

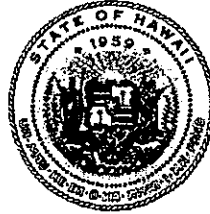
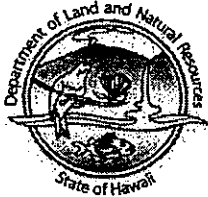
From: mailinglist@capitol.hawaii.gov
Sent: Saturday, January 29, 2011 2:41 PM
To: WLOtestimony
Cc: michael.s.yoshinaga@hawaii.gov
Subject: Testimony for HB1081 on 1/31/2011 9:00:00 AM
Attachments: HB1081_LNR_01-31-11_WLO.PDF

Testimony for WLO 1/31/2011 9:00:00 AM HB1081

Conference room: 325
Testifier position: support
Testifier will be present: Yes
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Submitted on: 1/29/2011

Comments:

NEIL ABERCROMBIE
GOVERNOR OF HAWAII



**STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES**

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**Testimony of
WILLIAM J. AILA, JR.
Chairperson**

**Before the House Committee on
WATER, LAND, AND OCEAN RESOURCES**

**January 31, 2011
9:00 AM**

State Capitol, Conference Room 325

**In consideration of
HOUSE BILL 1081
RELATING TO INDUSTRIAL PARKS ON PUBLIC LANDS**

House Bill No. 1081 is an Administration bill that provides the Department of Land and Natural Resources (Department) with flexibility in developing industrial parks on public lands to address the demand for industrial lands in the State.

The Department is taking a more proactive approach to managing public lands, including planning the use of public lands in a more efficient and productive manner. As part of this planning effort, the Department has identified several sites with possible development potential as industrial parks. The development of these sites as industrial parks would provide much needed industrial lands and generate much needed lease rent revenues for the State.

For example, there is a lack of available industrial lands in various areas, e.g., Hilo, Island of Hawaii. Development of industrial parks in those areas will help address the demand for industrial lands, keep lease rents reasonable, and provide options for lessees facing expiring lease terms. The proposed amendments to sections 171-141 and 171-142(a), Hawaii Revised Statutes (HRS), would provide lessees facing expiring leases with the ability to directly negotiate new long-term leases for lands within a new industrial park.

Other proposed amendments clarify or correct certain provisions as follows:

- (1) Section 171-132, HRS, provides that an industrial park must consist of at least five acres of contiguous lands. The proposed amendment to Section 171-132, HRS, clarifies that lands that are bisected by a roadway or roadways may be deemed "contiguous".

WILLIAM J. AILA, JR.
INTERIM CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

GUY H. KAULUKUKUI
FIRST DEPUTY

WILLIAM M. TAM
INTERIM DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
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FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

(2) The proposed amendment to Section 171-135, HRS, deletes the requirement that a private entity selected to lease and develop an industrial park shall be selected pursuant to Chapter 103D, HRS, - Hawaii Public Procurement Code. The leasing of public lands is not a procurement issue, and therefore the Hawaii Public Procurement Code is not applicable. Instead, the leasing of public lands is governed by Chapter 171, HRS, which already contains the appropriate procedures for selecting a lessee.

The Department strongly supports this Administration measure.