
SENATE 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
11

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
21

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
27

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
4

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
20

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
25

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
31

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,
37

38 BE IT RESOLVED by the Senate of the Twenty-third
39 Legislature of the State of Hawaii, Regular Session of 2006,
40 that the Legislative Reference Bureau is requested to evaluate
41 the feasibility of redeveloping certain older neighborhoods for
42 affordable housing through the establishment of an economic
43 redevelopment agency 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

8
 9 BE IT FURTHER RESOLVED that the Legislative Reference
 10 Bureau is requested to consider the feasibility of:

11 (1) Requiring the functions of the redevelopment agency to
 12 include:

13 (a) Identification of suitable parcels of land and
 14 buildings;

15 (b) The necessity of land acquisition and assembly;
 16 and

17 (c) Infrastructure requirements and means of
 18 financing improvements; and

19 (2) Requiring an existing rather than a new agency of
 20 state or county government to undertake the
 21 redevelopment; and

22
 23 BE IT FURTHER RESOLVED that the Legislative Reference
 24 Bureau is requested to consider whether the redevelopment
 25 agency:

26 (1) Should be empowered to put development rights out to
 27 competitive bid, issue long-term ground leases, and
 28 develop infrastructure and multi-family housing
 29 projects using tax increment financing; and

30 (2) Can have appropriate oversight responsibility and
 31 accountability, without being unduly encumbered by
 32 personnel and procurement rules and regulations; and

33 BE IT FURTHER RESOLVED that the Legislative Reference
 34 Bureau is requested to report its findings and recommendations
 35 to the Legislature twenty days before the convening of the
 36 Regular Session of 2007; and



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

