

Honolulu, Hawaii

FEB 18 2011

RE: S.B. No. 1247
S.D. 1

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Sir:

Your Committee on Water, Land, and Housing, to which was referred S.B. No. 1247 entitled:

"A BILL FOR AN ACT RELATING TO THE ALOHA TOWER DEVELOPMENT CORPORATION,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Abolish the Aloha Tower Development Corporation and transfer its rights, powers, functions, and duties to the Department of Transportation, except certain rights, powers, functions, and duties relating to zoning and planning;
- (2) Establish the Aloha Tower Fund and appropriate monies from the fund for the Commercial Harbors Modernization Plan of the Harbors Modernization Group and the Aloha Tower Marketplace Project;
- (3) Designate a community development district including the Aloha Tower and its surroundings; and
- (4) Grant the Hawaii Community Development Authority powers to exercise zoning and planning powers and functions with respect to the community development district.

Your Committee received testimony in support of this measure from the Department of Business, Economic Development, and



Tourism. Your Committee received testimony in opposition to this measure from the Department of Transportation. Your Committee received comments on this measure from the Hawaii Community Development Authority.

Your Committee finds that this measure implements the Legislature's decision to dissolve the Aloha Tower Development Corporation. Your Committee also finds that the Department of Transportation is already performing much of the critical work in statewide commercial harbors including the Aloha Tower area. As a consequence of these findings, your Committee believes the Department of Transportation is the appropriate state agency to assume the responsibilities formerly belonging to the Aloha Tower Development Corporation.

Your Committee further finds that the Aloha Tower area is adjacent to the Kakaako Community Development District, over which the Hawaii Community Development Authority has jurisdiction. Your Committee also finds that in comparison with the Aloha Tower Development Corporation, the Hawaii Community Development Authority has similar general powers and authority and increased capacities. As a result, your Committee believes the Hawaii Community Development Authority is the appropriate state agency to assume the zoning and planning functions of the Aloha Tower Development Corporation.

Your Committee has amended this measure by:

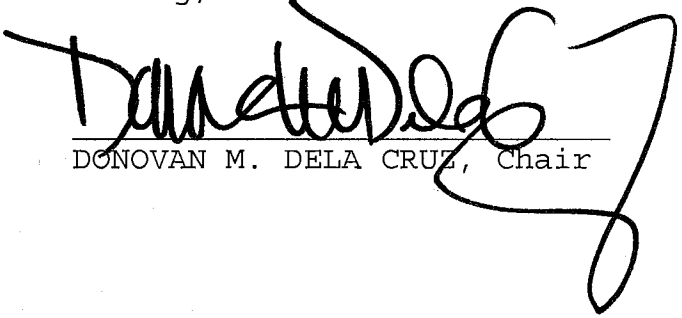
- (1) Clarifying that the community development area described in part II of the measure constitutes a new Community Development District located entirely within the Kakaako Community Development District and under the jurisdiction of the Hawaii Community Development Authority;
- (2) Clarifying that notwithstanding the first clarification, the Department of Transportation has jurisdiction over the new Community Development District for all purposes except for the purposes of exercising planning and zoning powers and duties;
- (3) Changing the latest date that the Harbors Modernization Group may be administratively placed under the Department of Transportation to July 1, 2011 to give effect to the language of this measure; and



- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water, Land, and Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1247, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1247, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Water, Land, and
Housing,


DONOVAN M. DELA CRUZ, Chair



