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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 . LILIHA-PALAMA COMMUNITY DEVELOPMENT DISTRICT**

2           **§206E- Liliha-Palama community development district;**

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

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

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



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

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

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

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

18 **§206E- District; established, boundaries.** There is  
19 established the Liliha-Palama community development district.  
20 The district shall include that area bounded by North Beretania  
21 Street and North King Street; Palama Street from its  
22 intersection with North King Street to its intersection with H-1



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

6 **§206E- Liliha-Palama community development district;**  
7 **development guidance policies.** The following shall be the  
8 development guidance policies generally governing the  
9 authority's action in the Liliha-Palama community development  
10 district:

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



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

14 (2) Existing affordable residential uses shall be retained  
15 and expanded in appropriate locations within the  
16 district. Mixed-use activities shall complement the  
17 residential character of the community and the  
18 emerging commercial growth of the Iwilei area;

19 (3) Activities shall be located so as to provide primary  
20 reliance on public transportation and pedestrian  
21 facilities for internal circulation within the  
22 district or designated subareas;



- 1           (4) Major view planes, view corridors, and other  
2           environmental elements such as natural light and  
3           prevailing winds, shall be preserved through necessary  
4           regulation and design review;
- 5           (5) Redevelopment of the district shall be compatible with  
6           plans and special districts established for the  
7           surrounding areas;
- 8           (6) Historic sites and culturally significant facilities,  
9           settings, or locations shall be preserved;
- 10          (7) Land use activities within the district, where  
11          compatible, shall, to the greatest possible extent, be  
12          mixed horizontally, that is, within blocks or other  
13          land areas, and vertically, as integral units of  
14          multi-purpose structures;
- 15          (8) Residential development may require a mixture of  
16          densities, building types, and configurations in  
17          accordance with appropriate urban design guidelines  
18          and may be integrated both vertically and horizontally  
19          for residents of varying incomes, ages, and family  
20          groups. Residential development shall increase the  
21          supply of housing for residents of low- or moderate-  
22          income and shall be required as a condition of



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

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

16 SECTION 3. This Act shall take effect on July 1, 2020.



S.B. NO. 1593

**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. Effective date July 1, 2020. (SB1593 HD2)

SB1593 HD2 HMS 2006-3434

