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## HOUSE RESOLUTION

REQUESTING THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY, IN COLLABORATION WITH THE DEPARTMENT OF LAND AND NATURAL RESOURCES, THE DEPARTMENT OF BUDGET AND FINANCE, AND THE DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM, 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 15 years remaining on  
14 its lease is well equipped and set up to conduct ship building  
15 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,



1 BE IT RESOLVED by the House of Representatives of the  
2 Twenty-third Legislature of the State of Hawaii, Regular Session  
3 of 2006, that the Hawaii Community Development Authority (HCDA),  
4 in collaboration with the Department of Land and Natural  
5 Resources, Department of Budget and Finance, and Department of  
6 Business, Economic Development, and Tourism, is requested to  
7 provide assistance to Honolulu Marine in this state-initiated  
8 move by helping to determine the most cost-effective financing  
9 option for Honolulu Marine, including but not limited to:

- 10  
11 (1) Special purpose revenue bonds;  
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13 (2) The issuance of reimbursable bonds with debt service  
14 paid for by Honolulu Marine through an appropriate  
15 lease/fee arrangement; and  
16  
17 (3) Any other financing arrangement;

18  
19 and

20  
21 BE IT FURTHER RESOLVED that HCDA is further requested to  
22 develop plans to address environmental and clean-up concerns  
23 relating to the move; and  
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25 BE IT FURTHER RESOLVED that HCDA is further requested to  
26 report its findings and recommendations, including any proposed  
27 legislation, to the Legislature not later than 20 days prior to  
28 the convening of the Regular Session of 2007; and  
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30 BE IT FURTHER RESOLVED that certified copies of this  
31 Resolution be transmitted to the Executive Director and  
32 Chairperson of the Hawaii Community Development Authority,  
33 Chairperson of the Board of Land and Natural Resources, Director  
34 of Finance, and Director of Business, Economic Development, and  
35 Tourism.  
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