June 30, 2015

The Honorable Ronald D. Kouchi,
President
and Members of the Senate
Twenty-Eighth State Legislature
State Capitol, Room 409
Honolulu, Hawai‘i 96813

The Honorable Joseph M. Souki,
Speaker and Members of the House of Representatives
Twenty-Eighth State Legislature
State Capitol, Room 431
Honolulu, Hawai‘i 96813

Dear President Kouchi, Speaker Souki, and Members of the Legislature:

This is to inform you that on June 30, 2015, the following bill was signed into law:

HB1366 SD2 CD1 RELATING TO STATE ACQUISITION OR DEVELOPMENT OF REAL PROPERTY ACT 183 (15)

Sincerely,

DAVID Y. IGE
Governor, State of Hawai‘i
A BILL FOR AN ACT

RELATING TO STATE ACQUISITION OR DEVELOPMENT OF REAL PROPERTY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

SECTION 1. The legislature finds that a significant proportion of the State's public employee work force is concentrated in downtown Honolulu. As many state agencies and employees are outgrowing existing office space and aging infrastructure, there is a pressing need for the State to identify and acquire or build additional office space in urban Honolulu to accommodate state governmental agencies and offices.

This Act proposes consideration of an alternative to constructing the Liliha Civic Center through purchase of an office building of a comparable size, with the cost of acquiring the building at less than one-third that of constructing the Liliha Civic Center.

The purpose of this Act is to appropriate funds to identify, plan, and acquire or build upon real property in urban Honolulu to provide office space for state governmental agencies and offices.

SECTION 2. The governor's office, department of the attorney general, department of land and natural resources,
department of accounting and general services, and department of
budget and finance may enter into negotiations for the purchase
of Ali'i Place; provided that any deal reached within the next
two years shall include the continuance of the building's
existing property management firm.

SECTION 3. There is appropriated out of the general
revenues of the State of Hawaii the sum of $500,000 or so much
thereof as may be necessary for fiscal year 2015-2016 and the
same sum or so much thereof as may be necessary for fiscal year
2016-2017 to pay the costs of the State's due diligence,
appraisal, closing costs, consultant services, legal services,
and other costs incurred by the department of land and natural
resources in connection with the transaction to acquire the
leasehold interest in the land identified as TMK (1) 2-1-017-
008-0000 and to acquire the building thereon.

The sums appropriated shall be expended by the department
of land and natural resources for the purposes of this Act.

SECTION 4. The department of accounting and general
services is authorized to perform due diligence in connection
with the transaction to acquire the leasehold interest in the
land identified as TMK (1) 2-1-017-008-0000.
SECTION 5. The department of land and natural resources, in conjunction with the department of accounting and general services, shall submit a joint report on their progress to the legislature no later than twenty days prior to the convening of the regular session of 2016.

SECTION 6. This Act shall take effect on July 1, 2015.

APPROVED this 30 day of JUN, 2015

GOVERNOR OF THE STATE OF HAWAII