

HB1366

Submitted on: 4/5/2015

Testimony for WAM on Apr 6, 2015 13:30PM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
wynnie hee	Individual	Oppose	No

Comments: NO, please DON'T put state offices in downtown urban Honolulu. PUT THEM IN KAPOLEI, the SECOND CITY, according to the plan to ease traffic congestion. Land is cheaper. Please do NOT LEASE a super high price place.

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**THE SENATE
THE TWENTY-EIGHTH LEGISLATURE
REGULAR SESSION OF 2015
COMMITTEE ON WAYS AND MEANS
Monday, April 6, 2015, 1:30 p.m., Conference Room 211**

**TESTIMONY IN OPPOSITION TO H.B. 1366, S.D. 1, Proposed S.D. 2
RELATING TO STATE ACQUISITION
OR DEVELOPMENT OF REAL PROPERTY**

April 5, 2015

The Honorable Jill N. Tokuda, Chair
The Honorable Ronald D. Kouchi, Vice Chair

Dear Chair, Vice Chair, and Members of the Committee:

This Bill authorizes and appropriates funds for the State's acquisition of the leasehold interest in the land and the acquisition of the building at Alii Place in downtown Honolulu for the purpose of housing state agencies and offices.

The Bill states that acquiring space for State agencies at Alii Place, a First Class corporate office building in Downtown Honolulu, would accommodate State employees "so they can ... help the State reduce its expenses." Section 1. The legislative findings do not explain why one-third of the net rentable space at Alii Place is available for rent or whether that vacancy rate is comparable to other office buildings that could serve the State's needs at a lower cost.

The Bill would have an adverse effect on the City and County of Honolulu because real property owned and occupied by the State for public purposes is exempt from real property taxes. Revised Ordinances of Honolulu § 8-10.17. On the other hand, private property that the State leases is subject to such tax. *State ex rel. Anzai v. City and County of Honolulu*, 99 Hawaii 508 (2002).

The fiscal impact of this Bill on the State and County should be carefully considered before it moves forward in the legislative process.

Thank you for the opportunity to testify.

JOHN P. DELLERA
Attorney at Law
619 Ahakea Street
Honolulu, HI 96816
Tel. 808 739 9078