
HOUSE RESOLUTION

REQUESTING THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY, IN COLLABORATION WITH THE DEPARTMENT OF LAND AND NATURAL RESOURCES AND THE DEPARTMENT OF BUDGET AND FINANCE, TO DEVELOP A VIABLE FINANCIAL PLAN TO ASSIST HONOLULU MARINE WITH THE CONSTRUCTION OF ITS FACILITIES AT SAND ISLAND.

1 WHEREAS, the transformation of Kakaako Makai from its old
2 and unkempt industrial setting to a neat and pleasant mix of
3 shopping, dining, and open space for public recreation required
4 the relocation of countless business operations, including the
5 impending move of Honolulu Marine to Sand Island; and
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7 WHEREAS, many of these businesses, particularly those with
8 several years remaining on their state leases at Kakaako, have
9 been appropriately assisted with relocation and other costs; and
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11 WHEREAS, Honolulu Marine, situated at Kewalo Basin midway
12 between Fisherman's Wharf and John Dominis Restaurant, without a
13 mortgage on its shipyard facilities and fifteen years remaining
14 on its lease is well equipped and set up to conduct ship
15 building and repair operations; and
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17 WHEREAS, the Legislature, by concurrent resolution in 2005,
18 authorized the lease of fast and submerged lands at Sand Island
19 to Honolulu Marine; and
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21 WHEREAS, Honolulu Marine, in preparation for its move to
22 Sand Island, is constructing floating dry docks at the Kewalo
23 facilities, investing well over \$1,000,000 in material costs
24 alone; and
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26 WHEREAS, the latest cost estimates for its required
27 facilities at Sand Island have ranged between \$4,000,000 to
28 \$6,000,000 and will create a severe hardship for Honolulu Marine
29 to effect a timely move; now, therefore,
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31 BE IT RESOLVED by the House of Representatives of the
32 Twenty-third Legislature of the State of Hawaii, Regular Session



1 of 2006, that the Hawaii Community Development Authority, in
 2 collaboration with the Department of Land and Natural Resources
 3 and the Department of Budget and Finance, is requested to
 4 provide assistance to Honolulu Marine in this state-initiated
 5 move by helping to determine the most cost-effective financing
 6 option for Honolulu Marine, including but not limited to:

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- 8 (1) Special purpose revenue bonds;
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- 10 (2) The issuance of reimbursable bonds with debt service
- 11 paid for by Honolulu Marine through an appropriate
- 12 lease/fee arrangement; and
- 13
- 14 (3) Any other financing arrangement; and
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16 BE IT FURTHER RESOLVED that the Hawaii Community
 17 Development Authority is further requested to report its
 18 findings and recommendations, including any proposed
 19 legislation, to the Legislature not later than twenty days prior
 20 to the convening of the Regular Session of 2007; and

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22 BE IT FURTHER RESOLVED that certified copies of this
 23 Resolution be transmitted to the Executive Director and
 24 Chairperson of the Hawaii Community Development Authority, the
 25 Chairperson of the Board of Land and Natural Resources, and the
 26 Director of Finance.

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OFFERED BY: *Walter R. Tawakoli*

MAR 15 2006