

---

---

# 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

6  
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

10  
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

16  
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

20  
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

25  
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,

30  
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:

- 7
- 8 (1) Special purpose revenue bonds;
- 9
- 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
- 15

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

21  
 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.

27  
 28  
 29

OFFERED BY: *Walter R. Faria*

MAR 15 2006

