

PROPOSED

THE SENATE
TWENTY-FOURTH LEGISLATURE, 2008
STATE OF HAWAII

S.B. NO. 2423
S.D. 1

A BILL FOR AN ACT

RELATING TO LAND ACQUISITION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that it is in the public
2 interest to protect and preserve Hawaii's historic and cultural
3 heritage. The proposed expansion of the Turtle Bay Hotel and
4 Resort located in the ahupua'a of Hana Kaeo, in Kahuku on the
5 island of Oahu is contrary to the public interest.

6 The legislature therefore declares that it is in the public
7 interest to acquire private lands currently owned by Oaktree
8 Capital Management, LLC for preservation by purchasing those
9 lands, exercising the State's power of eminent domain to acquire
10 those lands, or by participating in a cooperative agreement to
11 acquire those lands.

12 The purpose of this Act is to appropriate funds and to
13 authorize the department of land and natural resources to either
14 acquire the undeveloped property surrounding the area commonly
15 known as the Turtle Bay Hotel and Resort outright or to enter
16 into a cooperative agreement to acquire the property.

17 SECTION 2. The department of land and natural resources or
18 any appropriate entity of the State shall immediately initiate



1 negotiations with Oaktree Capital Management, LLC, or its
2 successor in interest, to acquire the undeveloped portions of
3 the property surrounding the Turtle Bay Hotel and Resort in
4 Kahuku, Oahu designated by tax map keys 5-6-03: 37, Por. 40,
5 Por. 41, Por. 42, 43, Por. 44; 5-7-01: 1, Por. 13, Por. 16,
6 Por. 17, 20, Por. 22, 30, Por. 31, Por. 33; 5-7-03: 1-25,
7 Por. 26, 27-35, 66, Por. 72, 73-75; and 5-7-06: 1-17, 19, 21.

8 Provided that the land to be acquired shall include the
9 unimproved lands that are not used for the hotel and resort
10 proper or any appurtenant uses thereto, including, but not
11 limited to golf courses, stables, condominiums, parking areas,
12 nurseries, and physical plant. Specifically, the land to be
13 acquired shall include that unimproved land:

14 (1) Located between the western edge of the improved
15 portion of the Turtle Bay property towards Kawela Bay
16 to the western boundary between the Turtle Bay
17 property and the private property at Kawela Bay;

18 (2) Located between the eastern edge of the improved
19 portion of the Turtle Bay property towards Kahuku
20 Point to the eastern boundary of the property,
21 including Kahuku Point; and

22 (3) Located mauka of Kamehameha Highway.



1 SECTION 3. If the board of land and natural resources
 2 finds that it is not feasible for the State to acquire sole
 3 interest of the property identified in section 2 of this Act,
 4 the board of land and natural resources shall seek out and, if
 5 possible, enter into a cooperative agreement or agreements with
 6 private or other public sector entities interested in preserving
 7 the identified property in its unimproved state for the purpose
 8 of cooperatively acquiring the property.

9 SECTION 4. The department of land and natural resources or
 10 the appropriate entity of the State shall submit a report to the
 11 legislature no later than twenty days prior to the convening of
 12 the regular session of 2009 regarding its efforts to acquire the
 13 aforementioned lands and its recommendations for financing the
 14 purchase of the property.

15 SECTION 5. If an agreement to acquire the property is not
 16 reached within a reasonable time as determined by the department
 17 of land and natural resources or any other appropriate entity of
 18 the State, the state agency shall exercise its power of eminent
 19 domain to acquire the property. For purposes of this Act,
 20 condemnation of the property shall not be subject to legislative
 21 disapproval.



1 SECTION 6. There is appropriated out of the general
 2 revenues of the State of Hawaii the sum of \$ or so
 3 much thereof as may be necessary for fiscal year 2008-2009 for
 4 the purpose of negotiating with Oaktree Capital Management, LLC
 5 for the purchase of the undeveloped property identified in this
 6 Act that include, but are not limited to, those lands
 7 surrounding the Turtle Bay Hotel and Resort or to commence the
 8 condemnation process of said lands.

9 The sum appropriated shall be expended by the department of
 10 land and natural resources for the purposes of this Act.

11 SECTION 7. The director of finance is authorized to issue
 12 general obligation bonds in the sum of \$ or so much
 13 thereof as may be necessary is appropriated for fiscal year
 14 2008-2009 for the purchase of the undeveloped property
 15 surrounding the Turtle Bay Hotel and Resort as identified in
 16 this Act.

17 SECTION 8. The appropriation made for the land acquisition
 18 authorized by this Act shall not lapse at the end of the fiscal
 19 biennium for which the appropriation is made; provided that all
 20 moneys from the appropriation unencumbered as of June 30, 2010,
 21 shall lapse as of that date.

22 SECTION 9. This Act shall take effect on July 1, 2008.



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S.B. NO. 2423
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Report Title:

Turtle Bay Acquisition

Description:

Directs the department of land and natural resources or any appropriate entity of the State to acquire undeveloped lands, including but not limited to those lands surrounding the Turtle Bay Hotel and Resort, located in Kahuku, Oahu. (SD1)

