

Honolulu, Hawaii

APR 27 2012

RE: S.B. No. 2742  
S.D. 1  
H.D. 2  
C.D. 1

Honorable Shan S. Tsutsui  
President of the Senate  
Twenty-Sixth State Legislature  
Regular Session of 2012  
State of Hawaii

Honorable Calvin K.Y. Say  
Speaker, House of Representatives  
Twenty-Sixth State Legislature  
Regular Session of 2012  
State of Hawaii

Sirs:

Your Committee on Conference on the disagreeing vote of the Senate to the amendments proposed by the House of Representatives in S.B. No. 2742, S.D. 1, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY,"

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 change the composition of the Hawaii Community Development Authority (HCDA), decrease the membership of HCDA to nine voting members for each established district, and allow HCDA to lease all or a portion of the real or personal property constituting a project in the Kakaako Community Development District, without recourse to public auction or public notice for sealed bids.

Your Committee on Conference finds that the HCDA has had difficulty achieving quorum. This measure amends the membership to ensure a timely decision making process. Furthermore, your



Committee on Conference finds that the HCDA is tasked to implement long lasting change in the Kakaako Community Development District. However, the definition for a "redevelopment project" states that the commercial use of a redevelopment project may only be incidental in nature. Accordingly, your Committee on Conference finds it necessary to provide greater flexibility to the HCDA.

Your Committee on Conference has amended this measure by:

- (1) Prohibiting the small business representatives on HCDA from voting on matters concerning Heeia Community Development District;
- (2) Permitting county members on HCDA to vote on and be considered in determining quorum and majority only on issues not relating to the Heeia Community Development District;
- (3) Requiring the Governor to appoint three additional voting members to the HCDA to represent the Heeia Community Development District; and
- (4) Making technical, nonsubstantive 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. 2742, S.D. 1, H.D. 2, as amended herein, and recommends that it pass Final Reading in the form attached hereto as S.B. No. 2742, S.D. 1, H.D. 2, C.D. 1.

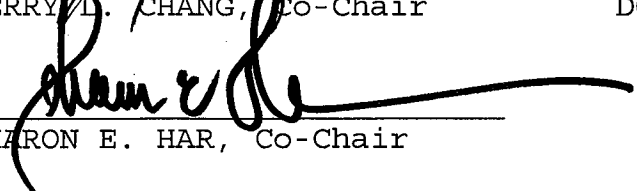
Respectfully submitted on behalf  
of the managers:

ON THE PART OF THE HOUSE

ON THE PART OF THE SENATE

  
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JERRY L. CHANG, Co-Chair

  
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DONOVAN M. DELA CRUZ, Chair

  
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SHARON E. HAR, Co-Chair



