTDC) supports HB 940 which requires the Department of Business, Economic Development and Tourism, (DBEDT), to consult with the High Technology Development Corporation to plan for the establishment of a high technology park on the site of animal quarantine station in Halawa on Oahu, as long as its implementation does not impact or replace the priorities set forth in the Executive Biennium Budget for Fiscal Years 2010-2011.

As you are familiar with project development, this proposal sets forth an effort to plan for or to determine the feasibility of locating a high technology park on certain parcels of the animal quarantine station in Halawa, Oahu. Subject to planning, this bill also proposes to fund the infrastructure improvements of a high tech park or typically the public works infrastructure necessary before buildings are erected. HTDC's mission and one of its primary duties is to develop and encourage development of industrial parks as high technology innovation centers

and develop or assist with the development of projects within or outside of industrial parks, including participating with the private sector in such development (Chapter 206M-2, HRS). Therefore, we are obliged and welcome the opportunity to support an effort which will create the first technology park on the Island of Oahu.

The Big Island has two tech parks in Hilo and Kona, Maui has one in Kihei, and Kauai also has one in Waimea adjacent to the Pacific Missile Range. Each of these tech parks struggled in the beginning, but they began development over 10-15 years ago and today have grown to accommodate many successful entrepreneurs, tech start-ups, and more mature technology companies. The point is to begin planning today for a tech park which will start the process of growing a nucleus of tech industries and related support industries. The synergy and energy created by the co-location of companies and support related companies and organizations will also benefit the entire network of tech parks on the neighbor islands because of the growing critical mass of tech resources on Oahu.

Thank you for the opportunity to submit testimony in support.