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# A BILL FOR AN ACT

RELATING TO LAND USE.

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

1           SECTION 1. The legislature finds that it is necessary to  
2 ensure certain urban areas within the Liliha-Palama area of the  
3 city and county of Honolulu be developed to retain the existing  
4 inventory and increase the number of affordable housing units  
5 for low-income families. The legislature further recognizes  
6 that urban redevelopment in the Liliha-Palama area that consists  
7 of low-income public housing and small and large affordable  
8 rental apartment complexes is necessary to strengthen the  
9 community, remove the stigma of public housing, and provide a  
10 safe and pleasant environment for its residents. Accordingly,  
11 the purpose of this Act is to create the Liliha-Palama Community  
12 Development District to be administered by the Hawaii community  
13 development authority.

14           SECTION 2. Chapter 206E, Hawaii Revised Statutes, is  
15 amended by adding a new part to be appropriately designated and  
16 to read as follows:



1 "PART .

2 **LILIHA-PALAMA COMMUNITY DEVELOPMENT DISTRICT**

3 **§206E- Liliha-Palama community development district;**

4 **purposes.** The legislature finds that:

5 (1) The Liliha-Palama district is located in Honolulu  
6 proper, in close proximity to the emerging business  
7 centers of commercial, industrial, and market  
8 facilities in the Iwilei area, and major existing and  
9 contemplated harbor and transportation routes;

10 (2) The district presently consists of large and small low  
11 income and affordable rental apartment complexes that  
12 are owned by the State, city and county of Honolulu,  
13 and private owners. The majority of these housing  
14 units are aging and in need of repair and renovation.  
15 There is a potential for loss of affordable housing  
16 inventory and displacement of thousands of residents  
17 as these older, aging properties become renovated or  
18 redeveloped into commercial properties or ownership  
19 housing units that will not be affordable to low  
20 income families. Other parcels of land are owned and  
21 occupied by churches, nonprofit and charitable



1 organizations, small businesses, and small single  
2 family residences.

3 (3) The district has the potential for redevelopment into  
4 mixed use, mixed income residential developments that  
5 will enhance the present community environment, remove  
6 the stigma of public housing, and strengthen the  
7 economic viability of the community; and

8 (4) The Liliha-Palama district, if properly developed and  
9 improved, has the potential to become a planned new  
10 community in consonance with the development of the  
11 Iwilei area.

12 In coordinating community development in the Liliha-Palama  
13 district, the authority shall plan a mixed-use district whereby  
14 industrial, commercial, residential, and public uses may coexist  
15 compatibly within the same area.

16 The authority shall plan for the above uses, but shall also  
17 retain and increase the inventory of low-and moderate-income  
18 rental housing to support the housing needs of residents in the  
19 urban core.

20 **§206E- District; established, boundaries.** There is  
21 established the Liliha-Palama community development district.  
22 The district shall include that area bounded by North Beretania



1 Street and North King Street; Palama Street from its  
2 intersection with North King Street to its intersection with H-1  
3 freeway; the makai boundary of H-1 Freeway; and Nuuanu Stream  
4 from its intersection with H-1 Freeway to its intersection with  
5 North Beretania Street. The district shall also include that  
6 parcel of land owned by the State identified by tax map key 1-5-  
7 007:001.

8 **§206E-C Liliha-Palama community development district;**  
9 **development guidance policies.** The following shall be the  
10 development guidance policies generally governing the  
11 authority's action in the Liliha-Palama community development  
12 district:

13 (1) Development shall result in primarily a residential  
14 community that includes an appropriate land mixture of  
15 residential, commercial, and light industrial uses.  
16 The authority may use innovative mixed use and urban  
17 design approaches, with appropriate input from public  
18 and private sectors in the proper development of this  
19 district. While the authority's development  
20 responsibilities apply only to the area within the  
21 district, the authority may engage in any studies or  
22 coordinative activities permitted in this chapter that



1 affect areas lying outside the district, where the  
2 authority in its discretion decides that those  
3 activities are necessary to implement the intent of  
4 this chapter. The studies or coordinative activities  
5 shall be limited to facility systems, resident and  
6 industrial relocation, and other activities with the  
7 counties and appropriate state agencies. The  
8 authority may engage in construction activities  
9 outside of the district; provided that such  
10 construction relates to infrastructure development or  
11 residential or business relocation activities;  
12 provided further, notwithstanding section 206E-7, that  
13 such construction shall comply with the general plan,  
14 development plan, ordinances, and rules of the county  
15 in which the district is located;

- 16 (2) Existing affordable residential uses shall be retained  
17 and expanded in appropriate locations within the  
18 district. Mixed use activities shall complement the  
19 residential character of the community and the  
20 emerging commercial growth of the Iwilei area;
- 21 (3) Activities shall be located so as to provide primary  
22 reliance on public transportation and pedestrian



1 facilities for internal circulation within the  
2 district or designated subareas;

3 (4) Major view planes, view corridors, and other  
4 environmental elements such as natural light and  
5 prevailing winds, shall be preserved through necessary  
6 regulation and design review;

7 (5) Redevelopment of the district shall be compatible with  
8 plans and special districts established for the  
9 surrounding areas;

10 (6) Historic sites and culturally significant facilities,  
11 settings, or locations shall be preserved;

12 (7) Land use activities within the district, where  
13 compatible, shall to the greatest possible extent be  
14 mixed horizontally, that is, within blocks or other  
15 land areas, and vertically, as integral units of  
16 multi- purpose structures;

17 (8) Residential development may require a mixture of  
18 densities, building types, and configurations in  
19 accordance with appropriate urban design guidelines  
20 and integration both vertically and horizontally for  
21 residents of varying incomes, ages, and family groups.  
22 Residential development should increase the supply of



1 housing for residents of low- or moderate-income and  
2 shall be required as a condition of redevelopment in  
3 residential use. The authority shall not approve any  
4 residential development that reduces the inventory of  
5 comparable affordable housing units that existed on  
6 the property prior to redevelopment of the property.  
7 Residential development shall provide necessary  
8 community facilities, such as open space, parks,  
9 community meeting places, child care centers, and  
10 other services, within and adjacent to residential  
11 development; and

12 (9) Public facilities within the district shall be  
13 planned, located, and developed so as to support the  
14 redevelopment policies for the district established by  
15 this chapter and plans and rules adopted pursuant to  
16 it."

17 SECTION 3. This Act shall take effect upon its approval.

SB1593  
SD2  
HD1

**Report Title:**

Land Use; Liliha-Palama Community Development District

**Description:**

Establishes the Liliha-Palama community development district within the administration of the Hawaii community development authority. (SB1593 HD1)

