

STAND. COM. REP. NO.

157

Honolulu, Hawaii

FEB 11 2021

RE: S.B. No. 257
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committee on Water and Land, to which was referred S.B. No. 257 entitled:

"A BILL FOR AN ACT RELATING TO LEASE EXTENSIONS ON PUBLIC LAND,"

begs leave to report as follows:

The purpose and intent of this measure is to authorize the Board of Land and Natural Resources to extend commercial, industrial, resort, or governmental leases, other than those to which the University of Hawaii is a party, that have not been sold or assigned within the last ten years, for lessees who commit to substantial improvement to the existing improvements.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources; Prince Kuhio Plaza, LLC; Sand Island Business Association; Stanford Carr Development, LLC; and one individual. Your Committee received testimony in opposition to this measure from the Office of Hawaiian Affairs, Ka Lāhui Hawai'i, Kūpuna for the Mo'opuna, and two individuals. Your Committee received comments on this measure from one individual.

Your Committee finds that many of the leases for commercial, industrial, and resort properties on public land statewide may be nearing the end of their lease terms. Faced with the uncertainty of continued tenancy, lessees have little incentive to make major



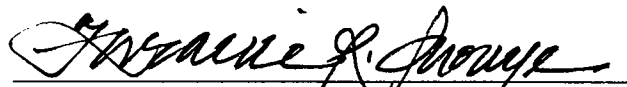
investments in infrastructural improvements and therefore the infrastructure on these properties has been deteriorating. Authorization of lease extensions, like those proposed by this measure, may resolve issues surrounding the future of a tenancy and thereby promote investment in improvements located on currently leased public lands. Your Committee further finds that the extension of mixed use leases of state land in densely populated areas may promote the fullest use of public lands in urban cores.

Accordingly, your Committee has amended this measure by:

- (1) Inserting language to allow for extensions of leases for mixed-development use in addition to commercial, industrial, resort, or governmental uses; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 257, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 257, S.D. 1, and be referred to your Committee on Judiciary.

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

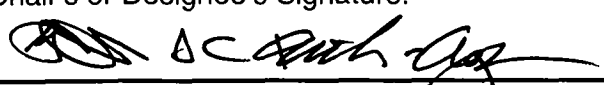

LORRAINE R. INOUE, Chair



The Senate
 Thirty-First Legislature
 State of Hawai'i

Record of Votes
Committee on Water and Land
WTL

2/3/21

Bill / Resolution No.:* SB 257	Committee Referral: WTL, JDC	Date: 1/29/21 2/3/21		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
INOUE, Lorraine R. (C)	X			
KEITH-AGARAN, Gilbert S.C. (VC)	X			
MISALUCHA, Bennette E.	X			
RIVIERE, Gil		X		
FEVELLA, Kurt			X	
TOTAL	3	1	1	
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes