STAND. COM. REP. NO. 1214 -18

Honolulu, Hawaii

AD 16 , 2018

MAR 16

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, Hawaii 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,

YAMANE, Chair

State of Hawaii House of Representatives The Twenty-ninth Legislature

HSCR 1214-18

Record of Votes of the Committee on Water & Land

Bill/Resolution No.: SB 3058 SD 2	Committee Referral: WAL, EDB, FIN			Date: 03/14/2018		
☐ The committee is reconsidering its previous decision on the measure.						
The recommendation is to: Pass, unamended (as is) Pass, with amendments (HD) Hold Pass short form bill with HD to recommit for future public hearing (recommit)						
WAL Mem	bers	Ayes	Ayes (WR)	Nays	Excused	
1. YAMANE, Ryan I. (C)		~				
2. TODD, Chris (VC)		V				
3. CULLEN, Ty J.K.						
4. KONG, Sam Satoru						
4. KONG, Sam Satoru						
5. LEE, Chris			***************************************		V	
6. LOWEN, Nicole E.		V				
7. McKELVEY, Angus L.	K.				AGES - MINISTER - MINI	
THE THE RESERVE AND A MAKENETHE						
8. THIELEN, Cynthia						

TOTAL (8)	5	2	0		
The recommendation is:	Adopted	□ Not Adopted				
If joint referral, did not support recommendation.						
Vice Chair's or designee's signature:						
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO						