

EXECUTIVE CHAMBERS

NEIL ABERCROMBIE GOVERNOR

> Saturday, February 9, 2013, 9:00 AM State Capitol Auditorium

> > Testimony of NEIL ABERCROMBIE Governor, State of Hawaii

To the House Committees on Water & Land, Education, and Finance

Representative Cindy Evans, Chair, Water & Land Committee Representative Nicole Lowen, Vice Chair, Water & Land Committee

Representative Roy Takumi, Chair, Education Committee Representative Takashi Ohno, Vice Chair, Education Committee

Representative Sylvia Luke, Chair, Finance Committee Representative Scott Nishimoto, Vice Chair, Finance Committee Representative Aaron Johanson, Vice Chair, Finance Committee

HB 865 – Relating to Public School Redevelopment

Chair Evans, Chair Takumi, Chair Luke, Vice Chair Lowen, Vice Chair Ohno, Vice Chair Nishimoto, Vice Chair Johanson, and members of the Committees:

Thank you for the opportunity to provide testimony in support of House Bill 865 (HB 865). HB 865 provides the opportunity to establish public-private partnerships to develop or redevelop public school lands in order to improve public school facilities so that our children can learn in twenty-first century schools.

As I shared with you in my State of the State address public schools are on average 65 years old, and many facilities have been ignored due to limited budgets. With the Legislature's support, the Hawaii Department of Education (DOE) has made significant progress on reducing the repair and maintenance backlog in our schools. However, the DOE reported prioritized capital improvement needs of \$620,975,000 for the biennium, and identified the need for 11 new schools in growing communities. These needs outpace historical legislative appropriations.

That means that many students are learning in structures that do not reflect our modern information and technology age. A twenty-first century school would provide learning space that is flexible and support innovative learning approaches, such as project-based learning.

The Twenty-First Century Schools initiative, enabled by HB 865, is a public-private partnership that would allow DOE to lease underutilized lands for the purpose of generating income to be used to upgrade existing schools or construct new schools. The concept, based on successful models elsewhere, builds long-term value for local school communities, which benefit from better school facilities, multi-purpose community centers, workforce housing, or other needs as determined by a cross-section of the community.

Under HB 865, the DOE, BOE and Hawaii Community Development Authority (HCDA) would collaborate in this innovative approach to complement traditional general fund appropriations to bring Hawaii's public schools into the twenty-first century. The public school lands of the state's 254 school campuses, some of which are considered underutilized, are an untapped resource. Public-private partnerships to use these lands differently would provide opportunities for the State to use available lands to enable twenty-first century facilities for public education. Leasing the underutilized lands can generate income to upgrade existing schools or construct new schools to twenty-first century standards and opportunities. By engaging in public-private partnerships, refocusing uses of these properties will support community-driven redevelopment and help communities to make better use of land while increasing educational and economic opportunities for the benefit of Hawaii's public school children.

Success will require a community-based policy and planning approach. Any use of public lands must be compatible with and provide benefits to the surrounding community. Teachers, administrators, students, parents, community residents and other stakeholders must play a meaningful role in the planning, design and partnership between the school and surrounding community. The HCDA has committed to this engagement in the process of development. HCDA is a good partner in this initiative because of its experience with community-based development.

Based on further discussions with DOE and HCDA, my staff has prepared suggested amendments to the bill to address issues such as governance.

I urge you to support this bill. Thank you for your consideration.



#### Testimony to the House Committees on Water and Land, Education, and Finance Friday, February 9, 2013 9:00 am State Capitol - Auditorium

#### RE: HOUSE BILL NO. 865 RELATING TO THE PUBLIC SCHOOL REDEVELOPMENT

Chairs Evans, Takumi, and Luke and Vice Chairs Lowen, Ohno, Nishimoto and Johanson, and members of the committees:

The Chamber of Commerce of Hawaii provides the following comments on H.B. 865. The bill proposes to establish a framework for the development of twenty-first century schools through the redevelopment of public school lands by the Hawaii Community Development Authority (HCDA). The bill proposes to provide HCDA with the authority and responsibility to facilitate the redevelopment of public school lands to generate income to improve public school facilities and infrastructure.

The Chamber is the largest business organization in Hawaii, representing more than 1,000 businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of its members, which employ more than 200,000 individuals, to improve the state's economic climate and to foster positive action on issues of common concern.

It appears that as proposed the identified or designated school sites would be redeveloped under the authority of the HCDA which essentially functions outside of the jurisdiction of the City and County of Honolulu for zoning, land uses and infrastructure. The bill is silent on exactly how the agency would redevelop the identified school sites either using the existing HCDA rules or in accordance with the existing county zoning. Master planning and developing parcels within the boundaries of an identified redevelopment area is different from assessing and developing individual sites which must comply with existing statutes, ordinances, rules and codes. The bill should discuss and address HCDA's authority the specific process envisioned for the redevelopment of school sites. This may avoid some of the problems encountered by PLDC when Act 55 was enacted.

Thank you for this opportunity to express our views.

NEIL ABERCROMBIE GOVERNOR





STATE OF HAWAI'I DEPARTMENT OF EDUCATION P.O. BOX 2360 HONOLULU, HAWAI'I 96804

Date: 02/09/2013

**Committee:** House Water & Land/House Education/House Finance

Department:	Education
Person Testifying:	Kathryn S. Matayoshi, Superintendent of Education
Title of Bill:	HB 0865 RELATING TO PUBLIC SCHOOL REDEVELOPMENT.
Purpose of Bill:	Establishes framework for the development of twenty-first century schools through the redevelopment of public school lands by the Hawaii Community Development Authority.

#### **Department's Position:**

The Department of Education (DOE) supports the intent of this bill in addressing the significant financial challenges in addressing the inadequacies of the department's facilities inventory. Additionally, the DOE supports the intent of this bill in establishing a framework in which the system's inventory of schools can derive maximum benefit from the creative use of its assets. However, due to the complexities and scope of this undertaking, the DOE recommends a more measured approach such as contained in SB 0237. This bill would address the same issues, but would first explore signature projects demonstrating proof of concept. The DOE sees great value however in a parallel effort as delineated by HB 865 from a systemic perspective and looks forward to fostering a partnership with the Hawaii Community Development Authority that will exploit the intellectual capital and best practices of both agency and department in developing new schools.

The DOE finds portions of HB 865 unnecessary however. There is no clear reason to create another board or layer of authority where that functionality already exists. Additionally, proscriptive or descriptive statutory language limits flexibility in defining21st century schools and should be left to the planning and development mechanisms in order to foster future developmental requirements. The DOE believes this construct will most benefit the DOE and the public at large.

Thank you for the opportunity to provide testimony on this important bill.



Neil Abercrombie Governor

> Brian Lee Chairperson

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#### STATEMENT OF

#### ANTHONY J. H. CHING, EXECUTIVE DIRECTOR HAWAII COMMUNITY DEVELOPMENT AUTHORITY

#### BEFORE THE

#### HOUSE COMMITTEE ON WATER & LAND

ON

Saturday, February 9, 2013

9:00 A.M.

State Capitol, Auditorium

in consideration of

#### H. B. 865 – RELATING TO PUBLIC SCHOOL REDEVELOPMENT.

**Purpose:** Grant the Hawaii Community Development Authority (HCDA) the responsibility to facilitate the redevelopment of public school lands in order to generate income to improve public school facilities and infrastructure to meet the challenges of the twenty-first century.

**Position:** It is my belief that the HCDA possesses both the capacity and operational fabric to establish public private partnerships (P3) that can facilitate the modernization of public school facilities. I support those parts of the proposal giving the HCDA the responsibility to deliver the means to the Department of Education (DOE), stakeholders and affected communities to realize signature twenty-first century public school facilities. In line with the specifications of the Governor's initiative, I defer to the Department/Board of Education and the State Legislature with respect to all matters relating to:

• The selection and designation of specific public school facilities redevelopment sites;

Testimony reflects the view and position of the Executive Director and not that of the Authority.

- Establishing the minimum criteria and standards for twenty-first century school projects;
- The development of a long range and strategic plan for transforming public schools into twenty-first century facilities; and
- The disposition and use of proceeds generated from the P3 partnerships that are established.

I am obliged to note that as the Authority has not yet had an opportunity to review and act upon this proposal that this position represents my own viewpoint and not that of the Authority.

**Capacity and Mission of the HCDA.** The HCDA is a corporate instrumentality of the State of Hawaii that is charged with building community and place in community development districts designated by the State Legislature. The HCDA employs planners, architects, engineers, project managers, asset management specialists and administrative staff with experience in:

- Promulgating and administering land use/zoning regulations;
- Developing and implementing community development plans (i.e., compiling community master, infrastructure and public facilities plans; managing redevelopment projects carried out in conjunction with those plans; managing infrastructure improvement projects; soliciting and managing community redevelopment projects); and
- Managing and stewarding assets held by the agency in its corporate capacity.

**Existing Mechanism for Public Accountability and Engagement.** Given its charge as a community redevelopment agency and existing staff, it is my belief that the HCDA possesses the capacity and operational resources to achieve the purposes outlined in this measure. It is also important to note that the Authority has embedded into the fabric of its operations, standard protocols to ensure that notice, means (e.g., telephone hotline, email, web public consultation portal) and opportunity [e.g., monthly community briefings, establishing new stakeholder advisory groups, participating in existing community forums (neighborhood boards, stakeholder groups) night time and weekend open houses, accessible community hearings/meetings] are provided whereby stakeholders and the community are invited to actively participate in the deliberations of the Authority.

Articulation of Community Development Plan and Rule. Once a public school redevelopment district is established, the HCDA is obliged to compile a community development/master plan. That plan will identify public facilities, infrastructure, and utility requirements for the district. Aside from articulating the vision and strategy objectives and for achieving the redevelopment of the district, the necessary and appropriate environmental review (Chapter 343, HRS environmental assessment/impact statements) will be conducted to establish the baseline information about the redevelopment district and solicit public feedback and recommendations.

**Governance Structure.** While I defer to the Legislature to establish the means by which the individual public school redevelopment districts might be governed, I note that the 2012 State Legislature reorganized the HCDA as the combination of three separate authorities and separate authorities for each of the existing three community development districts (Kakaako, Kalaeloa and Heeia). I also note that the Board of Education currently has a statewide scope and membership, will issue all educational facility, redevelopment and policy directives and as the HCDA has well established operational bylaws, protocols and rules, it therefore may not be necessary to create yet another governing body.

**Reimbursement to HCDA for Costs Incurred.** Given its existing capacities, it is my belief that the HCDA will not require that additional staff resources be allocated for a finite number of the signature or initial development districts that might be established. The HCDA can revisit the subject should the workload over time merit a reexamination of that matter. However, as we will (without fail) conduct the necessary and appropriate environment review, we will

seek to establish a system by which reimbursement for those costs can be secured from the Department of Education.

Thank you for the opportunity to provide comments in strong support of this initiative to provide the public school students of the State of Hawaii with facilities that are of the twenty-first century and to be a "part of the solution".



Testimony of Cindy McMillan The Pacific Resource Partnership

House Committee on Water and Land Representative Cindy Evans, Chair Representative Nicole E. Lowen, Vice Chair

House Committee on Education Representative Roy M. Takumi, Chair Representative Takashi Ohno, Vice Chair

House Committee on Finance Representative Sylvia Luke, Chair Representative Scott Y. Nishimoto, Vice Chair Representative Aaron Ling Johanson, Vice Chair

HB 865 – Relating to Public School Redevelopment Saturday, February 9, 2013 9:00 am Auditorium

Aloha Chair Evans, Chair Takumi, Chair Luke and Members of the Committees:

The Pacific Resource Partnership (PRP) is a labor-management consortium representing over 240 signatory contractors and the Hawaii Regional Council of Carpenters.

PRP strongly supports HB 865, Relating to Public School Redevelopment, which establishes a framework for the development of twenty-first century schools through the redevelopment of public school lands by the Hawaii Community Development Authority.

PRP is a strong supporter of Hawaii's public school education system and believes that more must be done to better prepare our young people for a career, college and lifelong learning. Advancements in technology have increased the skill levels required to obtain and retain jobs that pay well and help to support a family.

February 9, 2013 Testimony Supporting HB 865 – Relating to Public School Redevelopment Page 2

Hawaii's public school facilities, with an average age of sixty-five years, are inadequate to maximize twenty-first century learning opportunities. The Department of Education (DOE) continues to have outstanding repair and maintenance needs, and many facilities have been neglected due to limited budgets. This year, the DOE reported that it has \$266,000,000 in repair and maintenance backlog as of this year and for the upcoming biennium, \$620,975,000 in prioritized capital improvement needs. In addition, the department projects a need to construct 11 new schools in growing communities over the next six years.

Public funds are severely limited and hence, an unconventional solution is needed to bring Hawaii's public schools into the twenty-first century. The state's public school lands, some of which are underutilized, are an untapped resource. Public-private partnerships can help us use these lands in more education-friendly ways. They would also provide opportunities to generate income, which could be used to repair crumbling schools or to construct new schools. Engaging in public-private partnerships will help us focus on and support community-driven redevelopment of public school lands. It will help communities make better use of land while increasing educational and economic opportunities for the benefit of Hawaii's public school children.

The Hawaii Community Development Authority (HCDA) has a proven track record with major accomplishments in revitalizing and redeveloping Kaka`ako. PRP believes it is equipped to work with the DOE to address the needs of Hawaii's public school children and to provide economic opportunities for the State.

For these reasons, we respectfully ask for your support on HB 865. Thank you for the opportunity to share our views on this important initiative with you.



February 8, 2013

Representative Cindy Evans, Chair Representative Nicole E. Lowen, Vice Chair House Committee on Water and Land

Representative RoyM. Takumi, Chair Representative Takashi Ohno, Vice Chair House Committee on Education

Representative Sylvia Luke, Chair Representative Scott Y. Nishimoto, Vice Chair Representative Aaron Ling Johanson, Vice Chair House Committee on Finance

#### Comments and testimony in Support of HB 865 Relating to Public School Redevelopment (Establishes framework for the development of twenty-first century school lands by the Hawaii Community Development Authority).

#### Saturday, February 9, 2013, 9:00 a.m., in CR Auditorium

The Land Use Research Foundation of Hawaii ("LURF") is a private, non-profit research and trade association whose members include major Hawaii landowners, developers and a utility company. LURF's mission is to advocate for reasonable, rational and equitable land use planning, legislation and regulations that encourage well-planned economic growth and development, while safeguarding Hawaii's significant natural and cultural resources, and public health and safety.

**HB 865.** The purpose of this bill is to grant the Hawaii Community Development Authority ("HCDA"), in conjunction with the State Department of Education ("DOE") and State Board of Education ("BOE"), the responsibility to facilitate the redevelopment of public school lands in order to generate income to improve public school facilities and infrastructure to meet the challenges of the twenty-first century.

**LURF's Position.** LURF **supports HB 865**, because it looks to and establishes innovative methods through which the State may use its assets to obtain funding to benefit Hawaii's public schools and public school children. This bill recognizes the unmet community development needs of the State, including undercapitalized public school facilities, and the need to establish within the DOE, BOE and HCDA, a public entity or mechanism which shall determine public school facilities redevelopment and community development programs, and cooperate with private enterprise and the various components of federal, state and county governments in

House Committee on Water and Land House Committee on Education House Committee on Finance February 8, 2013 Page 2

bringing the plans to fruition. LURF's testimony also includes **comments and clarifications** for this Committee to consider.

#### Background.

- Prior LURF support for similar legislation. Over the years, LURF has consistently supported creative legislation, especially legislation targeted to further education in this State. Other prior education-related efforts by the DOE, LURF and other stakeholders over the past years include:
  - SB 292 (2005) proposal to grant DOE Asset Management authority. In 2005, pursuant to SB 972, the legislature considered the establishing the authority of the Board and the DOE to own and administer all of the lands and facilities being used for the public schools of Hawaii.
  - SB 611 (2007) proposal to transfer lands and facilities to DOE; establishment of DOE Advisory Council. In 2007, a similar version was presented as SB 611, which proposed to transfer all public lands and facilities in use for public schools to the DOE. That bill also empowered the Board and the DOE to acquire, sell, lease, transfer, hypothecate, develop, and enter into agreements for the improvement of lands and facilities under its control for the support of the public schools. SB 611 was the result of one of the working groups from the DOE Advisory Council, which was created to evaluate the merits of the DOE's various proposals being implemented, and to make recommendations on establishing measurable goals and objectives.
  - SB 690 (2007) proposal for DOE cost-benefit analysis and additional school funding based on savings from school closures or consolidation. This proposal would have required the DOE to do a cost-benefit analysis to determine the cost savings of school closures or consolidations, and would have required that 50% of the savings be retained by the affected schools for a period of not less than five years.
  - HB 2972 (2008) proposal to identify underused public schools and revitalize public school facilities; and establish a DOE Facilities Alignment Commission. The purpose of this bill was to revitalize the DOE school facilities statewide and to more effectively and efficiently use taxpayers' investment in public education. Specifically, this bill provided for the timely construction, expansion, consolidation, or closure of underused public schools in Hawaii though an objective and transparent process. This proposed bill would have created a Facilities Alignment Commission to establish criteria for the selection of public schools to be constructed, expanded, consolidated, or closed; and to recommend areas for new school construction, expansion, consolidation, or closure.
  - SB 1385 (2011) proposal to establish a five-year pilot project to generate revenue for the use of public school land. The bill proposed permitting the DOE, with the approval of the BOE, to lease certain public school lands for public purposes, including the development of affordable workforce housing rental units, under specified conditions.

In 2007, LURF also testified in support of legislation proposed to establish a two-year pilot project within a designated complex area which would authorize reallocation of resources within the schools in the complex area to achieve greater efficiency and cost-effectiveness. As noted in LURF's 2007 testimony in support of the above measures (updated and confirmed by DOE News Release dated October 18, 2010), at that time, the DOE had approximately the same number of students enrolled in public schools (+/-180,000) as it did 30 years ago, the difference being that the concentration of the student population had moved. As a result, opportunities such as the proposal under the present bill are created, where existing, underused assets may potentially be repositioned for future needs. Possibilities include redevelopment of a site for a new school; allowing for mixed use with a redeveloped school and teacher housing; or providing for new revenue sources based on long term leasing of the DOE property.

- Other initiatives to consider. The following are various other initiatives that the DOE, BOE, HCDA, other stakeholders, and the Legislature may wish to consider pursuing in the future:
  - **Capital Improvement Projects ("CIP") Public Private Partnership Group.** One of the working groups from the DOE Advisory Council was the CIP Public Private Partnership group, which explored "non-traditional" alternatives for building new schools, or redeveloping existing schools. The term "non-traditional" was intended to describe the processes or methods not presently being used by the DOE.
  - **Common School Fund Program.** The idea of giving the DOE the power and authority to own the land under the school facilities is based on the "Common School Fund" programs or "Land Grant Schools" on the mainland. Many of the school lands in the western United States were provided by Congress to each of the states via "land grants" at the time each state joined the United States. The land grants were originally made for a single explicitly stated purpose to support common schools and similar public institutions. These granted lands are generally known as "Common School Fund Lands," and are held by the states, together with any permanent funds and revenues generated from the lands, and all of those assets are generally viewed as a "trust." Most of the western states manage the Common School Fund Lands, either for use as school sites, or to generate revenues for the schools. The corpus of the trust is determined by the value of the land, any permanent funds and any revenues generated by the lands. Hence, the trust land managers in those states approach their management responsibilities under the same array of rules and enforcement mechanisms that surround any legal trustee with fiduciary duties.
  - Management of DOE lands as "trust" lands for the benefit of DOE schools and programs. The prior Hawaii legislation listed above was based on an idea similar to the "Common School Fund Lands program - - that the existing DOE school lands could be used to create a trust for the DOE public schools. Somewhat like Kamehameha Schools Bishop Estate ("KSBE"), the DOE lands could then be managed as a "trust," and the DOE will have the ability to leverage underutilized land assets for redevelopment, joint venture, revenue production, and other opportunities similar to KSBE or any other real estate corporation. Considering the need to attract and retain teachers, and the prospects of a fixed-guide-way system for Oahu, the bill would potentially allow for the repositioning of some of the "underused school sites" in the City's Primary Urban Center to be redeveloped to provide teacher housing

House Committee on Water and Land House Committee on Education House Committee on Finance February 8, 2013 Page 4

and/or generate income for the DOE as a center for a mixed-use transit oriented development ("TOD").

<u>Conclusion</u>. LURF **supports HB 865** as an inventive means of utilizing excess and underused assets to generate funding for the benefit of public school children. However, in order to effectuate the purposes of HB 865, and other similar initiatives, LURF suggests that this bill be further clarified as follows:

HCDA's role. Section 1 currently does not include HCDA as one of the various stakeholders which may play a meaningful role in the planning, design and partnership between the schools and surrounding community. Section 2 specifically authorizes the DOE to identify the specific school redevelopment sites and BOE to authorize the redevelopment sites and use; however, it does not specifically include HCDA as part of the identification process public school redevelopment sites. Section 6 also limits HCDA's role to preparing a community development plan for public school facilities.

Section 1 should be revised to authorize HCDA to work with teachers, administrators, students, parents, community residents and other stakeholders in the planning, design and partnership between the school and the surrounding community. Also, Sections 2 and 6 of the current bill should be clarified to afford the HCDA the authority and flexibility to be involved with the DOE and the BOE in process to identify public school redevelopment sites and allow it to explore and consider any and all options relating to the use of public school lands, so as not to limit the HCDA to only the responsibility to facilitate the redevelopment of public school lands which have already been identified by DOE and authorized by BOE.

Consultation and cooperation with the Counties. Many of the public school sites are owned by the Counties (in the past, public schools were the responsibility of the Counties) and the proposed redevelopment of school sites may require cooperation and coordination with the Counties with respect to public utilities and services (sewer, water, roadways, police, fire, etc.). This committee should consider revisions to provide that when dealing with public school lands owned by the Counties, the DOE and HCDA shall agree to consult and cooperate with the Counties to resolve any and all issues which may arise between them including development-related issues.

Thank you for the opportunity to express support for this measure.

From:	mailinglist@capitol.hawaii.gov
Sent:	Thursday, February 07, 2013 3:12 PM
То:	waltestimony
Cc:	stlib@librarieshawaii.org
Subject:	Submitted testimony for HB865 on Feb 9, 2013 09:00AM
Attachments:	HB 865 testimony.pdf

#### HB865

Submitted on: 2/7/2013 Testimony for WAL/EDN/FIN on Feb 9, 2013 09:00AM in Conference Room Auditorium

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
Keith Fujio	Hawaii State Public Library System	Comments Only	Yes

Comments: The Hawaii State Public Library System agress with the intent of HB 865 but has very serious concerns about our public libraries being included in the definition of these public school lands to be redeveloped.

Please note that testimony submitted less than 24 hours prior to the hearing , improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

NEIL ABERCROMBIE GOVERNOR



RICHARD BURNS STATE LIBRARIAN

STATE OF HAWAII HAWAII STATE PUBLIC LIBRARY SYSTEM OFFICE OF THE STATE LIBRARIAN 44 MERCHANT STREET HONOLULU, HAWAII 96813

### House Committee on Water and Land House Committee on Education House Committee on Finance

Saturday, February 9, 2013 9:00 AM State Capitol, Auditorium

## HB 865 – Relating to Public School Redevelopment

The Hawaii State Public Library System (HSPLS) agrees with the intent of HB 865 that Hawaii's public school facilities may not be maximizing twenty-first century learning opportunities and to grant the Hawaii Community Development Authority the responsibility to facilitate the redevelopment of public school lands in order to generate income to improve school facilities to meet these opportunities and challenges. However, we have very serious concerns about our public libraries being included in the definition of these public school lands to be redeveloped. This bill allows for the redevelopment of certain public school lands as identified by the Department of Education and approved by the Board of Education. There is nothing in this bill specifically addressing whether public libraries may be included in these targeted public school lands and there is no consideration being provided for this potential loss of public library services for a particular community and its patrons. Hawaii State Public Library System House Committee on Water and Land House Committee on Education House Committee on Finance Hearing on HB865 February 9, 2013 Page 2

While we support the main intent of this bill regarding public school lands redevelopment, we have reservations and concerns about the public libraries that could possibly be displaced and how HSPLS will be able to meet demand for critical public library services for affected communities.

Thank you for allowing us the opportunity to testify on this measure.

To:	Representative Cindy Evans, Chair Representative Roy Takumi, Chair Representative Sylvia Luke, Chair Committees on Water & Land, Education, Finance
From:	Karen Ginoza, Education Task Force, Co-chair Faith Action for Community Equity (FACE)
Date:	February 9, 2013 9:00 a.m. State Capitol Auditorium
Subject:	HB 865 Relating to Public School Development

Thank you for the opportunity to testify for HB 865. Faith Action for Community Equity offers concerns and recommendations to this measure.

The state needs to renovate existing public school facilities and build new schools in order to prepare students for the 21<sup>st</sup> century. For example, schools are not able to increase the use of computers because the electrical infrastructure cannot handle the increased load. Teachers are working in hot, humid classrooms, an environment that no business would allow their employees to endure. When schools want to install air conditioners in their classrooms, they cannot because the electrical bills would be too costly or the electrical infrastructure cannot handle the increased load. These are a few reasons why there is a need for more funding for schools facilities.

Faith Action for Community Equity works to improve education in our state. We have the following concerns and recommendations about HB 865:

- 1. The focus of this initiative should be the educational needs of the school that includes personnel and facilities. The stakeholders--student, parents, community members, teachers, and administrators should be included early in the process to determine the structure of the learning environment.
- 2. The composition of the board needs to include parents, teachers, and administrators.
- 3. Closing schools is a very emotional issue. We need to strengthen the school within a community so parents and community member need to be involved and informed about this process.
- 4. The meetings of the Hawaii community development authority and the Department of Education should be open to the public for public testimony. The actions taken should also be communicated to the public.

From: Sent:	mailinglist@capitol.hawaii.gov Friday, February 08, 2013 12:28 PM
То:	waltestimony
Cc:	osorio@hawaii.edu
Subject:	*Submitted testimony for HB865 on Feb 9, 2013 09:00AM*

Submitted on: 2/8/2013 Testimony for WAL/EDN/FIN on Feb 9, 2013 09:00AM in Conference Room Auditorium

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
Jon Osorio	KAHEA: The Hawaiian- Environmental Alliance	Oppose	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing , improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.



## Advocates For Consumer Rights Working for Hawaii's consumers since 1994

Scott Foster, Communications Director 808-988-0555 <afcr@hawaii.rr.com>

February 7, 2013

TESTIMONY AGAINST HB865 Saturday, February 09, 2013 Auditorium State Capitol

# COMMITTEE ON WATER & LAND COMMITTEE ON EDUCATION COMMITTEE ON FINANCE

Aloha Honorable Chairs, Co-chairs and Committee members:

My name is Scott Foster and I am the Communications Director of *Hawai`i Advocates For Consumer Rights*. Our 19-year old, statewide organization was co-founded by Mr. Ralph Nader and we continue to monitor, research and testify on any legislation such as HB865 that would *not* advance the common good.

This marks my 25<sup>th</sup> year of presenting testimony before the Hawaii State legislature and I would first send a special Aloha message to the new members of the House. You will read and hear many perspectives today and in the years ahead, and you have the unique challenge and indeed the great responsibility to carefully measure the presented testimony -- and then today decide if the passage of HB865 would promote the common good. We do not believe it would. Recognizing the fragility and the finite resources of our tiny island home, the Preamble of the Hawai`i State Constitution which you have sworn to uphold in part reads, "We, the people of Hawai`i, grateful for Divine Guidance, and mindful of our Hawaiian heritage and uniqueness as an island State, dedicate our efforts to fulfill the philosophy decreed by the Hawai`i State motto, 'The Life of the Land is Perpetuated in Righteousness.' We reserve the right to control our destiny, to nurture the integrity of our people and culture, and to preserve the quality of life that we desire."

Some testimony you read or hear today will be accurately researched and presented, some will be from well-meaning people offering their relatively uninformed opinions, and some testimony will be from those with often-unknown vested financial interests. But this is democracy in action and it is up to you to weigh the validity of all testimony and then to carefully decide if the legislation before you will or will not benefit Hawaii's people and the aina. **Perhaps on the surface compelling, we believe that HB865 would not work "to preserve the quality of life that we desire." While some of the state's 254 school campuses may indeed be underutilized, undercapitalized and untapped resources, exempting such lands from existing HRS and giving development interests free reign is not acceptable.** 

AFCR also notes that the massive opposition to the PLDC -which has spread across the state like wildfire -- is unmatched in recent history. The people "get it" and well understand that the

# PLDC and legislation such as was an ill-conceived land grab of historic proportion and that it must be brought down.

Indeed, the great PLDC debate of 2013 has spread way beyond our state's borders. For example, a February 2, 2013, *Washington Times* article, "Repeal Hawaii's Public Land Development Corporation" in part reads:

"Greed, desperation and perceived fiscal necessity are no excuse for tyranny. The very preamble to Act 55 (2011) which states, "The corporation shall identify the public lands that are suitable for development under this chapter, carry on marketing analysis to determine the best revenue-generating programs for the public lands identified, enter into public-private agreements to appropriately develop the public lands identified, and provide the leadership for the development, financing, improvement, or enhancement of the selected development opportunities" is repugnant to the American tradition of representative government." [emphasis added] We strongly agree and urge you to vote against passing HB865, to ultimately repeal the entire PLDC model this session, and to stand against *any and all* other legislation that would in whole or part, replicate the intent of the onerous PLDC legislation, aka "Act 50." This includes HB865. Please stand tall.

Mahalo for your time and kind consideration, Scott Foster, Communications Director Hawai`i Advocates For Consumer Rights

From:	mailinglist@capitol.hawaii.gov
Sent:	Friday, February 08, 2013 11:42 AM
То:	waltestimony
Cc:	dhui@cpshawaii.net
Subject:	Submitted testimony for HB865 on Feb 9, 2013 09:00AM
Attachments:	HB 865 Public School.pdf

#### HB865

Submitted on: 2/8/2013 Testimony for WAL/EDN/FIN on Feb 9, 2013 09:00AM in Conference Room Auditorium

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
Ed Yeh	ControlPoint Surveying, Inc.	Comments Only	No

Comments: The bill proposes to establish a framework for the development of twenty-first century schools through the redevelopment of public school lands by the Hawaii Community Development Authority (HCDA). The bill proposes to provide HCDA with the authority and responsibility to facilitate the redevelopment of public school lands to generate income to improve public school facilities and infrastructure. It appears that, as proposed, the identified or designated school sites would be redeveloped under the authority of the HCDA, which essentially functions outside of the jurisdiction of the City and County of Honolulu for zoning, land uses, and infrastructure. The bill is silent on exactly how the agency would redevelop the identified school sites either using the existing HCDA rules or in accordance with the existing county zoning. Master planning and developing parcels within the boundaries of an identified redevelopment area is different from assessing and developing individual sites which must comply with existing statutes, ordinances, rules and codes. The bill should discuss and address HCDA's authority over the specific process envisioned for the redevelopment of school sites. This may avoid some of the problems encountered by PLDC when Act 55 was enacted. Thank you for this opportunity to express my view.

Please note that testimony submitted less than 24 hours prior to the hearing , improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.



February 8, 2013

House of Representatives The Twenty-Seventh Legislature Regular Session of 2013 Committee on Water and Land, Education, and Finance

#### Subject: TESTIMONY IN SUPPORT of H.B. 865, RELATING TO THE PUBLIC SCHOOL REDEVELOPMENT

DATE:	Saturday, February 9, 2013
TIME:	9:00 a.m.
PLACE:	State Capitol – Auditorium

Dear Chairs Evans and Luke, Vice-Chairs Lowen, Nishimoto and Johanson, and members of the Committees:

I am Ed Yeh, owner of ControlPoint Surveying, Inc. ControlPoint Surveying, Inc. is a professional land surveying company founded in 1984, and a member of the Hawaii Land Surveyors Association. I respectfully submit the following comments on H.B. 865. The bill proposes to establish a framework for the development of twenty-first century schools through the redevelopment of public school lands by the Hawaii Community Development Authority (HCDA). The bill proposes to provide HCDA with the authority and responsibility to facilitate the redevelopment of public school lands to generate income to improve public school facilities and infrastructure.

It appears that, as proposed, the identified or designated school sites would be redeveloped under the authority of the HCDA, which essentially functions outside of the jurisdiction of the City and County of Honolulu for zoning, land uses, and infrastructure. The bill is silent on exactly how the agency would redevelop the identified school sites either using the existing HCDA rules or in accordance with the existing county zoning. Master planning and developing parcels within the boundaries of an identified redevelopment area is different from assessing and developing individual sites which must comply with existing statutes, ordinances, rules and codes. The bill should discuss and address HCDA's authority over the specific process envisioned for the redevelopment of school sites. This may avoid some of the problems encountered by PLDC when Act 55 was enacted.

Thank you for this opportunity to express my view.

Respectfully submitted,

Yue-Hong "Ed" Yeh PRESIDENT, Tel: 808.591.2022, Ext 110

From: Sent:	mailinglist@capitol.hawaii.gov Wednesday, February 06, 2013 5:05 PM
То:	waltestimony
Cc:	wschoneman@hawaii.rr.com
Subject:	Submitted testimony for HB865 on Feb 9, 2013 09:00AM

#### HB865

Submitted on: 2/6/2013

Testimony for WAL/EDN/FIN on Feb 9, 2013 09:00AM in Conference Room Auditorium

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
Winton Schoneman	Individual	Oppose	No

Comments: Aloha Members of the Committee, I am strongly opposed to this legislation because: 1. It will pave over more of the limited open space we have and damage our environment. 2. It is a one shot deal that does not address our budget problems. We continue to promise and spend more money than we have. We need to limit our spending. Thank you. Winton Schoneman

Please note that testimony submitted less than 24 hours prior to the hearing , improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

From:	mailinglist@capitol.hawaii.gov
Sent:	Thursday, February 07, 2013 11:04 AM
To:	waltestimony
Cc:	paul@punapono.com
Subject:	Submitted testimony for HB865 on Feb 9, 2013 09:00AM

Submitted on: 2/7/2013

Testimony for WAL/EDN/FIN on Feb 9, 2013 09:00AM in Conference Room Auditorium

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
Paul Kuykendall	Individual	Oppose	No

Comments: Please vote NO on any bill that does not completely repeal the PLDC. Act 55 must be repealed before we consider other legislation. HB 865 is a land grab for our keikis' school playgrounds for development. Mahalo

Please note that testimony submitted less than 24 hours prior to the hearing , improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

From:	mailinglist@capitol.hawaii.gov
Sent:	Thursday, February 07, 2013 10:58 AM
То:	waltestimony
Cc:	suzanne@punapono.com
Subject:	Submitted testimony for HB865 on Feb 9, 2013 09:00AM

Submitted on: 2/7/2013

Testimony for WAL/EDN/FIN on Feb 9, 2013 09:00AM in Conference Room Auditorium

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
Suzanne Wakelin	Individual	Oppose	No

Comments: Please vote NO on any bill that does not completely repeal the PLDC. Act 55 must be repealed before we consider other legislation. HB 865 is a land grab for our keikis' school playgrounds for development. Mahalo

Please note that testimony submitted less than 24 hours prior to the hearing , improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

From: Sent:	mailinglist@capitol.hawaii.gov Friday, February 08, 2013 11:58 AM
То:	waltestimony
Cc:	gr8bluhron@gmail.com
Subject:	Submitted testimony for HB865 on Feb 9, 2013 09:00AM

Submitted on: 2/8/2013

Testimony for WAL/EDN/FIN on Feb 9, 2013 09:00AM in Conference Room Auditorium

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
Billie Dawson	Individual	Oppose	No

Comments: The PLDC cannot be fixed, and the state should not have free reign to privatize and develop school land, parks, and harbors. Repeal the PLDC.

Please note that testimony submitted less than 24 hours prior to the hearing , improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

From:	mailinglist@capitol.hawaii.gov Friday, February 08, 2013 8:44 AM
Sent:	
То:	waltestimony
Cc:	clk5356@gmail.com
Subject:	*Submitted testimony for HB865 on Feb 9, 2013 09:00AM*

Submitted on: 2/8/2013

Testimony for WAL/EDN/FIN on Feb 9, 2013 09:00AM in Conference Room Auditorium

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
Carolyn L Knoll	Individual	Oppose	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing , improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

From:	mailinglist@capitol.hawaii.gov
Sent:	Friday, February 08, 2013 9:46 AM
To:	waltestimony
Cc:	mealaaloha@aol.com
Subject:	*Submitted testimony for HB865 on Feb 9, 2013 09:00AM*

Submitted on: 2/8/2013

Testimony for WAL/EDN/FIN on Feb 9, 2013 09:00AM in Conference Room Auditorium

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
Daniel Bishop	Individual	Oppose	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing , improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

From:	mailinglist@capitol.hawaii.gov
Sent:	Friday, February 08, 2013 3:13 AM
To:	waltestimony
Cc:	tookie49_2004@yahoo.com
Subject:	*Submitted testimony for HB865 on Feb 9, 2013 09:00AM*

Submitted on: 2/8/2013

Testimony for WAL/EDN/FIN on Feb 9, 2013 09:00AM in Conference Room Auditorium

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
DANIEL KANAHELE	Individual	Oppose	No

Comments:

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# RE: OPPOSED TO HB865

# **REPEAL** the P.L.D.C. Law

I am a former Maui County Planning Commissioner and I presently serve as the Vice-Chair of Maui Island's General Plan Advisory Committee. I have been directly involved in planning issues from a citizen's perspective for over 40 years.

I <u>SUPPORT HB589</u> - Which Repeals PLDC I <u>SUPPORT HB1133</u> - Which Repeals PLDC I <u>OPPOSE HB219</u> - Only amends PLDC I <u>OPPOSE HB593</u> - Only amends PLDC I <u>OPPOSE HB942</u> - Changes name of PLDC I <u>OPPOSE HB1134</u> - Only amends PLDC I <u>OPPOSE HB1134</u> - Only amends PLDC

I strongly support repealing Act 55 (2011) which established the PLDC because the PLDC has so many defects:

- 1. Eliminating County input.
- 2. Ignores County General and Community plans.
- 3. By-passes protections for Hawaiian Lands.
- 4. Concentrates too much power in a small unelected committee.
- 5. Allows private firms too much opportunity to abuse public lands.
- 6. Inadequate or non-existent environmental protections.

I do NOT wish to have the PLDC amended or modified. There should be:

No PLDC pilot project bills;

No PLDC school land redevelopment bills;

No PLDC compromise bills;

No PLDC amended bills; and

No PLDC new name, same purpose bills

From: Sent:	mailinglist@capitol.hawaii.gov Friday, February 08, 2013 9:29 AM
То:	waltestimony
Cc:	stoked_r_us@hotmail.com
Subject:	Submitted testimony for HB865 on Feb 9, 2013 09:00AM

Submitted on: 2/8/2013

Testimony for WAL/EDN/FIN on Feb 9, 2013 09:00AM in Conference Room Auditorium

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
Donna Stokes	Individual	Oppose	No

Comments: I oppose hb865

Please note that testimony submitted less than 24 hours prior to the hearing , improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

From: Sent:	mailinglist@capitol.hawaii.gov Friday, February 08, 2013 1:14 PM
To:	waltestimony
Cc:	hanaloa@gmail.com
Subject:	*Submitted testimony for HB865 on Feb 9, 2013 09:00AM*

Submitted on: 2/8/2013

Testimony for WAL/EDN/FIN on Feb 9, 2013 09:00AM in Conference Room Auditorium

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
Hanaloa Helela	Individual	Oppose	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing , improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

From: Sent:	mailinglist@capitol.hawaii.gov Friday, February 08, 2013 8:55 AM
То:	waltestimony
Cc:	marilynmick@pobox.com
Subject:	Submitted testimony for HB865 on Feb 9, 2013 09:00AM

Submitted on: 2/8/2013

Testimony for WAL/EDN/FIN on Feb 9, 2013 09:00AM in Conference Room Auditorium

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
Marilyn Mick	Individual	Oppose	No

Comments: Because the PLDC cannot be fixed, the state should not have free reign to privatize and develop school land, parks, and harbors, I oppose this bill.

Please note that testimony submitted less than 24 hours prior to the hearing , improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

From: Sent:	mailinglist@capitol.hawaii.gov Friday, February 08, 2013 11:53 AM
То:	waltestimony
Cc:	mauimartha@gmail.com
Subject:	Submitted testimony for HB865 on Feb 9, 2013 09:00AM

#### HB865

Submitted on: 2/8/2013

Testimony for WAL/EDN/FIN on Feb 9, 2013 09:00AM in Conference Room Auditorium

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
Martha E Martin	Individual	Oppose	No

Comments: Please oppose HB 865 because the PLDC should not be amended; it should be repealed entirely. To get more income, taxes should be raised on businesses, corporations and residents having the highest incomes. They aren't paying fairly now. The General Excise taxes should not be raised to get more state income.

Please note that testimony submitted less than 24 hours prior to the hearing , improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

From:	mailinglist@capitol.hawaii.gov
Sent:	Friday, February 08, 2013 2:42 PM
То:	waltestimony
Cc:	teresamlee.51@gmail.com
Subject:	Submitted testimony for HB865 on Feb 9, 2013 09:00AM
Attachments:	February 8 Public Schools.docx

#### HB865

Submitted on: 2/8/2013 Testimony for WAL/EDN/FIN on Feb 9, 2013 09:00AM in Conference Room Auditorium

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
Teresa L. Nakama	Individual	Oppose	No

Comments: February 8, 2013 Teresa L. Nakama 73-998 Ahulani Street Kailua-Kona, HI 96740 WAL/EDN/FIN Representative(s) Auditorium Saturday, February 9, 2013 9:00 am Hearing State Capitol 415 South Beretania Street Honolulu, HI Report Title: HB 865 February 8, 2013 Comm Room Date/Time Notice WAL/END/FIN Auditorium 2/09/2013 9:00 AM I Teresa L. Nakama oppose of HB 865 and the entity Hawaii Community Development Authority is the same as PLDC. This is the worse type of politics to hide the PLDC under another name. To use the iconic 21st Century School development under the Hawaii Community Development Authority: which is the same as PLDC, is game Title playing with the same intent as PLDC. How is it that these writers of the bill don't realize that we already have existing rules, laws and regulations that each government development can go through the correct process of exemption, and variances, that are in-place when the proper steps are taken. Let me express again, which one of these laws, rules and regulations that protect our existence when planning, construction and development has to go through and now with this bill you want to avoid all the existing rules, laws, and regulations to build 21st Century school buildings. This is going backwards... We do not need an added private entity to control the destiny of our future school infrastructures and buildings. This bill as written the HCDA will make up it's own rules, laws, and regulations and don't have to abide by existing County rules, laws and regulations regarding zoning, building codes, EIS, AIS, ect and to me this is exploiting use of public funds, and keep income as their own, and create private entities to build our public school without having to abide by existing rules and regulations. This is so blatant and outright crime against we the public. We fund private entity HCDA with our taxes and they call it their own funds to use at their whim. Mahalo, Teresa L. Nakama

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February 8, 2013

Teresa L. Nakama 73-998 Ahulani Street Kailua-Kona, HI 96740

WAL/EDN/FIN Representative(s)

Auditorium Saturday, February 9, 2013 9:00 am Hearing State Capitol 415 South Beretania Street Honolulu, HI

Report Title: HB 865 February 8, 2013

Comm	Room	Date/Time	Notice
WAL/END/FIN	Auditorium	2/09/2013 9:00 AM	

I Teresa L. Nakama oppose of HB 865 and the entity Hawaii Community Development Authority is the same as PLDC. This is the worse type of politics to hide the PLDC under another name.

To use the iconic 21<sup>st</sup> Century School development under the Hawaii Community Development Authority: which is the same as PLDC, is game Title playing with the same intent as PLDC.

How is it that these writers of the bill don't realize that we already have existing rules, laws and regulations that each government development can go through the correct process of exemption, and variances, that are in-place when the proper steps are taken. Let me express again, which one of these laws, rules and regulations that protect our existence when planning, construction and development has to go through and now with this bill you want to avoid all the existing rules, laws, and regulations to build 21<sup>st</sup> Century school buildings. This is going backwards...

We do not need an added private entity to control the destiny of our future school infrastructures and buildings. This bill as written the HCDA will make up it's own rules, laws, and regulations and don't have to abide by existing County rules, laws and regulations regarding zoning, building codes, EIS, AIS, ect and to me this is exploiting use of public funds, and keep income as their own, and create private entities to build our public school without having to abide by existing rules and regulations. This is so blatant and outright crime against we the public. We fund private entity HCDA with our taxes and they call it their own funds to use at their whim.

Mahalo,

Teresa L. Nakama

From:	mailinglist@capitol.hawaii.gov
Sent:	Thursday, February 07, 2013 8:38 PM
To:	waltestimony
Cc:	tabraham08@gmail.com
Subject:	*Submitted testimony for HB865 on Feb 9, 2013 09:00AM*

Submitted on: 2/7/2013

Testimony for WAL/EDN/FIN on Feb 9, 2013 09:00AM in Conference Room Auditorium

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
Troy Abraham	Individual	Support	No

Comments:

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From: Sent:	mailinglist@capitol.hawaii.gov Friday, February 08, 2013 4:16 PM
То:	waltestimony
Cc:	redahi@hawaii.rr.com
Subject:	Submitted testimony for HB865 on Feb 9, 2013 09:00AM

Submitted on: 2/8/2013

Testimony for WAL/EDN/FIN on Feb 9, 2013 09:00AM in Conference Room Auditorium

Submitted By	Organization	<b>Testifier Position</b>	Present at Hearing
B.A. McClintock	Individual	Oppose	No

Comments: Please OPPOSE this terrible bill!

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