

SB 682 SD1

RELATING TO KAKAAKO.

Allows two lots in the makai area of the Kakaako community development district to be developed as residential properties that are exempt from public facilities fees; provided that at least twenty per cent of the unites are designated for residents in low- or moderate- income ranges. (Proposed SD1)



EXECUTIVE CHAMBERS

HONOLULU

NEIL ABERCROMBIE
GOVERNOR

Testimony SB 682
Relating to Kakaako

Governor Neil Abercrombie

SENATE COMMITTEE ON WATER, LAND, AND HOUSING

Senator Donovan M. Dela Cruz, Chair

Senator Malama Solomon, Vice Chair

And

SENATE COMMITTEE ON JUDICIARY AND LABOR

Senator Clayton Hee, Chair

Senator Maile S.L. Shimabukuro, Vice Chair

February 29, 2012
10:00 am, Room 016

Chair Dela Cruz, Chair Hee, Vice Chair Solomon, Vice Chair Shimabukuro, and members of the committees- The Office of the Governor supports Senate Bill ("SB") 682, Proposed Senate Draft ("SD") 1 as the Governor recognizes the role and authority of the Legislature to approve any proposed land transfer, especially as it relates to the potential resolution of the dispute between the State of Hawaii and the Office of Hawaiian Affairs ("OHA"). So long as this proposal reflects the input and will of the Legislature, the Governor will endorse further considerations and terms as reflective of our democratic process. Ultimately, the Governor stands alongside OHA to find approaches and solutions that will help OHA help its beneficiaries.

To that end, the Governor looks forward to working with the Legislature to find any mutually agreeable and comprehensive legislation that has the agreement of OHA. We believe that the provisions in SB682, SD1 are a step in that direction. Therefore, the Governor looks forward to continued dialog with the Legislature and OHA to achieve legislation in the best interests all of the parties and the public interest.



**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
TWENTY-SIXTH LEGISLATURE, 2012**

ON THE FOLLOWING MEASURE:

S.B. NO. 682, Proposed S.D. 1, RELATING TO KAKAAKO.

BEFORE THE:

SENATE COMMITTEES ON WATER, LAND, AND HOUSING AND ON
JUDICIARY AND LABOR

DATE: Wednesday, February 29, 2012 **TIME:** 10:00 a.m.

LOCATION: State Capitol, Room 016

TESTIFIER(S): David M. Louie, Attorney General, or
Charleen M. Aina, Deputy Attorney General

Chairs Dela Cruz and Hee, and Members of the Committees:

The Department of the Attorney General offers the following comments on S.B. No. 682, Proposed S.D. 1.

Section 206E-31.5(2), Hawaii Revised Statutes, presently prohibits residential development in the Kakaako Makai portion of the Kakaako Community Development District. The Proposed S.D. 1 that is before the Committees carves out two exceptions to this limitation. First, it allows residential development on two of the nine Kakaako Makai parcels that are proposed to be conveyed to the Office of Hawaiian Affairs (OHA) by S.B. No. 2783. Second, the proposed S.D. 1 would create an exception for any development on the two identified lots from the public facilities development fees that might otherwise be assessed under the Hawaii Community Development Authority's (HCDA) administrative rules.

S. B. No. 2783 is the bill jointly drafted by OHA and the Attorney General, and introduced in the Legislature at the request of the Governor, to finally and completely resolve all of the longstanding differences between the State and OHA about OHA's portion of the income and proceeds from the use of ceded lands, under article XII, sections 4 and 6 of the State Constitution between November 7, 1978 and June 30, 2012.

The Attorney General appreciates the intent of the Proposed S.D. 1, and does not object to its adoption, provided that it does not impair passage of S.B. No. 2783 and is acceptable to the Legislature as a whole.



**SB682, PROPOSED SD1
RELATING TO KAKAAKO**

Senate Committee on Water, Land, and Housing
Senate Committee on Judiciary and Labor

February 29, 2012

10:00 a.m.

Room: 016

The Office of Hawaiian Affairs (OHA) offers the following comments on SB682, Proposed SD1, which would allow two lots in the Kaka'ako Community Development District to be developed as residential properties that are exempt from public facilities fees; provided that at least 20 percent of the units are designated for residents in low- or moderate-income ranges.

OHA appreciates what we understand to be the intent of this measure, which is to add value to two parcels of land that are among the lands in Kaka'ako Makai that another bill, SB2783, would convey to OHA to resolve disputes and controversies relating to OHA's portion of income and proceeds from the public trust lands for the period November 7, 1978 through June 30, 2012.

The two parcels at issue are popularly identified as E and I on the now widely publicized maps of the properties to be conveyed. The right to develop residential structures on these two lots would add significant value. Furthermore, the bill would make it clear that OHA would not be subject to the HCDA charge of between three and four percent of the fair market value of the development as a condition of obtaining the development permit. Subsection (d) of section 15-23-73 of the Makai Area Rules states that the fee does not apply to public projects. The bill would remove any ambiguity as to whether this fee applies to OHA.

While OHA appreciates the effort to give OHA these enhanced entitlements to the two parcels, we respectfully urge your committees to ensure that SB682, Proposed SD1 is acceptable to both the Senate and the House, and does not impair passage of SB2783. We also note that once OHA becomes the landowner, OHA will be in a position to request entitlements for the SB2783 properties in subsequent legislative sessions. Finally, although OHA acknowledges that potential entitlement benefits will add significant value to parcels E and I, OHA remains committed to the guiding principles of the Conceptual Master Plan and will address these principles in any application for development permits for parcels E and I.

Mahalo for the opportunity to testify on this measure.

February 27, 2012

The Honorable Senator Donovan M. Dela Cruz, Chair
Committee on Water, Land and Housing
The Honorable Senator Clayton Hee, Chair
Senate Committee on the Judiciary
Hawai'i State Capitol
Honolulu, HI 96813

RE: Testimony in opposition to SB 682 proposed SD 1 relating to Kakaako

Chairs Dela Cruz, Hee and Members of the Committees:

Thank you for this opportunity to present testimony opposing SB 682 SD1.

The Outdoor Circle believes that the people have spoken loud and clear that they do not want residential development in Kakaako Makai. The legislature has even spoken that it does not residential development in Kakaako Makai. Yet here we are, once again, fighting to prevent residential development in Kakaako Makai!

The fact that this legislation limits the possibility of residential development to only two locations matters not. Two residential developments is two too many.

One of the sites that this legislation would impact is the former Army Air Force Exchange Service building (AAFES) on the corner of Ilalo and Ala Moana Blvd. The second site is the block that includes the historic Honolulu Pump Station, also on Ala Moana Blvd. Both prime locations that, if allowed to be developed for residential projects, will forever change the look and feel of this unique parcel.


I'm sure that nearly all Senators recall the long, loud protest carried out by Kakaako Makai stakeholders a few years ago that led to the elimination of the controversial Alexander and Baldwin residential development proposal. It also led the legislature to prohibit future residential development in Kakaako Makai. That fight was fought and won....or so we thought.

The people have spoken. They do not want residential development in the last undeveloped shoreline property in Honolulu. There already is too much development in Kakaako Makai. Please don't allow residential properties to gain a foothold.

Kakaako Makai is the last of its kind. We implore you to leave it alone and hold this completely unacceptable proposal.

Mahalo.

Bob Loy
Director of Environmental Programming



From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 27, 2012 10:55 AM
To: WLH Testimony
Cc: Brenda.Kosky@gmail.com
Subject: Testimony for SB682 on 2/29/2012 10:00:00 AM

Testimony for WLH 2/29/2012 10:00:00 AM SB682

Conference room: 016
Testifier position: Support
Testifier will be present: No
Submitted by: Brenda Kosky
Organization: Individual
E-mail: Brenda.Kosky@gmail.com
Submitted on: 2/27/2012

Comments:
Yes we need this!!

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, February 28, 2012 9:22 PM
To: WLH Testimony
Cc: ronald@kewalo.org
Subject: Testimony for SB682 on 2/29/2012 10:00:00 AM

Testimony for WLH 2/29/2012 10:00:00 AM SB682

Conference room: 016
Testifier position: Oppose
Testifier will be present: No
Submitted by: Ronald Iwami
Organization: Friends of Kewalos
E-mail: ronald@kewalo.org
Submitted on: 2/28/2012

Comments: