

# SB741

Limits the prohibition on the sale of Kakaako community development district lands by HCDA to Kakaako makai lands. Requires the HCDA to determine the costs and benefits of selling and purchasing certain properties, except makai lands, within the Kakaako community development district and report to the legislature.



HAWAII COMMUNITY  
DEVELOPMENT AUTHORITY



KAKAOKO  
KALAELOA

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Governor

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Chairperson

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STATEMENT OF

ANTHONY J. H. CHING, EXECUTIVE DIRECTOR  
HAWAII COMMUNITY DEVELOPMENT AUTHORITY

BEFORE THE

SENATE COMMITTEE ON ECONOMIC DEVELOPMENT,  
GOVERNMENT OPERATIONS AND HOUSING

Friday, February 1, 2013

3:00 P.M.

State Capitol, Conference Room 016

in consideration of

**S.B. 741 – RELATING TO THE HAWAII COMMUNITY  
DEVELOPMENT AUTHORITY.**

**Purpose:** §206E-31.5, Hawaii Revised Statutes, currently prohibits the Hawaii Community Development Authority (“HCDA”) from selling or otherwise assigning the fee simple interest in any lands it owns in the Kakaako community development district. This proposal would amend this statute to limit the prohibition to HCDA owned lands in the Kakaako makai portion of the community development district. This proposal also requires the HCDA to determine the costs and benefits of selling and purchasing certain properties in the Kakaako community development district, excluding the makai lands, and report the findings, recommendations and any proposed legislation to the Legislature no later than October 1, 2013.

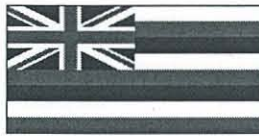
**Position:** This testimony reflects my view as Executive Director of the HCDA as the Authority has not had an opportunity to review and act on this measure. I support the intent of this proposal that would change the current prohibition on HCDA’s ability to sell its lands within the Kakaako community development district to its lands within the Kakaako makai portion of the

Testimony reflects the view and position of the Executive Director and not that of the Authority.

Kakaako community development district. I also suggest clarifying the proposed language of §206E-31.5 (1) to read “Selling or otherwise assigning the fee simple interest in any lands in the Kakaako community development district makai of Ala Moana boulevard and between Kewalo basin and the foreign trade zone to which the authority in its corporate capacity holds title, except with respect to:”. This change will better define the lands subject to the statutory prohibition.

I believe this proposal will further the HCDA’s ability to sell or exchange lands it currently owns in the Kakaako mauka portion of the Kakaako community development district to further the development of a vibrant “live, work and play” community. Furthermore, because this proposal does not exempt the HCDA from the statutory requirement for a resolution adopted by two-thirds vote of both the State of Hawaii House of Representatives and Senate, any decision by the HCDA to sell or exchange its Kakaako lands will be subject to public comments and Legislative approval.

Thank you for the opportunity to provide our comments on this proposal.



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January 31, 2013

Senator Donovan M. Dela Cruz, Chair  
Senator Sam Slom, Vice Chair  
Committee on Economic Development, Government Operations and Housing

**RE: SB741 Relating to the Hawaii Community Development Authority**

Dear Chair Dela Cruz, Vice Chair Slom and Members of the Committee:

The passage of SB741 will permit the HCDA Board to determine the costs and the benefits of selling and purchasing certain small properties on the mauka side of the Kakaako Community Development District.

As it stands now, the authority is hamstrung and is virtually prohibited from selling any land in the district.

This prohibition has been well intended and has had the effect of making excellent policy sense in the broadest possible view. The state should sell no land in "makai" Kakaako area that is a wise policy.

However there are a few small parcels and even remnants on the mauka side of the district that the state cannot even use and it may serve a better policy objective to sell them. Therefore this bill **should be passed.**

Thank you for the opportunity to submit written comments.

Sincerely,

John H. Radcliffe