

Honolulu, Hawaii

APR 06 2018

RE: H.B. No. 2073  
H.D. 1  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Twenty-Ninth State Legislature  
Regular Session of 2018  
State of Hawaii

Sir:

Your Committees on Water and Land and Ways and Means, to which was referred H.B. No. 2073, H.D. 1, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO URBAN REDEVELOPMENT,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Establish the Kanoelehua Industrial Area and Banyan Drive region as a redevelopment district until June 30, 2028; and
- (2) Authorize a local redevelopment agency to contract with a developer for construction of non-residential uses on public land within the redevelopment district consisting of the Kanoelehua Industrial Area and Banyan Drive region.

Your Committees received testimony in support of this measure from the O'ahu County Committee on Legislative Priorities of the Democratic Party of Hawai'i and two individuals. Your Committees received testimony in opposition to this measure from the Department of Land and Natural Resources and League of Women Voters of Hawaii. Your Committees received comments on this measure from the Department of the Attorney General and Mayor of the County of Hawai'i.

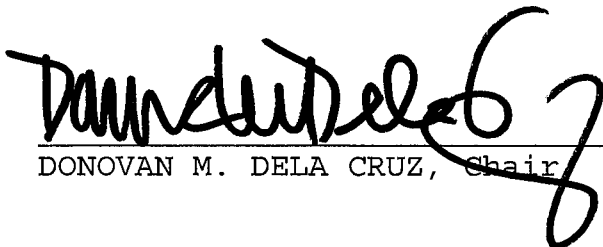


Your Committees find that although the Banyan Drive region is the center of tourism in East Hawai'i of the County of Hawai'i, the region is underutilized and in disrepair. Furthermore, the Kanoelehua Industrial Area is well utilized, but the term leases of public lands that were issued in a two- or three-year period following the tsunami in 1960 are nearing expiration. Chapter 53, Hawaii Revised Statutes, authorizes a county council to create a local redevelopment agency for the county to undertake and carry out urban renewal projects and related activities authorized by law. This measure would provide redevelopment agencies the authority, subject to prior approvals by the applicable county, Governor, and Legislature, to negotiate a development agreement with a developer for commercial, business, or hotel or resort uses on public lands within a redevelopment district consisting of the Kanoelehua Industrial Area and Banyan Drive region.

Your Committees note the concerns raised by the Department of the Attorney General that the creation of a pilot redevelopment project for lands only within the Kanoelehua Industrial Area and Banyan Drive region, which are public land holdings of the Department of Land and Natural Resources, may be deemed to be special legislation and may violate article XI, section 5, of the Hawaii State Constitution. Your Committees believe that this issue merits further discussion as it moves through the legislative process.

As affirmed by the records of votes of the members of your Committees on Water and Land and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of H.B. No. 2073, H.D. 1, S.D. 1, and recommend that it pass Third Reading.

Respectfully submitted on  
behalf of the members of the  
Committees on Water and Land  
and Ways and Means,

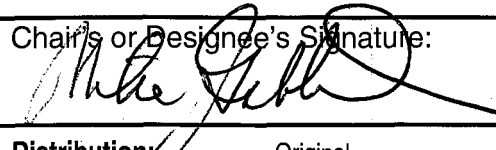
  
DONOVAN M. DELA CRUZ, Chair

  
KARL RHOADS, Chair



The Senate  
 Twenty-Ninth Legislature  
 State of Hawai'i

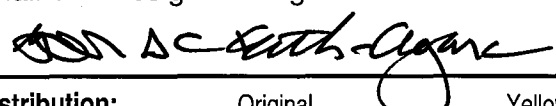
**Record of Votes**  
**Committee on Water and Land**  
**WTL**

|   |  |                                       |                     |         |
|---|--|---------------------------------------|---------------------|---------|
| Bill / Resolution No.:*   | Committee Referral:                                    | Date:                                 |                     |         |
| HB 2073, HDI, SDI   | HOU, WTL/WAM   | APRIL 5, 2018                         |                     |         |
| <input type="checkbox"/> The Committee is reconsidering its previous decision on this measure.<br>If so, then the previous decision was to: _____ |  |                                       |                     |         |
| The Recommendation is:  |  |                                       |                     |         |
| <input checked="" type="checkbox"/> Pass, unamended<br>2312   | <input type="checkbox"/> Pass, with amendments<br>2311 | <input type="checkbox"/> Hold<br>2310 |                     |         |
| <input type="checkbox"/> Recommit<br>2313   |  |                                       |                     |         |
| Members   | Aye  | Aye (WR)                              | Nay                 | Excused |
| RHOADS, Karl (C)  | ✓  |                                       |                     |         |
| GABBARD, Mike (VC)  | ✓  |                                       |                     |         |
| INOUYE, Lorraine R.   |  |                                       |                     | ✓       |
| RIVIERE, Gil  | ✓  |                                       |                     |         |
| THIELEN, Laura H.   |  | ✓                                     |                     |         |
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| <b>TOTAL</b>  | 3  | 1                                     | —                   | 1       |
| Recommendation:   |  |                                       |                     |         |
| <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted  |  |                                       |                     |         |
| Chair's or Designee's Signature:  |  |                                       |                     |         |
|    |  |                                       |                     |         |
| Distribution:   |  |                                       |                     |         |
| Original  | Yellow   | Pink                                  | Goldenrod           |         |
| File with Committee Report  | Clerk's Office   | Drafting Agency                       | Committee File Copy |         |

\* Only one measure per Record of Votes

The Senate  
Twenty-Ninth Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Ways and Means**  
**WAM**

|  |                     |                 |                     |          |
|--|---------------------|-----------------|---------------------|----------|
| Bill / Resolution No.:*  | Committee Referral: | Date:           |                     |          |
| HB2073 HD1 SD1   | HOU, WTL/WAM        | 4/5/18          |                     |          |
| <input type="checkbox"/> The Committee is reconsidering its previous decision on this measure.<br>If so, then the previous decision was to: _____                                      |                     |                 |                     |          |
| The Recommendation is:   |                     |                 |                     |          |
| <input checked="" type="checkbox"/> Pass, unamended 2312 <input type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313 |                     |                 |                     |          |
| Members  | Aye                 | Aye (WR)        | Nay                 | Excused  |
| DELA CRUZ, Donovan M. (C)  | X                   |                 |                     |          |
| KEITH-AGARAN, Gilbert S.C. (VC)  | X                   |                 |                     |          |
| ENGLISH, J. Kalani   | X                   |                 |                     |          |
| GALUTERIA, Brickwood   | X                   |                 |                     |          |
| HARIMOTO, Breene   |                     |                 |                     | X        |
| INOUYE, Lorraine R.  |                     |                 |                     | X        |
| KAHELE, Kaiali'i   | X                   |                 |                     |          |
| KIDANI, Michelle N.  | <del>X</del>        | X               |                     |          |
| RIVIERE, Gil   | X                   |                 |                     |          |
| SHIMABUKURO, Maile S.L.  | X                   |                 |                     |          |
| WAKAI, Glenn   |                     |                 |                     | X        |
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| <b>TOTAL</b>   | <b>7</b>            | <b>1</b>        |                     | <b>3</b> |
| Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted   |                     |                 |                     |          |
| Chair's or Designee's Signature:   |                     |                 |                     |          |
|   |                     |                 |                     |          |
| Distribution:  |                     |                 |                     |          |
| Original   | Yellow              | Pink            | Goldenrod           |          |
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