## S.C.R. NO. 92

MAR 1 2 2012

## SENATE CONCURRENT RESOLUTION

URGING THE DEPARTMENT OF LAND AND NATURAL RESOURCES AND THE PUBLIC LAND DEVELOPMENT CORPORATION, WITH THE ASSISTANCE OF THE COUNTY OF HAWAII, TO CONDUCT A STUDY ON THE ESTABLISHMENT OF A PUBLIC-PRIVATE PARTNERSHIP TO DEVELOP AND IMPROVE THE EAST HAWAII AREA OF HAWAII COUNTY.

WHEREAS, the area of Hawaii County known as East Hawaii is in need of renewal, renovation, and improvement to improve the local economy, including the tourism industry; and

WHEREAS, East Hawaii includes Banyan Drive, where approximately eighty-five per cent of the overnight accommodations for visitors in East Hawaii are located; and

WHEREAS, Banyan Drive hotel properties, once the jewels in Hawaii County's visitor industry, have deteriorated significantly and fallen into disrepair; and

WHEREAS, because the leases for the Banyan Drive properties will expire in 2015, Banyan Drive lessees are reluctant to renovate and make much needed improvements and investments; and

WHEREAS, the Kanoelehua Industrial Area Association, also located in East Hawaii and also subject to a lease that expires in 2015, is in need of similar improvement to alleviate the deteriorating conditions of business properties in the area; and

WHEREAS, the problems associated with the upcoming lease expiration provide little incentive for lessees to make investments to improve infrastructure and existing properties, resulting in a negative impact for tourism and business properties in East Hawaii; and

WHEREAS, efforts to reinvigorate the Banyan Drive and Kanoelehua Industrial Area Association business properties by renovating the hotels, business properties, and infrastructure

would increase construction jobs, enhance available rooms for tourism, and provide additional employment opportunities for the local East Hawaii economy; now, therefore,

BE IT RESOLVED by the Senate of the Twenty-sixth Legislature of the State of Hawaii, Regular Session of 2012, the House of Representatives concurring, that the Department of Land and Natural Resources and the Public Land Development Corporation are requested to study the establishment of a public-private partnership to develop and improve the leasehold lands of East Hawaii that are subject to the expiration of leases in 2015, which include existing properties on Banyan Drive and in the Kanoelehua Industrial Area; and

 BE IT FURTHER RESOLVED that the County of Hawaii is requested to provide necessary assistance to the Department of Land and Natural Resources and the Public Land Development Corporation on issues relating to establishing a public-private partnership to develop and improve East Hawaii leasehold lands; and

BE IT FURTHER RESOLVED that the Public Land Development Corporation is requested to submit a report to the Legislature not later than twenty days prior to the convening of the 2013 Regular Session on its findings, recommendations, and any proposed legislation; and

BE IT FURTHER RESOLVED that certified copies of this Concurrent Resolution be transmitted to the Chairperson of the Board of Land and Natural Resources, the Executive Director of the Public Land Development Corporation, and the Mayor of the County of Hawaii.

OFFERED BY:

mure builay

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