

STAND. COM. REP. NO.

26

Honolulu, Hawaii

FEB 05 , 2021

RE: H.B. No. 499
H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirty-First State Legislature
Regular Session of 2021
State of Hawaii

Sir:

Your Committee on Water & Land, to which was referred H.B. No. 499 entitled:

"A BILL FOR AN ACT RELATING TO LEASE EXTENSIONS ON PUBLIC LAND,"

begs leave to report as follows:

The purpose of this measure is to authorize the Board of Land and Natural Resources to extend commercial, industrial, resort, or governmental leases, other than those to which the University of Hawaii is a party, that have not been sold or assigned within the last ten years, for lessees who commit to substantial improvement to the existing improvements.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources; Stanford Carr Development, LLC; Hawaii Island Economic Development Board; Prince Kuhio Plaza; Ocean Tourism Coalition; McCully Works; and one individual. Your Committee received testimony in opposition to this measure from the Office of Hawaiian Affairs, Kupuna for the Moopuna, Ka Lahui Hawai'i Komike Kalaiaina, and one individual.

Your Committee finds that the opportunities presented by the extension of leases of public lands support economic development and promote economic stability throughout the State of Hawaii. This measure will support long term tenants who wish to continue

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their businesses past the sixty-five year lease restrictions, while promoting the upkeep of these properties by lessees.

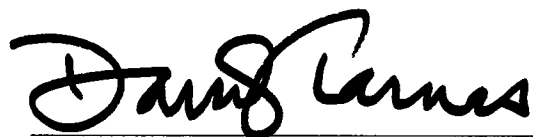
Your Committee recognizes the concerns raised by the Office of Hawaiian Affairs and urges the Office of Hawaiian Affairs to work with the proponents of this measure to find common ground and offer specific recommendations to your Committee on Consumer Protection & Commerce should it choose to hear this measure.

Your Committee has amended this measure by:

- (1) Including "mixed use", defined as a development that combines two or more of the following uses in a single project: commercial use, resort use, multifamily residential use, or government use, as one of the uses for which the Board of Land and Natural Resources may extend the rental period of a lease of public land;
- (2) Changing its effective date to January 1, 2050, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

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 H.B. No. 499, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 499, H.D. 1, and be referred to your Committee on Consumer Protection & Commerce.

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



DAVID A. TARNAS, Chair



