

STAND. COM. REP. NO. **220**

Honolulu, Hawaii

FEB 13 2013

RE: S.B. No. 894
S.D. 1

Honorable Donna Mercado Kim
President of the Senate
Twenty-Seventh State Legislature
Regular Session of 2013
State of Hawaii

Madam:

Your Committee on Water and Land, to which was referred S.B. No. 894 entitled:

"A BILL FOR AN ACT RELATING TO LAND ACQUISITION,"

begs leave to report as follows:

The purpose and intent of this measure is to appropriate funds and to authorize the Governor, or the Governor's designee, to continue efforts to acquire certain unimproved lands surrounding a resort property located in Kahuku, Oahu.

Your Committee received testimony in support of this measure from the North Shore Community Land Trust, Trust for Public Land, Hawaii's Thousand Friends, Defend Oahu Coalition, and approximately 243 individuals. Your Committee received testimony in opposition to this measure from Oak Tree Capital Management LLC; McCorriston, Miller, Mukai, MacKinnon LLP; and numerous individuals. Your Committee received comments on this measure from the Department of Land and Natural Resources.

The subject property under negotiation includes the unimproved lands adjacent to the Turtle Bay Hotel and Resort. The subject matter of this measure dates back to the latter years of the previous administration as part of an effort to purchase and protect precious natural resource lands from development. Despite two separate attempts to acquire the land, nothing has been successfully completed, and the purchase is still pending.



Your Committee finds that it is in the public's best interest to protect and preserve Hawaii's historic and cultural heritage. The proposed expansion of the property located in the ahupuaa of Hana Kaeo in Kahuku on the Island of Oahu is contrary to this public interest. Your Committee believes that it is in the public's best interest to continue efforts to acquire the property for preservation by purchasing those lands by means of a voluntary agreement if possible, reserving the right to obtain it by eminent domain if necessary.

Your Committee heard lengthy testimony from interested persons and entities for and against this measure. Oak Tree presented the Committee with the latest update of its development plans. Residents who live in the North Shore area and appeared to testify were generally supportive of the development as an economic development stimulus to the largely rural and undeveloped area. Other residents oppose development on the grounds that the North Shore represents perhaps the last area of undeveloped country land on Oahu.

Your Committee is impressed with the community involvement and input on this issue and can see both sides of the argument. On the one hand, a cogent argument can be made that the Turtle Bay Hotel and Resort is the only major economic stimulus for the area in the form of employment and future affordable housing. On the other hand, the slogan "keep the country country" has merit, particularly when considering the potentially disruptive impact of the expansion on rural lifestyles, particularly impacts of traffic congestion and the undeniable demands on infrastructure improvements such as roads and sewers.

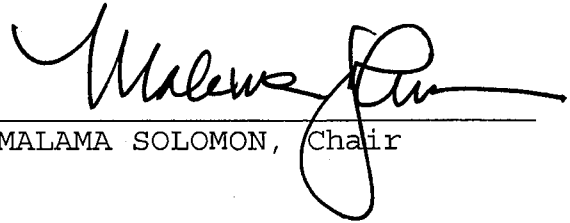
Your Committee is cognizant that residents of the North Shore prefer to live in a rural environment and live there by choice rather than by circumstance. However, the North Shore represents perhaps the last bastion of developable land, which makes the North Shore the symbolic lightning rod on the issue of development and tourism, particularly considering the State's limited industrial potential and its disproportionate reliance on tax revenues.

Accordingly, your Committee has amended this measure by inserting an effective date of July 1, 2050, to encourage further discussion on this matter.



As affirmed by the record of votes of the members of your Committee on Water and Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 894, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 894, S.D. 1, and be referred to the Committees on Judiciary and Labor and Tourism and Hawaiian Affairs and Ways and Means.

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




MALAMA SOLOMON, Chair



The Senate
Twenty-Seventh Legislature
State of Hawai'i

Record of Votes
Committee on Water and Land
WTL

Bill / Resolution No.:*	Committee Referral:	Date:		
SB894	WTL, JDL/THA/WAM	2/5/2013		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310		
<input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
SOLOMON, Malama (C)	✓			
SHIMABUKURO, Maile S.L. (VC)	✓			
DELA CRUZ, Donovan M.				✓
IHARA, Jr., Les				✓
RUDERMAN, Russell E.	✓			
THIELEN, Laura H.				✓
SLOM, Sam	✓			
TOTAL	4			3
Recommendation:				
<input checked="" type="checkbox"/> Adopted				
<input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution:				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

*Only one measure per Record of Votes