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## A BILL FOR AN ACT

RELATING TO HAWAII COMMUNITY DEVELOPMENT AUTHORITY.

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

1           SECTION 1. After publicly soliciting proposals from the  
2 private section for the development of thirty-six and a half  
3 acres of waterfront land at Kakaako-makai, surrounding and to  
4 the east of Kewalo basin, the Hawaii community development  
5 authority selected a proposal by Alexander & Baldwin, Inc. for  
6 the development. This privately financed proposal included the  
7 development of: three twenty-story condominiums containing nine  
8 hundred forty-seven units to be sold in fee; a commercial  
9 village containing restaurants, retail shops and public parking;  
10 and a public oceanfront amphitheater for hula and other cultural  
11 events, and the expansion of the existing park.

12           Immediate community concern vigorously opposed the use of  
13 any public land for what is viewed as expensive private  
14 residences, even though the State would be paid for the land and  
15 twenty per cent of the units developed are to be sold at  
16 affordable prices. The private developer explained that the  
17 residential component of the development was the financial



1 engine that would allow the rest of the development to be  
2 developed without the expenditure of public funds.

3 . In response to the community concerns, Alexander & Baldwin  
4 eliminated one of the proposed residential towers; however,  
5 community concerns remains unabated for the last remaining  
6 oceanfront public lands in urban Oahu. Once the irreplaceable  
7 oceanfront lands are developed, they are lost in perpetuity.

8 The purpose of this Act is to prohibit the Hawaii community  
9 development authority from alienating any land it holds title to  
10 or other public lands it controls.

11 SECTION 2. Section 206E-4, Hawaii Revised Statutes, is  
12 amended to read as follows:

13 "**§206E-4 Powers; generally[-]; prohibition on alienation**  
14 **of lands.** (a) Except as otherwise limited by this chapter, the  
15 authority may:

- 16 (1) Sue and be sued;
- 17 (2) Have a seal and alter the same at pleasure;
- 18 (3) Make and execute contracts and all other instruments  
19 necessary or convenient for the exercise of its powers  
20 and functions under this chapter;
- 21 (4) Make and alter bylaws for its organization and  
22 internal management;



- 1           (5) Make rules with respect to its projects, operations,  
2           properties, and facilities, which rules shall be in  
3           conformance with chapter 91;
- 4           (6) Through its executive director appoint officers,  
5           agents, and employees, prescribe their duties and  
6           qualifications, and fix their salaries, without regard  
7           to chapter 76;
- 8           (7) Prepare or cause to be prepared a community  
9           development plan for all designated community  
10          development districts;
- 11          (8) Acquire, reacquire, or contract to acquire or  
12          reacquire by grant or purchase real, personal, or  
13          mixed property or any interest therein; to own, hold,  
14          clear, improve, and rehabilitate, and to sell, assign,  
15          exchange, transfer, convey, lease, or otherwise  
16          dispose of or encumber the same;
- 17          (9) Acquire or reacquire by condemnation real, personal,  
18          or mixed property or any interest therein for public  
19          facilities, including but not limited to streets,  
20          sidewalks, parks, schools, and other public  
21          improvements;



- 1           (10) By itself, or in partnership with qualified persons,  
2           acquire, reacquire, construct, reconstruct,  
3           rehabilitate, improve, alter, or repair or provide for  
4           the construction, reconstruction, improvement,  
5           alteration, or repair of any project; own, hold, sell,  
6           assign, transfer, convey, exchange, lease, or  
7           otherwise dispose of or encumber any project, and in  
8           the case of the sale of any project, accept a purchase  
9           money mortgage in connection therewith; and repurchase  
10          or otherwise acquire any project which the authority  
11          has theretofore sold or otherwise conveyed,  
12          transferred, or disposed of;
- 13          (11) Arrange or contract for the planning, replanning,  
14          opening, grading, or closing of streets, roads,  
15          roadways, alleys, or other places, or for the  
16          furnishing of facilities or for the acquisition of  
17          property or property rights or for the furnishing of  
18          property or services in connection with a project;
- 19          (12) Grant options to purchase any project or to renew any  
20          lease entered into by it in connection with any of its  
21          projects, on such terms and conditions as it deems  
22          advisable;



- 1           (13) Prepare or cause to be prepared plans, specifications,  
2           designs, and estimates of costs for the construction,  
3           reconstruction, rehabilitation, improvement,  
4           alteration, or repair of any project, and from time to  
5           time to modify such plans, specifications, designs, or  
6           estimates;
- 7           (14) Provide advisory, consultative, training, and  
8           educational services, technical assistance, and advice  
9           to any person, partnership, or corporation, either  
10          public or private, in order to carry out the purposes  
11          of this chapter, and engage the services of  
12          consultants on a contractual basis for rendering  
13          professional and technical assistance and advice;
- 14          (15) Procure insurance against any loss in connection with  
15          its property and other assets and operations in such  
16          amounts and from such insurers as it deems desirable;
- 17          (16) Contract for and accept gifts or grants in any form  
18          from any public agency or from any other source;
- 19          (17) Do any and all things necessary to carry out its  
20          purposes and exercise the powers given and granted in  
21          this chapter; and



1           (18) Allow satisfaction of any affordable housing  
2           requirements imposed by the authority upon any  
3           proposed development project through the construction  
4           of reserved housing, as defined in section 206E-101,  
5           by a person on land located outside the geographic  
6           boundaries of the authority's jurisdiction. Such  
7           substituted housing shall be located on the same  
8           island as the development project and shall be  
9           substantially equal in value to the required reserved  
10          housing units that were to be developed on site. The  
11          authority shall establish the following priority in  
12          the development of reserved housing:

- 13           (A) Within the community development district;
- 14           (B) Within areas immediately surrounding the  
15           community development district;
- 16           (C) Areas within the central urban core;
- 17           (D) In outlying areas within the same island as the  
18           development project.

19           The Hawaii community development authority shall  
20          adopt rules relating to the approval of reserved  
21          housing that are developed outside of a community  
22          development district. The rules shall include, but

1 are not limited to, the establishment of guidelines to  
2 ensure compliance with the above priorities.

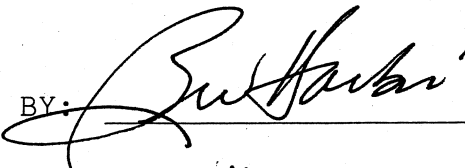
3 (b) Anything to the contrary notwithstanding, unless  
4 authorized by concurrent resolution by the legislature, the  
5 authority may not sell, assign, transfer, convey, exchange,  
6 lease, or otherwise dispose of or encumber any parcel of  
7 undeveloped land or developed land that it holds title to in its  
8 corporate capacity or any real property or other public lands,  
9 developed or undeveloped, that it controls to a private  
10 developer to be developed or redeveloped or refurbished.

11 (c) For purposes of this section, "public lands" has the  
12 same meaning as defined in section 171-2."

13 SECTION 3. Statutory material to be repealed is bracketed  
14 and stricken. New statutory material is underscored.

15 SECTION 4. This Act shall take effect upon its approval;  
16 provided that this Act shall apply retroactively and be  
17 applicable to any transaction entered into by the Hawaii  
18 community development authority and any other person or entity  
19 subsequent to January 18, 2006.

20

INTRODUCED BY: 

JAN 25 2006

HB 3039

**Report Title:**

Hawaii Community Development Authority; Public Lands

**Description:**

Prohibits HCDA from alienating any lands it holds title to or any public lands it controls for development by a private developer.

