

JAN 19 2006

A BILL FOR AN ACT

RELATING TO THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY.

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

1 SECTION 1. The legislature finds that the Hawaii community
2 development authority was established in 1976 to address, among
3 other things, the need for suitable affordable housing and
4 sufficient commercial and industrial facilities for rent.

5 The legislature also finds that the recent actions of the
6 Hawaii community development authority regarding the development
7 of land situated in the Kakaako area of the island of Oahu and
8 makai of Ala Moana boulevard raises fundamental public policy
9 questions regarding not only whether public lands should be sold
10 for residential uses, but also whether the authority's decision-
11 making processes adequately accommodate the needs of the general
12 public.

13 In September 2005, the Hawaii community development
14 authority, the state agency responsible for governing growth in
15 Kakaako, selected Alexander and Baldwin Properties,
16 Incorporated, as the master planner for a prime sixty-two acre
17 tract of waterfront land makai of Ala Moana boulevard only a
18 week after it amended its administrative rules to allow mixed-



1 use development for the area. The authority's administrative
2 rules previously called for commercial development only. While
3 most of Kakaako's waterfront has been reserved for parks and the
4 maritime industry, the Hawaii community development authority
5 approved a redevelopment plan that included residential housing
6 within the Kewalo basin as well as a broad range of commercial
7 uses such as restaurants, markets, and research facilities.
8 Although the legislature supports the development of housing for
9 the current and future residents of the State, the residential
10 unit costs proposed in the Kakaako makai development plans were
11 far from being considered affordable for most citizens.

12 In addition to the residential variance, under the new
13 administrative rules, commercial construction could reach up to
14 sixty-five feet in height, since the authority also elected to
15 increase the Kakaako waterfront's commercial zone height limit
16 along the ewa edge of the Kewalo basin.

17 The legislature further finds that many citizens are
18 concerned over the perceived insensitivity to the needs of the
19 general public exhibited by the authority in its decision-making
20 processes. The timeframe in which the authority's
21 administrative rules were amended and the developer for the
22 Kakaako property was selected provided the general public with



1 very little time to digest the ramifications of the newly
2 amended rules and their impact on the surrounding area.
3 Consequently, many citizens feel as though the project was
4 "fast-tracked" to avoid additional public opposition.

5 The legislature believes that the actions of the Hawaii
6 community development authority regarding the Kakaako area
7 warrant review by the legislature and that, at the same time,
8 the developer selected by the authority should not suffer
9 economic harm for acting in good faith when competing for the
10 right to develop the Kakaako lands.

11 The purpose of this Act is to appropriate funds out of the
12 Hawaii community development revolving fund to reimburse
13 Alexander and Baldwin Properties, Incorporated, for reasonable
14 costs incurred up to September 14, 2005, in developing its
15 proposal for the Kakaako makai development project.

16 SECTION 2. There is appropriated out of the Hawaii
17 community development revolving fund established pursuant to
18 section 206E-16, Hawaii Revised Statutes, the sum of \$,
19 or so much thereof as may be necessary for fiscal year 2006-
20 2007, for the purpose of reimbursing the winning developer of
21 the Kakaako makai development project for reasonable costs
22 incurred up to September 14, 2005.

1 SECTION 3. The sum appropriated shall be expended by the
2 Hawaii community development authority for the purposes of this
3 Act.

4 SECTION 4. This Act shall take effect on July 1, 2006.

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INTRODUCED BY: 

Report Title:

Hawaii Community Development Authority; Developer Reimbursement

Description:

Appropriates funds out of the Hawaii community development revolving fund to reimburse Alexander and Baldwin Properties, Incorporated, for reasonable costs incurred up to September 14, 2005, in developing its proposal for the Kakaako makai development project.

