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# SENATE CONCURRENT RESOLUTION

REQUESTING THAT THE LEGISLATIVE REFERENCE BUREAU STUDY AND  
EVALUATE THE FEASIBILITY OF ESTABLISHING AN ECONOMIC  
REDEVELOPMENT AGENCY FOR THE URBAN CORE OF HONOLULU.

1           WHEREAS, the Joint Legislative Housing and Homeless Task  
2 Force found that aging infrastructure in the Honolulu urban  
3 core, such as the undersized sewer system, is unable to  
4 accommodate an increased density of housing development; and  
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6           WHEREAS, the Joint Legislative Housing and Homeless Task  
7 Force recommended that an appropriate agency be designated to  
8 work with the City and County of Honolulu and stakeholders in  
9 the private sector to develop a plan for the redevelopment of  
10 the Honolulu urban core for affordable housing; and  
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12           WHEREAS, the Hawaii Community Development Authority is a  
13 state agency and public corporate entity established to  
14 revitalize urban areas in need of timely community redevelopment  
15 through coordinated public and private sector efforts; and  
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17           WHEREAS, the Hawaii Community Development Authority has  
18 recently encountered substantial community resistance to  
19 proposals for redevelopment of the Kakaako waterfront with a mix  
20 of housing and other uses; and  
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22           WHEREAS, the Housing and Community Development Corporation  
23 of Hawaii can assist private affordable housing developments  
24 through interim and permanent financing, expedited processing of  
25 governmental approvals, tax exemptions and credits, sales and  
26 counseling services, and technical assistance; and  
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28           WHEREAS, the City and County of Honolulu promotes business  
29 opportunities through its Office of Economic Development, and  
30 provides grants, rehabilitation loans, rental assistance, and  
31 programs to assist low-income residents and the homeless through  
32 its Department of Community Services; and  
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1 WHEREAS, the City and County of Honolulu no longer has an  
2 agency with authority and responsibility for undertaking urban  
3 renewal and housing redevelopment projects; and  
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5 WHEREAS, the City and County of Honolulu requires  
6 developers of vacant or underutilized urban land parcels to fund  
7 offsite infrastructure improvements, the cost of which may  
8 render affordable housing projects economically unfeasible; and  
9

10 WHEREAS, an enabling statute is in place empowering the  
11 counties to create tax increment financing districts and issue  
12 tax increment bonds to implement community redevelopment plans,  
13 but no use has been made of this authority in the City and  
14 County of Honolulu; and  
15

16 WHEREAS, legislation proposing a Honolulu Development  
17 Authority, a body corporate and public instrumentality of the  
18 State with full powers to acquire land and develop affordable  
19 housing in the Honolulu urban core, has been deferred; and  
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21 WHEREAS, no one agency of the State or the City and County  
22 of Honolulu exists to redevelop the urban core of Honolulu with  
23 affordable housing on appropriately sized land parcels serviced  
24 by the necessary infrastructure; and  
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26 WHEREAS, the Portland Development Commission was  
27 established in 1958 as a special purpose government under the  
28 City Council, to serve as the urban renewal, housing, and  
29 economic development agency for the City of Portland, Oregon;  
30 and  
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32 WHEREAS, the Portland Development Commission provides an  
33 important model of public-private partnerships that assemble  
34 underutilized property and finance and develop multi-family  
35 housing, funded primarily by tax increment financing, for a  
36 variety of income levels; now, therefore,  
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38 BE IT RESOLVED by the Senate of the Twenty-third  
39 Legislature of the State of Hawaii, Regular Session of 2006, the  
40 House of Representatives concurring, that the Legislative  
41 Reference Bureau is requested to evaluate the feasibility of  
42 redeveloping certain older neighborhoods for affordable housing  
43 through the establishment of an economic redevelopment agency  
44 for the urban core of Honolulu; and



1 BE IT FURTHER RESOLVED that the Legislative Reference  
 2 Bureau is requested to consult with appropriate government  
 3 agencies, including but not limited to the Hawaii Community  
 4 Development Authority, the Housing and Community Development  
 5 Corporation of Hawaii, the Mayor of the City and County of  
 6 Honolulu, the neighborhood boards, and private stakeholder  
 7 organizations and individuals; and

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 9 BE IT FURTHER RESOLVED that the Legislative Reference  
 10 Bureau is requested to consider the feasibility of:

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- 12 (1) Requiring the functions of the redevelopment agency to  
 13 include:
    - 14 (a) Identification of suitable parcels of land and  
 15 buildings;
    - 16 (b) The necessity of land acquisition and assembly;  
 17 and
    - 18 (c) Infrastructure requirements and means of  
 19 financing improvements; and
  - 20 (2) Requiring an existing rather than a new agency of  
 21 state or county government to undertake the  
 22 redevelopment; and

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 24 BE IT FURTHER RESOLVED that the Legislative Reference  
 25 Bureau is requested to consider whether the redevelopment  
 26 agency:

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- 28 (1) Should be empowered to create superblocks, put  
 29 development rights out to competitive bid, issue long-  
 30 term ground leases, and develop infrastructure and  
 31 multi-family housing projects using tax increment  
 32 financing; and
  - 33 (2) Can have appropriate oversight responsibility and  
 34 accountability, without being unduly encumbered by  
 35 personnel and procurement rules and regulations; and

36  
 37  
 38 BE IT FURTHER RESOLVED that the Legislative Reference  
 39 Bureau is requested to report its findings and recommendations  
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1 to the Legislature twenty days before the convening of the  
2 Regular Session of 2007; and

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4 BE IT FURTHER RESOLVED that certified copies of this  
5 Concurrent Resolution be transmitted to the Acting Director of  
6 the Legislative Reference Bureau, the Executive Director of the  
7 Hawaii Community Development Authority, the Executive Director  
8 of the Housing and Community Development Corporation of Hawaii,  
10 and the Mayor of the City and County of Honolulu.

