
A BILL FOR AN ACT

RELATING TO KAKAAKO.

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

1 SECTION 1. The legislature finds that in early 2007, the
2 Hawaii community development authority plans to begin the Queen
3 street widening project referred to as ID-11. Although this
4 project includes features that benefit the community at large,
5 the widening project will have serious impacts for small
6 businesses in the Queen street area between Kamakee street and
7 Ward avenue.

8 During 2005-2006, state and county elected officials sought
9 to work with the Hawaii community development authority and the
10 county administration in arriving at solutions for two issues of
11 particular concern for small businesses in the area:

12 (1) Loss of parking immediately adjacent to the
13 businesses; and

14 (2) The businesses share of assessments for the road
15 improvements.

16 Affected small businesses also participated in the Kakaako
17 mauka plan and rules revisions community meetings, which led to



1 proposed 2006 plan revisions that tackle the adjacent parking
2 issues, fee assessments, and related community and business
3 issues on Queen street in a practical manner. In part, the
4 revisions:

- 5 (1) Recommend deletion of the Halekauwila-Queen streets
6 couplet (part of the original street-widening
7 rationale);
- 8 (2) Propose that all streets have sidewalks and drainage
9 as part of the long-term improvements; and
- 10 (3) Propose that no new improvement districts (ID) for the
11 central Kakaako area be programmed unless initiated or
12 supported by the small business community and
13 landowners; with fee assessments, parking, and
14 business disruption issues resolved before initiation
15 of an ID project.

16 In addition, a portion of the Queen street widening project
17 between Kamakee street and Cooke street has not been funded by
18 the legislature. Therefore, rather than embarking on half of
19 the Queen street improvements on a piece-meal basis, the most
20 cost-effective approach is to modify the Queen street
21 realignment project to conform to recommendations in the Kakaako
22 mauka plan and rules revisions. Further community meetings were



1 held in December 2006, and final public review and adoption of
2 the plan's 2006 revisions will not be completed until mid-2007.

3 The purpose of this Act is to:

4 (1) Establish a Kakaako central small business district;

5 (2) Require the authority to confer and obtain consensus
6 from the real property owners and small businesses
7 within and adjacent to a proposed public facility
8 prior to undertaking any public facility as part of
9 the district-wide improvement program;

10 (3) Require the transfer of revenues collected from any
11 assessments made and received between July 1, 2001,
12 and June 30, 2005, to the department of education; and

13 (4) Require modification of the Queen street realignment
14 project between Kamakee street and Cooke street, in
15 conjunction with recommendations made by the Kakaako
16 mauka plan and rules revisions.

17 SECTION 2. Chapter 206E, Hawaii Revised Statutes, is
18 amended by adding a new section to be appropriately designated
19 and to read as follows:

20 **"§206E- Kakaako central small business district;**
21 **established.** Within the Kakaako community, there is established
22 the Kakaako central small business district. The district shall



1 include the area bounded by Kapiolani boulevard from its
2 intersection with Cooke street to Drier street; to Waimanu
3 street; Waimanu street from its intersection with Drier street;
4 to Queen street; Queen street from its merge with Waimanu street
5 to Ward avenue; Ward avenue from its intersection with Queen
6 street to Auahi street; Auahi street from its intersection with
7 Ward avenue to Cooke street; and Cooke street from its
8 intersection with Auahi street to Kapiolani boulevard."

9 SECTION 3. Section 206E-6, Hawaii Revised Statutes, is
10 amended by amending subsections (a) and (b) to read as follows:

11 "(a) The authority shall develop a district-wide
12 improvement program to identify necessary district-wide public
13 facilities within a community development district[-]; provided
14 that prior to undertaking any public facility as part of the
15 districtwide improvement program pursuant to subsection (b), the
16 authority shall confer and obtain consensus from the real
17 property owners and small businesses within and adjacent to the
18 proposed public facility.

19 (b) Whenever the authority shall determine to undertake,
20 or cause to be undertaken, any public facility as part of the
21 district-wide improvement program, the cost of providing the
22 public facilities [~~shall~~] may be assessed against the real



1 property in the community development district specially
2 benefiting from [~~such~~] the public facilities[~~-~~]; pursuant to
3 subsection (a). The authority shall determine the areas of the
4 community development district [~~which~~] that will benefit from
5 the public facilities to be undertaken and, if less than the
6 entire community development district benefits, the authority
7 may establish assessment areas within the community development
8 district[~~-~~]; pursuant to subsection (a). The authority may
9 issue and sell bonds in [~~such~~] amounts as may be authorized by
10 the legislature to provide funds to finance [~~such~~] the public
11 facilities. The authority [~~shall~~] may fix the assessments
12 against real property specially benefited[~~-~~]; pursuant to
13 subsection (a). All assessments made pursuant to this section
14 shall be a statutory lien against each lot or parcel of land
15 assessed from the date of the notice declaring the assessment
16 until paid and [~~such~~] the lien shall have priority over all
17 other liens except the lien of property taxes. As between liens
18 of assessments, the earlier lien shall be superior to the later
19 lien."

20 SECTION 4. Section 206E-16, Hawaii Revised Statutes, is
21 amended to read as follows:



1 " ~~[+]§206E-16[+]~~ **Hawaii community development revolving**
2 **fund.** There is created the Hawaii community development
3 revolving fund into which all receipts and revenues of the
4 authority shall be deposited. Proceeds from the fund shall be
5 used for the purposes of this chapter~~[-]~~; provided that the
6 authority shall transfer an amount equal to any receipts and
7 revenues from any assessment made pursuant to section 206E-6(b),
8 received between July 1, 2001, and June 30, 2005, to the
9 department of education. The department of education shall:

10 (1) Identify those schools directly adjoining or serving
11 the Kakaako community development district, with
12 student populations that reflect a disproportionate
13 share of low socioeconomic strata, unmet community
14 needs, and a proliferation of high-density residences;
15 and

16 (2) Develop an expenditure plan to serve the target
17 schools.

18 The department of education shall report on its findings and
19 expenditure plan twenty days prior to the convening of the
20 regular session of 2008; and its expenditures by the schools and
21 school complexes annually thereafter."



1 SECTION 5. Notwithstanding any law to the contrary, the
2 Hawaii community development authority shall not plan, engage
3 in, begin, or continue any capital improvement project within
4 the Kakaako central small business district as identified in
5 section 206E- , Hawaii Revised Statutes, that involve any
6 infrastructure construction or street improvements, pending
7 adoption by the authority of the Kakaako mauka plan and rules
8 revisions; provided that this moratorium shall not apply to any
9 emergency capital improvement project that is required to repair
10 any damage to infrastructure or a street caused by a natural
11 disaster or act of god and necessary to safeguard the health and
12 safety of the general public.

13 SECTION 6. Statutory material to be repealed is bracketed
14 and stricken. New statutory material is underscored.

15 SECTION 7. This Act shall take effect on July 1, 2007.



Report Title:

HCDA; Kakaako; Public Facility Projects

Description:

Establishes Kakaako central small business district; requires the authority to confer and obtain consensus from real property owners within and adjacent to a proposed public facility prior to undertaking any public facility as part of the district-wide improvement program; requires the authority to transfer an amount equal to assessments received from 2001-2005, to the department of education. (SD1)

