

STAND. COM. REP. NO.

2245

Honolulu, Hawaii

FEB 16 2012

RE: S.B. No. 2360
S.D. 1

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Water, Land, and Housing, to which was referred S.B. No. 2360 entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII COMMUNITY
DEVELOPMENT AUTHORITY, "

begs leave to report as follows:

The purpose and intent of this measure is to require the Hawaii Community Development Authority to determine the costs and benefits of selling and purchasing certain properties within the Kakaako Community Development District and report its findings to the Legislature.

Your Committee received comments on this measure from the Hawaii Community Development Authority.

Your Committee finds that the Hawaii Community Development Authority is able to purchase and hold title to lands subject to availability of funding without any legislative action. However, legislative approval is required prior to any sale of land owned or under the control of the State.

Your Committee also finds that situations within the district have arisen where it may have been profitable or beneficial to the Authority to expedite real property transactions. These situations include the sale of a reserved housing unit purchased under a buyback option and the sale of a parcel that is not contiguous to other state lands and has no public facility value, and where the sale might allow for other beneficial economic

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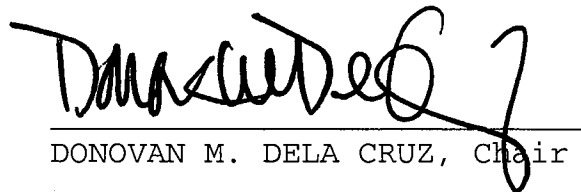
development similar situations may occur in the future, and your Committee finds it necessary to be informed of the costs and benefits of the selling and purchasing of various properties within the district.

In order to be fully prepared for such situations in a timely manner, your Committee has amended this measure by:

- (1) Amending section 206E-31.5, Hawaii Revised Statutes, to prohibit the sale of makai lands in the Kakaako Community Development District;
- (2) Excluding makai lands from the Authority's analysis of costs and benefits of selling and purchasing certain properties; and
- (3) Requiring the Authority's report to be submitted to the Legislature no later than 90 days after the measure's effective date.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 2360, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 2360, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Water, Land, and
Housing,


DONOVAN M. DELA CRUZ, Chair



Record of Votes
Committee on Water, Land and Housing
WLH

*Only one measure per Record of Votes