MAR 1 6 2011

SENATE CONCURRENT RESOLUTION

REQUESTING A FINANCIAL AND MANAGEMENT AUDIT OF THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY.

WHEREAS, the Kakaako Makai Community Planning Advisory Council was established pursuant to House Concurrent Resolution No. 30 (2006) to meaningfully participate in the development, acceptance, and implementation of any future plans for the development of Kakaako Makai; and

WHEREAS, section 206E-31.5, Hawaii Revised Statutes, prohibits the Hawaii Community Development Authority from "[a]pproving any plan or proposal for any residential development in that portion of the Kakaako community development district makai of Ala Moana boulevard"; and

WHEREAS, on June 17, 2010, at the Second Community Workshop, the Hawaii Community Development Authority presented plans and proposals for residential development in Kakaako Makai despite being specifically prohibited from approving any plan or proposal for any residential development in Kakaako Makai; and

WHEREAS, after objections from the Kakaako Makai Community Planning Advisory Council and public outcry, the Hawaii Community Development Authority claims to have withdrawn all residential housing plans and proposals; and

WHEREAS, section 206E-35, Hawaii Revised Statutes, requires that the Hawaii Community Development Authority collaborate with and consider the recommendations of the Kakaako Makai Community Planning Advisory Council in developing, accepting, and implementing any plans for the development of Kakaako Makai; and

WHEREAS, the Hawaii Community Development Authority has supported efforts to repeal section 206E-35, Hawaii Revised

Statutes, claiming that the work of the Kakaako Makai Community Planning Advisory Council has been meaningful, but is now "complete"; and

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> WHEREAS, there is no dispute that plans for the development of Kakaako Makai have not been accepted and implemented; and

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WHEREAS, section 206E-5.6, Hawaii Revised Statutes, requires that:

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Prior to rendering a decision regarding the acceptance (1) of a developer's proposal to develop lands under the its control, the Hawaii Community Development Authority must issue a public notice and provide the general public with the opportunity to testify at its decision-making hearing; and

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The Hawaii Community Development Authority notify the (2) President of the Senate and the Speaker of the House of Representatives of any public hearing upon posting of the hearing notice, and provide a report detailing the public's reaction at the public hearing, within one week after the hearing; and

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WHEREAS, on June 15, 2010, the Hawaii Community Development Authority approved a Development Lease Permit to construct the Ocean Investments LLC project at 53 Ahui Street (TMK: 2-1-060: 13) in the Kakaako Makai development area without providing the general public with the opportunity to testify at its decisionmaking hearing, and without notifying the President of the Senate and the Speaker of the House of Representatives or providing a report detailing the public's reaction at the public hearing; now, therefore,

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BE IT RESOLVED by the Senate of the Twenty-sixth Legislature of the State of Hawaii, Regular Session of 2011, the House of Representatives concurring, that the Auditor is requested to perform a financial and management audit of the Hawaii Community Development Authority; and

39 40 BE IT FURTHER RESOLVED that, as part of the financial and management audit, the Auditor is requested to investigate the following:

(1) The reasons for and how the Hawaii Community
Development Authority allowed public funds and
resources, including but not limited to the time spent
by state employees and consultants, the Executive
Director of the Hawaii Community Development
Authority, and the Master Plan consultants, to be
expended for the prohibited purpose of creating plans
and proposals for residential development in Kakaako
Makai;

(2) The amount of public funds and resources, including but not limited to the time spent by state employees and consultants, the Executive Director of the Hawaii Community Development Authority, and the Master Plan consultants, expended for the prohibited purpose of creating plans and proposals for residential development in Kakaako Makai;

(3) Whether the Hawaii Community Development Authority is attempting to dispense with the requirement, pursuant to section 206E-35, Hawaii Revised Statutes, that it collaborate with and consider the recommendations of the Kakaako Makai Community Planning Advisory Council in developing, accepting, and implementing any plans for the development of Kakaako Makai;

The amount of public funds and resources, including but not limited to the time spent by state employees and consultants, the Executive Director of the Hawaii Community Development Authority, and the Master Plan consultants, expended on efforts to repeal section 206E-35, Hawaii Revised Statutes; and

(5) Whether the Hawaii Community Development Authority has collaborated with and considered the recommendations of the Kakaako Makai Community Planning Advisory Council in good faith; and

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11 12 13 BE IT FURTHER RESOLVED that the Auditor is requested to submit a report of findings and recommendations to the Legislature no later than twenty days prior to the convening of the Regular Session of 2012; and

BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to the Auditor; Chairperson of the Hawaii Community Development Authority; and Chairperson of the Kakaako Makai Community Planning Advisory Council.

OFFERED BY:

