

STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION 677 QUEEN STREET, SUITE 300

Honolulu, Hawaii 96813

FAX: (808) 587-0600

IN REPLY REFER TO:

Statement of DENISE ISERI-MATSUBARA

Hawaii Housing Finance and Development Corporation
Before the

SENATE COMMITTEE ON HOUSING SENATE COMMITTEE ON WATER AND LAND

February 6, 2020 at 1:45 p.m. State Capitol, Room 225

In consideration of

S.B. 2210 RELATING TO THE HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION.

HHFDC <u>appreciates the intent</u> of S.B. 2210, a bill that adds a new section to Chapter 201H, HRS, to provide HHFDC with the right of first refusal to State lands within a one-half mile radius of a rail transit station. HHFDC has the following questions and comments about this proposal:

- 1. S.B. 2210 does not set forth details on the intended process for HHFDC to exercise the proposed right of first refusal. What action triggers HHFDC's rights to a parcel of land?
- 2. Is the proposed right of first refusal intended to be for a specific length of time?

Thank you for the opportunity to testify.

DAVID Y. IGEGOVERNOR

CURT T. OTAGURO COMPTROLLER



ROSS I. YAMASAKI CHAIRMAN, STADIUM AUTHORITY

> SCOTT L. CHAN MANAGER

RYAN G. ANDREWS
DEPUTY MANAGER

An Agency of the State of Hawaii

TESTIMONY
OF
SCOTT L. CHAN, MANAGER
ALOHA STADIUM
STADIUM AUTHORITY
TO THE
SENATE COMMITTEES
ON
HOUSING
AND ON
WATER AND LAND

February 6, 2020 1:45 p.m., Room 225

S.B. 2210

RELATING TO THE HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION

Chairs Chang and Kahele, Vice Chairs Kanuha, and Keith-Agaran, and members of the respective committees, thank you for the opportunity to provide comments on SB 2210, specifically as it relates to ongoing progress of the stadium development district.

We understand and acknowledge the intent of the measure that provides the Hawaii Housing Finance and Development Corporation (HHFDC) with an option to the right of first refusal to develop State lands within a one-half mile radius of a rail transit station.

The Stadium Authority (Authority) understands the Legislature's concern and intent to ensure that State lands are comprehensively planned to capitalize and optimize development opportunities that avail itself within the one-half mile radius to meet the needs and requirements of each respective rail transit station.

To address legislative concerns, the Authority has proactively and aggressively proceeded with initiating development of a master plan and programmatic environmental impact study (MP/PEIS) that will guide the Authority on development of lands within the stadium development district that is inclusive of land within a one-half mile radius of the Aloha Stadium rail transit

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station. In the 2017 Legislative session, the Legislature concurred with the Authority's goals and objectives by providing the financial support necessary for the Authority to address the MP/PEIS requirement. The 2017 Legislature appropriated \$10,000,000 through passage of Act 49, Session Laws of Hawaii 2017 to proceed with the Aloha Stadium MP/PEIS process.

Since the 2017 Legislative session, the Authority has carefully and expeditiously followed the steps required in the process and has laid the groundwork and fulfilled the requirements to bring the project to the point where, in a matter of weeks, the Authority will be issuing a request for qualifications (RFQ) that would subsequently set the groundwork for the issuance of a request for proposals (RFP). The entire process from developing a comprehensive development and financial plan to developing specifications for acceptance of proposals, to accurately underwriting the entire project is a very complex and extremely comprehensive process that must "pencil-out" to ensure the project is successful to all parties involved, including the State of Hawaii, the developer, and the general public.

Given the Authority's progress to date, it is important that the stadium development district continue unimpeded to ensure it meets all its deadlines and on remains on track and on budget. In order to ensure that the project remains on track, the Authority is respectfully requesting exemption from SB 2210. Without exemption, the Authority's project could be setback significantly in time and funds by introducing characteristics to the Authority's development plan that were not part of the completed and agreed-upon MP/PEIS work, the financial plan, and RFP project specifications. This would not be an operationally efficient nor financially prudent track to follow for the Authority.

Based on the foregoing, the Authority understands the Legislature's intent of ensuring that State owned lands surrounding a transit station are planned and developed in a comprehensive manner. Specific to the Authority's Aloha Stadium rail transit station, the Authority respectfully requests that the Legislature exempt the stadium development district from the oversight requirements of this measure, including HHFDC's right of first refusal, with the assurance that the Authority is on track to complete development of a comprehensive plan that will guide the overall development of the stadium development district.

Thank you for the opportunity to provide comments on SB 2210.



HAKIM OUANSAFI EXECUTIVE DIRECTOR

BARBARA E. ARASHIRO EXECUTIVE ASSISTANT

STATE OF HAWAII

HAWAII PUBLIC HOUSING AUTHORITY 1002 NORTH SCHOOL STREET POST OFFICE BOX 17907 HONOLULU, HAWAII 96817

Statement of **Hakim Ouansafi**Hawaii Public Housing Authority

Before the

SENATE COMMITTEE ON HOUSING AND SENATE COMMITTEE ON WATER AND LAND

Thursday, February 6, 2020 1:45 PM - Room 225, Hawaii State Capitol

In consideration of

SB 2210

RELATING TO THE HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION

Honorable Chair Chang, Honorable Chair Kahele, and Members of the Senate Committee on Housing and Members of the Senate Committee on Water and Land, thank you for the opportunity to provide testimony concerning Senate Bill (SB) 2210, relating to the Hawaii Housing Finance and Development Corporation.

The Hawaii Public Housing Authority (HPHA) <u>appreciates the intent</u>, of SB 2210, which authorizes the Hawaii Housing Finance and Development Corporation (HHFDC) the right of first refusal for the development of property for all development on state lands that are within on-half mile radius of a rail transit station, and offers the following comments.

In order to receive federal funds, the HPHA, and all other housing authorities, enter into an Annual Contributions Contract (ACC) which provides the terms and conditions between the HPHA and the United States of America, by the Department of Housing and Urban Development (HUD) and covers all federal public housing projects and programs. Pursuant to the ACC, the HPHA "shall at all times develop and operate each project solely for the purpose of providing decent, safe, and sanitary housing for eligible families...". To dispose of lands or operate any of the properties contrary to this mission would cause the HPHA to be in violation of the ACC and put federal funding at risk. Additionally, HUD has a Declaration of Trust over the properties which prohibits the HPHA from encumbering the property without the prior approval of the HPHA Board of Directors and HUD.

The HHFDC and the HPHA are also governed by their respective Board of Directors that include members of the public that are appointed by the Governor. There would most likely be a conflict as to which board decisions would be followed in regards to development, since both boards are mandated by the U.S. Department of Housing and Urban Development to be the legally and financially responsible governing body of their respective agencies.

As such, the HPHA respectfully requests adding "excluding lands and properties owned or operated by the HPHA" to Page 1 line 9. Please know that the HPHA does, and will continue to, coordinate with its sister agency the HHFDC, development partners, utilities and all other government departments and agencies when it comes to the redevelopment of any HPHA properties.

The HPHA appreciates the opportunity to provide the Committees with the HPHA's testimony regarding SB 2210. We thank you very much for your dedicated support.

DAVID Y. IGE GOVERNOR STATE OF HAWAII

JOSH GREEN LT. GOVERNOR STATE OF HAWAII



WILLIAM J. AILA, JR
CHAIRMAN
HAWAIIAN HOMES COMMISSION

TYLER I. GOMES

STATE OF HAWAII DEPARTMENT OF HAWAIIAN HOME LANDS

P. O. BOX 1879 HONOLULU, HAWAII 96805

TESTIMONY OF WILLIAM J. AILA, JR, CHAIRMAN
HAWAIIAN HOMES COMMISSION
BEFORE THE SENATE COMMITTEES ON HOUSING & WATER AND LAND
HEARING ON FEBRUARY 6, 2020 AT 1:45PM IN CR 225

SB 2210 RELATING TO THE HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION

February 5, 2020

Aloha Chair Chang, Chair Kahele, and members of the Committee:

The Department of Hawaiian Home Lands (DHHL) offers comments on this bill that authorizes the Hawaii Housing Finance and Development Corporation (HHFDC) the right of first refusal for the development of property for all development on state lands that are within a one-half mile radius of a rail transit station. DHHL has property within a one-half mile radius of a rail transit station. Since the use and disposition of Hawaiian Home Lands is under the exclusive jurisdiction of the Hawaiian Homes Commission and the Hawaiian Homes Commission Act, as amended, DHHL cannot support HHFDC's right of first refusal. DHHL requests that Hawaiian Home Lands be exempted from the authorization granted through this bill.

Thank you for your consideration of our testimony.

SB-2210

Submitted on: 2/3/2020 3:02:58 PM

Testimony for HOU on 2/6/2020 1:45:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Liz King Salz	Individual	Support	No

Comments:

I support the use of state and county lands to provide affordable housing for Hawaii residents. Too many people are finding themselves unable to afford housing, even slum housing, and we are seeing the results of that everywhere we go. But the impacts of homelessness reach well beyond what is visible to the eye; many homeless are living in cars, or camping in places that are hard to see. Other people are chosing to leave the islands entirely, which is hard on families. Those who choose to stay (or who cannot afford to leave) and live a homeless lifestyle become vulnerable to crime. Homelessness is very hard on the environment, as well as on the people themselves. It's just a very bad situation. The current and long-pursued policy of merely removing homeless from one area or another is both pointless and cruel. Providing long-term housing near transit, employment opportnities, and other infrastructure will go a long way towards solving these problems.