

DAVID Y. IGE
Governor

DOUGLAS S. CHIN
Lt. Governor



State of Hawaii
DEPARTMENT OF AGRICULTURE
1428 South King Street
Honolulu, Hawaii 96814-2512
Phone: (808) 973-9600 FAX: (808) 973-9613

SCOTT E. ENRIGHT
Chairperson, Board of Agriculture

PHYLLIS SHIMABUKURO-GEISER
Deputy to the Chairperson

**TESTIMONY OF SCOTT E. ENRIGHT
CHAIRPERSON, BOARD OF AGRICULTURE**

**BEFORE THE SENATE COMMITTEES ON AGRICULTURE & ENVIRONMENT AND
WATER & LAND**

**FEBRUARY 7, 2018
1:15 P.M.
CONFERENCE ROOM 224**

**SENATE BILL NO. 2645
RELATING TO THE ENVIRONMENT**

Chairperson Gabbard, Chairperson Rhoads and Members of the Committees:

Thank for the opportunity to testify on Senate Bill No. 2645 relating to the environment. This bill requires developers to hold community discussion and feedback sessions whenever a construction project does not commence within five years of acceptance of an environmental impact statement (EIS). The department offers comments on this measure with the following concerns.

The HDOA is responsible for capital improvement projects on state-owned agricultural lands and irrigation water systems. As a state agency, the HDOA's ability to proceed on projects depends on funding availability and appropriations. In the event that funding is not received for a given project within this five year window, once funding is received, the onset of construction may be further delayed due to this new requirement.

Additionally, capital improvement projects are often complicated, with various design considerations, permits, and approval requirements. In such cases, even though a project is being actively pursued, construction may not begin for several years after the EIS is completed. We foresee this being a potential issue with reservoir construction and its permitting process.

Lastly, the bill is intended to avoid triggering a costly supplemental EIS. However, the proposed change makes it unclear if this process categorically exempts a project from a supplemental EIS if the only issue is the passage of time and the scope of the project has not changed. Potentially, one could argue that the community sessions bring up additional issues that lead to a supplemental EIS anyway, making this new requirement an additional expense instead of a cost saving measure.

The development of an EIS is a comprehensive process, with wide dissemination and an associated public review period. The HDOA respectfully recommends



consideration that an EIS remain valid for the duration that project work is ongoing. The Department also notes that the Environmental Council, with the support of the Office of Environmental Quality Control (OEQC), is updating the administrative rules for Chapter 343. We defer to the OEQC on the provisions in the measure related to Chapter 343.

Thank you for the opportunity to testify on this measure.



2018 OFFICERS

PRESIDENT
DEAN Y. UCHIDA
SSFM INTERNATIONAL, INC.

PRESIDENT-ELECT
MARSHALL HICKOX
HOMEWORKS CONSTRUCTION, INC.

VICE PRESIDENT
DWIGHT MITSUNAGA
DM PACIFIC, INC.

SECRETARY
CHRIS CHEUNG
CC ENGINEERING & CONSTRUCTION, INC.

TREASURER
BRIAN MOORE
CENTRAL PACIFIC BANK

SPECIAL APPOINTEE-BUILDER
GREG THIELEN
COMPLETE CONSTRUCTION SERVICES CORP.

SPECIAL APPOINTEE-BUILDER
MARK KENNEDY
HASEKO CONSTRUCTION MANAGEMENT
GROUP, INC.

SPECIAL APPOINTEE-ASSOCIATE
CRAIG WASHOFISKY
SERVCO HOME & APPLIANCE DISTRIBUTION

IMMEDIATE PAST PRESIDENT
EVAN FUJIMOTO
GRAHAM BUILDERS, INC.

CHIEF EXECUTIVE OFFICER
GLADYS MARRONE
BIA-HAWAII

2018 DIRECTORS

KAREN BERRY
TRADE PUBLISHING COMPANY

DARCY ENDO-OMOTO
HAWAIIAN ELECTRIC COMPANIES

MARK HERTEL
INTER-ISLAND SOLAR SUPPLY,
OAHU-MAUI-HAWAII-KAUAI

BRENTON LIU
DESIGN TRENDS CONSTRUCTION, INC.

SARAH LOVE
BAYS LUNG ROSE & HOLMA

BEAU NOBMANN
HPM BUILDING SUPPLY

GARY T. OKIMOTO
HONOLULU WOOD TREATING

JORDAN OKIMURA
BROOKFIELD HOMES HAWAII, LTD

JACKSON PARKER
D.R. HORTON, SCHULER DIVISION

ALAN TWU
HK CONSTRUCTION CORP.

DARYL TAKAMIYA
CASTLE & COOKE HOMES

PAUL D. SILEN
HAWAIIAN DREDGING
CONSTRUCTION CO. INC.

ADDRESS:
94-487 AKOKI STREET, SUITE 213
WAIPAHU, HAWAII 96797
P 808.847.4666

Testimony to the Senate Committees on Agriculture & Environment; and Water & Land

Wednesday, February 7, 2018

1:15 pm

State Capitol, Room 224

RE: SB 2645 – Relating to the Environment

Chairs Gabbard & Rhoads, Vice-Chairs Riviere & Gabbard, & members of the Committees:

My name is Gladys Quinto-Marrone, CEO of the Building Industry Association of Hawaii (BIA-Hawaii). Chartered in 1955, the Building Industry Association of Hawaii is a professional trade organization affiliated with the National Association of Home Builders, representing the building industry and its associates. BIA-Hawaii takes a leadership role in unifying and promoting the interests of the industry to enhance the quality of life for the people of Hawaii.

BIA-HAWAII is in strong opposition to S.B. 2645 which would require, for any proposed action involving construction for which an environmental impact statement has been accepted by an agency but for which construction has not commenced within five years of acceptance of the statement, the developer of the construction project to exercise due diligence with respect to any changes in the community where the project is planned and requires developers to hold community discussion and feedback sessions to discuss relevant and new concerns regarding the project.

The Environmental Impact Statement (EIS) process usually takes between 18 to 24 months, but could vary depending on the complexity of the project. The EIS is usually used to secure some type of government entitlement or permit which could months or years to complete, depending on the project.

Finally, market conditions dictate the pace at which a project can proceed based on at a minimum, the following:

- Availability of financing;
- Interest rates;
- Market conditions for the product type being developed.

The development of a project is a complex linear process that is influenced by many factors outside of the control of the developer.

The bill defines changes in the community as follows: "Any changes in the community where the project is planned, including but not limited to community population changes, zoning changes, compatibility with land use plans, and secondary effects on the community, such as changes in traffic flow or visual blight."

The current law requires the developer to update the project, including doing another EIS if the "Project" changes. Once approved, it would be unrealistic to subject the project to additional public review based on arbitrary changes in the community. These changes should have been considered during the projects entitlement process.

These types of bills create uncertainty and unnecessary risk for projects in Hawaii, and would seriously impact the success of redevelopment along the Honolulu Transit corridor. With the State owning approximately 2,000 acres along the transit corridor, and its desire to maximize the number of affordable rental units on its lands, we question the why this type of legislation is being proposed?

BIA-HAWAII is in strong opposition to S.B. 2645, and appreciate the opportunity to provide our comments on this matter.



Chamber of Commerce HAWAII
The Voice of Business

**Testimony to the Senate Committee on Agriculture and Environment and the
Senate Committee on Water and Land
Wednesday, February 7, 2018 at 1:15 P.M.
Conference Room 224, State Capitol**

RE: SENATE BILL 2645 RELATING TO THE ENVIRONMENT

Chairs Gabbard and Rhoads, Vice Chair Riviere, and Members of the Committee:

The Chamber of Commerce Hawaii ("The Chamber") **opposes** SB 2645, which would require, for any proposed action involving construction for which an environmental impact statement has been accepted by an agency but for which construction has not commenced within five years of acceptance of the statement, the developer of the construction project to exercise due diligence with respect to any changes in the community where the project is planned and requires developers to hold community discussion and feedback sessions to discuss relevant and new concerns regarding the project.

The Chamber is Hawaii's leading statewide business advocacy organization, representing about 2,000+ 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 members and the entire business community to improve the state's economic climate and to foster positive action on issues of common concern.

The Environmental Impact Statement (EIS) process usually takes between 18 to 24 months but could vary depending on the complexity of the project. The EIS is usually used to secure some type of government entitlement or permit which could months or years to complete, depending on the project.

The development of a project is a complex linear process that is influenced by many factors outside of the control of the developer. Market conditions can dictate the pace at which a project can proceed based on factors such as: the availability of financing, interest rates, and demand for the type of product being developed.

The bill defines changes in the community as follows:

"Any changes in the community where the project is planned, including but not limited to community population changes, zoning changes, compatibility with land use plans, and secondary effects on the community, such as changes in traffic flow or visual blight."



The current law requires the developer to update the project, including doing another EIS if the project changes. Once approved, it would be unrealistic to subject the project to additional public review based on arbitrary changes in the community. These changes should have been considered during the projects entitlement process.

These types of bills create uncertainty and unnecessary risk for projects in Hawaii and would seriously impact the success of redevelopment along the Honolulu Transit corridor. With the State owning approximately 2,000 acres along the transit corridor, and its desire to maximize the number of affordable rental units on its lands, this legislation could prove to be problematic.

Thank you for the opportunity to testify.

SB-2645

Submitted on: 2/3/2018 4:26:24 PM

Testimony for AEN on 2/7/2018 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Benton Kealii Pang, Ph.D.	Hawaiian Civic Club of Honolulu	Support	No

Comments: