S.R. NO. 152

MAR 1 3 2013

SENATE RESOLUTION

REQUESTING THE DEPARTMENT OF HAWAIIAN HOME LANDS TO PROVIDE A REPORT TO THE LEGISLATURE REGARDING THE STATUS OF THE KA MAKANA ALII PROJECT AND ACT 187, SESSION LAWS OF HAWAII 2010.

WHEREAS, the State of Hawaii makes annual settlement payments to the Hawaiian Home lands Trust Fund in the amount of \$30,000,000 each year pursuant to Act 14, Special Session Laws of Hawaii 1995, for the resolution of controversies at law and in equity arising out of the management, administration, supervision, or disposition by the State of any Hawaiian home lands; and

WHEREAS, the State's obligation to make the settlement payments pursuant to Act 14, Special Session Laws of Hawaii 1995, will cease in 2015; and

WHEREAS, Act 187, Session Laws of Hawaii 2010, as amended by Act 175, Session Laws of Hawaii 2012, authorized the Department of Hawaiian Home Lands, until June 30, 2015, to make one-time extensions of up to twenty years of commercial or multipurpose project leases to make improvements to the leased property, with all of the lease revenues deposited into the Hawaiian home administration account for the administrative expenses of the Department; and

WHEREAS, the Department of Hawaiian Home Lands has been negotiating with DeBartolo Development, LLC, to build Ka Makana Alii, a large shopping mall, which may require an extended commercial lease; and

WHEREAS, the Land Use Commission recently issued its decision and order, findings of fact, and conclusions of law regarding the reclassification of Hawaiian home lands for the Ka Makana Alii project; and

WHEREAS, neither the Department of Hawaiian Home Lands nor DeBartolo Development, LLC, have provided updates to the

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Legislature regarding the status of the Ka Makana Alii project; now, therefore,

BE IT RESOLVED by the Senate of the Twenty-seventh Legislature of the State of Hawaii, Regular Session of 2013, that the Department of Hawaiian Home Lands, in consultation with DeBartolo Development, LLC, is requested to provide a written report to the Legislature on the Ka Makana Alii project, including:

(1) The status of the project;

(2) Any anticipated new partners for the project;

(3) The projected revenue stream for the project;

(4) The projected timeline for the project; and

(5) The terms of the development agreement or any other agreement with DeBartolo Development, LLC, that relates to the project and whether the parties to any such agreement are in compliance with its terms; and

BE IT FURTHER RESOLVED that the Department of Hawaiian Home Lands is also requested to include in its report:

(1) An update on the status and effect of Act 187, Session Laws of Hawaii 2010, as amended by Act 175, Session Laws of Hawaii 2012;

(2) The applicability of Act 187 to the Ka Makana Alii project; and

(3) Whether Act 187 should be extended or made permanent; and

BE IT FURTHER RESOLVED that the Department of Hawaiian Home Lands is requested to submit its findings and recommendations, including any proposed legislation, to the Legislature no later than six months following adjournment sine die of the 2013 Regular Session; and

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BE IT FURTHER RESOLVED that certified copies of this Resolution be transmitted to the Chairperson of the Hawaiian Homes Commission and the President and Chief Operating Officer of DeBartolo Development, LLC.

OFFERED BY