

Honolulu, Hawaii

MAY 01 2009 , 2009

RE: S.B. No. 1350
S.D. 2
H.D. 1
C.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Madam and Sir:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 1350, S.D. 2, H.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO KAKAAKO,"

having met, and after full and free discussion, has agreed to recommend and does recommend to the respective Houses the final passage of this bill in an amended form.

The purpose of this measure is to:

- (1) Increase reserved housing requirements for the development of large lots of three acres or greater in area within the Kakaako mauka area from twenty per cent to twenty-five per cent of the countable floor area provided in the development;
- (2) Allow smaller developments of less than three acres to continue meeting the existing requirement that reserved housing units comprise twenty per cent of the dwelling units developed; and



- (3) Provide safeguards to prevent a rush to development by developers trying to avoid these new requirements.

Your Committee on Conference has amended this measure by:

- (1) Deleting provisions related to increases in reserved housing requirements on lots of three acres or greater;
- (2) Establishing reserved housing requirements, based on a sliding scale of square footage for residential and commercial development, with provisions for a transit oriented development density bonus for residential development, and further increases;
- (3) Providing flexibility options for properties of 80,000 square feet or more to allow a developer to offset the reserved housing requirements through offsite development;
- (4) Clarifying that the for-sale reserved housing units shall remain reserved housing units for a period of ten years from the date of the original sale of the reserved housing unit;
- (5) Deleting provisions related to cash payments in lieu of developing reserved housing and the sale of credits to another developer;
- (6) Adding "industrial use" to the definition of "countable floor area", provided that the term "industrial use" shall be defined by rule;
- (7) Adding, in the district development guidance policies, the requirement that residential development shall provide parking stalls consistent with county requirements;
- (8) Replacing, in the sections related to the adoption of rules, all references to three acres with twenty thousand square feet;
- (9) Changing the date that the Hawaii Community Development Authority is required to report to the Legislature from 2017 to 2014;
- (10) Making the Act applicable to the unbuilt portion of a major development that was pending of the effective date of the Act, and clarifying that the developer shall have



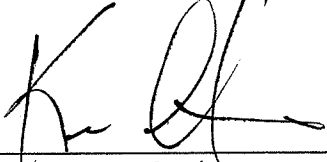
five years from the effective date of the Act to obtain all necessary permits, complete any required grading and infrastructure improvements for the major development, and commence construction of the unbuilt portion of the major development before the Act shall apply;

- (11) Amending the findings and purpose section to reflect the above changes;
- (12) Making the effective date upon its approval; and
- (13) Making technical amendments for the purposes of clarity and consistency.

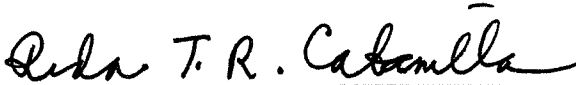
As affirmed by the record of votes of the managers of your Committee on Conference that is attached to this report, your Committee on Conference is in accord with the intent and purpose of S.B. No. 1350, S.D. 2, H.D. 1, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 1350, S.D. 2, H.D. 1, C.D. 1.

Respectfully submitted on behalf
of the managers:

ON THE PART OF THE HOUSE

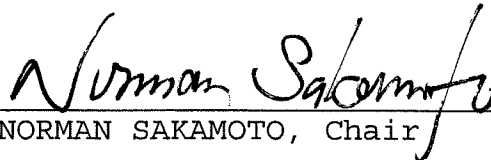


KEN ITO, Co-Chair



RIDA CABANILLA, Co-Chair

ON THE PART OF THE SENATE

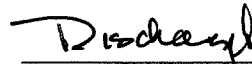


NORMAN SAKAMOTO, Chair

CLAYTON HEE, Co-Chair



BRIAN T. TANIGUCHI, Co-Chair



SHAN S. TSUTSUI, Co-Chair



