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WRITTEN
TESTIMONY ONLY

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## Testimony in SUPPORT of SB1054 SD2 RELATING TO THE BROWNFIELDS CLEANUP REVOLVING LOAN FUND

### REPRESENTATIVE SYLVIA LUKE, CHAIR REPRESENTATIVE TY J.K. CULLEN, VICE CHAIR HOUSE COMMITTEE ON FINANCE

Hearing Date: 03/31/2021 1:30PM Room Number: Via Videoconference

- 1 **Fiscal Implications:** This measure will not impact the priorities identified in the Governor's
- 2 Executive Budget Request for the Department of Health's (Department) appropriations and
- 3 personnel priorities.
- 4 **Department Testimony:** The Department strongly supports this measure to expand the Hawaii
- 5 Brownfields Cleanup Revolving Loan Fund (BFRLF) authority to enable sub-grants to eligible
- 6 public, private, and non-profit entities for the assessment and cleanup of contaminated properties
- 7 and return them to productive reuse.
- 8 The Department has dedicated federally funded staff within the Hazard Evaluation and
- 9 Emergency Response Office to actively support safe redevelopment of Brownfields sites. These
- sites are often underutilized due to contamination or perceived contamination that hinders
- 11 redevelopment. The Department actively supports property owners and potential purchasers
- through outreach, Brownfield forums, and technical assistance needed to complete assessment
- and remediation to prepare sites for redevelopment. A key part of this effort are our partnerships
- with Office of Planning who manages the BFRLF and United States of Environmental Protection
- 15 Agency (US EPA) who initially capitalized the fund and provides ongoing, annual competitive
- assessment and remediation grants.
- Expanding the use of the BFRLF to conduct assessments and where necessary, cleanups of
- 18 potentially contaminated property, will encourage redevelopment of commercial or industrial

- 1 properties that are left idled, abandoned and underutilized because of contamination. Expanding
- 2 the use of the loan funds to sub-grants will benefit the local community by having more lands to
- 3 be developed for affordable housing, public parks, and open areas. This will also promote infill
- 4 redevelopment that will provide more land available for housing away from productive
- 5 agricultural lands.
- 6 The Department serves as the Site Manager for the Hawaii Brownfields Cleanup Revolving Loan
- 7 Fund Program with Office of Planning provides oversight and technical review in the assessment
- 8 and cleanup of these contaminated properties. The Department believes that this legislation will
- 9 benefit the state, counties, private owners, non-profit organizations in providing more available
- 10 lands for redevelopment.

#### 11 Offered Amendments: None

12 Thank you for the opportunity to testify on this measure.



# DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

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Statement of MIKE MCCARTNEY

Department of Business, Economic Development, and Tourism before the

Director

#### **HOUSE COMMITTEE ON FINANCE**

Wednesday, March 31, 2021 1:30 PM Via Videoconference

In consideration of SB 1054, SD2
RELATING TO THE BROWNFIELDS CLEANUP REVOLVING LOAN FUND.

Chair Luke, Vice Chair Cullen and members of the Committee. The Department of Business, Economic Development and Tourism (DBEDT) strongly supports

Administration Bill, SB 1054, SD2, which amends Hawaii Revised Statutes (HRS)

§ 201-18 to allow the use of funds in the Hawaii Brownfields Cleanup Revolving Loan Fund (HBCRLF) to be used for cleanup grants and brownfields site assessments. The HBCRLF Program was capitalized with a \$2 million grant from the U.S. Environmental Protection Agency (EPA), and is administered by the Office of Planning (OP).

This measure is needed to authorize use of HBCRLF funds—currently limited to loans—for cleanup grants and site assessments, which are allowed under the EPA closeout agreement with DBEDT for the HBCRLF grant. Broadening the use of funds for cleanup grants and site assessments will result in more effective and timely use of the funds, and facilitate reuse of underutilized, contaminated properties slated for redevelopment for affordable housing and community open space and park enhancements.

Thank you for the opportunity to testify.

DAVID Y. IGE GOVERNOR

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Statement of MARY ALICE EVANS

Director, Office of Planning before the

#### **HOUSE COMMITTEE ON FINAN**

Wednesday, March 31, 2021 1:30 PM Via Videoconference

in consideration of SB 1054, SD2
RELATING TO THE BROWNFIELDS CLEANUP REVOLVING LOAN FUND.

Chair Luke, Vice Chair Cullen, and Members of the House Committee on Finance:

The Office of Planning (OP) **strongly supports** Administration Bill, SB 1054, SD2, which would amend Hawaii Revised Statutes (HRS) § 201-18 to allow the use of funds in the Hawaii Brownfields Cleanup Revolving Loan Fund (HBCRLF) to be used for cleanup grants and brownfields site assessments, in addition to cleanup loans.

We appreciate the continued support of the Legislature for this measure, which would expand use of the funds for grants to eligible entities. As the program administrator of the HBCRLF Program, we know this measure will facilitate more productive use of the remaining HBCRLF funds to advance eligible public and non-profit projects of community benefit.

OP has already identified with its EPA and Department of Health partners, several potential projects that seek site assessment and/or cleanup grant funds for underutilized, contaminated properties that are slated for redevelopment for affordable housing and community open space and park enhancements. Passage of this measure will allow OP to prepare rule amendments that would enable the use and distribution of funds as grants and for site assessment activities.

Thank you for the opportunity to testify on this measure.

#### DEPARTMENT OF PLANNING AND PERMITTING

#### CITY AND COUNTY OF HONOLULU

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RICK BLANGIARDI MAYOR



March 31, 2021

DEAN UCHIDA DIRECTOR

DAWN TAKEUCHI APUNA DEPUTY DIRECTOR

EUGENE H. TAKAHASHI DEPUTY DIRECTOR

The Honorable Sylvia Luke, Chair and Members of the Committee on Finance Hawaii House of Representatives Hawaii State Capitol 415 South Beretania Street Honolulu, Hawaii 96813

Dear Chair Luke and Committee Members:

Subject: Senate Bill No. 1054, SD 2

**Brownfields Cleanup Revolving Loan Fund** 

The Department of Planning and Permitting (DPP) **supports** Senate Bill No. 1054, SD 2, which would enable use of the Hawaii Brownfields Cleanup Revolving Loan Fund for loans and sub-grants to eligible entities for brownfields site assessments, cleanup activities of contaminated sites, and site monitoring activities necessary to determine the effectiveness of a cleanup.

This measure would allow the City and County of Honolulu to receive funding to support cleanup activities for public benefit, such as to create a new shoreline park envisioned on contaminated property along the Pearl Harbor Historic Trail. The DPP manages the City's brownfields assessment grant, which cannot be used for cleanup activities, and has identified a number of potential brownfields sites for cleanup, in close coordination with State agencies. These sites could potentially accommodate park and open space, as well as affordable housing.

Should you have any questions, please contact Harrison Rue, Community Building and Transit-Oriented Development Administrator, at 768-8294.

Thank you for the opportunity to testify.

Very truly yours,

Dean Uchida

Director