

Honolulu, Hawaii

MAR 16 , 2018

RE: S.B. No. 3058
S.D. 2
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Twenty-Ninth State Legislature
Regular Session of 2018
State of Hawaii

Sir:

Your Committee on Water & Land, to which was referred S.B. No. 3058, S.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO PUBLIC LANDS,"

begs leave to report as follows:

The purpose of this measure is to, among other things:

- (1) Establish statutory procedures for designating public land redevelopment districts on public lands classified as commercial, industrial, resort, and hotel use and establishing planning committees, district redevelopment plans, and designated redevelopment district revolving funds for those districts; and
- (2) Establish the Waiakea Peninsula Redevelopment District, Planning Committee, and Revolving Fund, subject to repeal on June 30, 2028.

The Mayor of the County of Hawaii, Council Member for District 3 of the County of Hawaii, HPM Building Supply, Hawai'i Association of REALTORS, Chika Nakano Repair Shop, Hawaii Island Economic Development Board, Pacific Resource Partnership, and a few individuals supported this measure. The Department of Land and Natural Resources, League of Women Voters of Hawaii, Common



Cause Hawaii, Hawaii's Thousand Friends, and a few individuals opposed this measure. The Department of Budget and Finance, Hawaii Regional Council of Carpenters, and McCully Works provided comments.

Your Committee has amended this measure by:

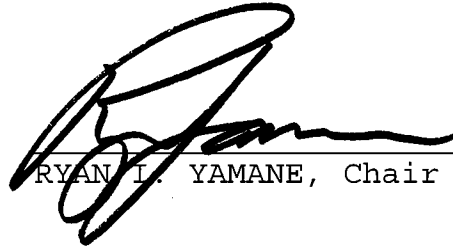
- (1) Deleting proposed statutory provisions establishing the Waiakea Peninsula Redevelopment District as well as language establishing procedures for designating and managing redevelopment districts and instead, using substantially similar language and procedures to establish and execute a ten-year pilot project for the redevelopment of the Kanoelehua Industrial Area and Banyan Drive region;
- (2) Amending eligibility criteria and the appointment process for the seven public, voting members of the Planning Committee;
- (3) Clarifying that the Planning Committee shall work with any existing redevelopment agencies and third-party contractors in preparing redevelopment plans;
- (4) Providing that for contracts for a construction project that exceeds \$200,000, the redevelopment agreement shall require the developers or their contractors or subcontractors to pay craft employees not less than the prevailing wage rates for public works projects and establishing related contract and documentation requirements;
- (5) Removing language establishing revolving funds for the redevelopment districts;
- (6) Authorizing the Board of Land and Natural Resources to modify hotel and resort public land lease restrictions and limiting the conditions under which lease terms may be extended;
- (7) Inserting a sunset date of June 30, 2028;
- (8) Changing its effective date to July 1, 2060, to encourage further discussion; and



- (9) Making technical, nonsubstantive amendments for clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3058, S.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3058, S.D. 2, H.D. 1, and be referred to your Committee on Economic Development & Business.

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



RYAN I. YAMANE, Chair



