



GOV. MSG. NO. 1255

EXECUTIVE CHAMBERS  
HONOLULU

NEIL ABERCROMBIE  
GOVERNOR

June 23, 2011

The Honorable Shan Tsutsui, President  
and Members of the Senate  
Twenty-Sixth State Legislature  
State Capitol, Room 409  
Honolulu, Hawaii 96813

The Honorable Calvin Say, Speaker  
and Members of the House  
Twenty-Sixth State Legislature  
State Capitol, Room 431  
Honolulu, Hawaii 96813

Dear President Tsutsui, Speaker Say and Members of the Legislature:

This is to inform you that on June 23, 2011, the following bill was signed into law:

HB1020 HD2 SD2 CD1

RELATING TO THE ALOHA TOWER  
DEVELOPMENT CORPORATION  
Act 152 (11)

*Aloha*  
Sincerely,  
*Neil Abercrombie*

NEIL ABERCROMBIE  
Governor, State of Hawaii

Approved by the Governor.

ORIGINAL

on JUN 23 2011

HOUSE OF REPRESENTATIVES  
TWENTY-SIXTH LEGISLATURE, 2011  
STATE OF HAWAII

ACT 152  
H.B. NO.

1020  
H.D. 2  
S.D. 2  
C.D. 1

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## A BILL FOR AN ACT

RELATING TO THE ALOHA TOWER DEVELOPMENT CORPORATION.

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

1 SECTION 1. Section 206J-3, Hawaii Revised Statutes, is  
2 amended to read as follows:  
3 "**§206J-3 Aloha Tower complex; designated boundaries.** The  
4 Aloha Tower complex is established. The complex shall include  
5 the area bounded by Nimitz Highway beginning at its intersection  
6 with the Diamond Head boundary of tax map key 2-1-13:7 north  
7 along Nimitz Highway to its intersection [~~with the makai~~  
8 ~~boundary of tax map key 1 7 1:6; northeast along River Street to~~  
9 ~~its intersection with King Street; north along King Street to~~  
10 ~~its intersection with Iwilei Road west along Iwilei Road to its~~  
11 ~~intersection with Nimitz Highway at the Ewa makai corner of tax~~  
12 ~~map key 1 5 08:1; south along Nimitz Highway to its intersection~~  
13 ~~with the boundary between tax map key 1 5 8:1 and tax map key 1-~~  
14 ~~5 8:9; west along a line to the Diamond Head mauka corner of tax~~  
15 ~~map key 1 5 40:4; west along Nimitz Highway to its intersection~~  
16 ~~with the Ewa boundary of tax map key 1 5 38:4; south along the~~  
17 ~~Ewa boundaries of tax map key 1 5 38:4 and 1 5 38:5 to Honolulu~~  
18 ~~Harbor; east along the waterfront boundary of tax map key 1 5-~~

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1 ~~38.5 to Pier 23; south along Pier 23 to the southwest end of~~  
2 ~~Pier 22; continuing along a line in the same direction to its~~  
3 ~~intersection with the Honolulu Harbor Federal Project Line;~~  
4 ~~northeast along the Honolulu Harbor Federal Project Line to a~~  
5 ~~point in Honolulu Harbor 475 feet perpendicular to Pier 11;~~  
6 ~~southwest along a line parallel to Piers 10 and 11 to its~~  
7 ~~intersection with a line extending from the southwest end of~~  
8 ~~Pier 22 to the point of intersection of the Honolulu Harbor~~  
9 ~~Federal Project Line and a line extending along Pier 8 into~~  
10 ~~Honolulu Harbor; southeast along a line to the point of~~  
11 ~~intersection of the Honolulu Federal Project Line and a line~~  
12 ~~extending along Pier 8 into Honolulu Harbor; southeast along the~~  
13 ~~Honolulu Harbor Federal Project Line to its intersection with a~~  
14 ~~line extending along Pier 4 into Honolulu Harbor; east along a~~  
15 ~~line from that intersection and along Pier 4 to its intersection~~  
16 ~~with Nimitz Highway;] at Pier 11 and Nimitz Highway; southwest~~  
17 ~~along the face of Piers 10 and 11; southeast along the face of~~  
18 ~~Pier 9; northeast along the face of Pier 8; southeast parallel~~  
19 ~~along the revetment of Ala Moana Boulevard and to include Pier~~  
20 ~~7; southwest along Pier 6 and its shoreline and around to Pier 5~~  
21 ~~and its shoreline; northeast to Ala Moana Boulevard; north along~~  
22 ~~Nimitz Highway to its intersection with Richards Street;~~



1 southwest along Richards Street to its intersection with Ala  
2 Moana Boulevard; northwest along Ala Moana Boulevard to its  
3 intersection with the Ewa boundary of tax map key 2-1-14:6;  
4 northeast along the Ewa boundary of tax map key 2-1-14:6 to its  
5 Ewa mauka corner; and northwest across Bishop Street to the  
6 point of beginning at the intersection of the Diamond Head  
7 boundary of tax map key 2-1-13:7 and Nimitz Highway. [The  
8 ~~complex shall also include the area bounded by Iwilei Road~~  
9 ~~beginning with its intersection with Nimitz Highway; west along~~  
10 ~~Iwilei Road to its intersection with Pacific Street; southeast~~  
11 ~~along Pacific Street to its intersection with the Ewa mauka~~  
12 ~~corner of tax map key 1-5-38:4; east along Nimitz Highway to its~~  
13 ~~intersection with the Diamond Head mauka corner of tax map key~~  
14 ~~1-50-40:4; east along a line to the point of intersection at the~~  
15 ~~boundary between tax map key 1-5-8:1 and tax map key 1-5-8:9;~~  
16 ~~north along Nimitz Highway to the point of beginning at the~~  
17 ~~intersection of Nimitz Highway and Iwilei Road. All fast and~~  
18 ~~submerged lands contained within these areas shall also be~~  
19 ~~included.] "~~

20 SECTION 2. Section 206J-4, Hawaii Revised Statutes, is  
21 amended by amending subsections (a) and (b) to read as follows:



1           "(a) There is established the Aloha Tower development  
2 corporation, which shall be a public body corporate and politic,  
3 a public instrumentality, and an agency of the State. The  
4 development corporation shall be placed within the department of  
5 ~~[business, economic development, and tourism]~~ transportation for  
6 administrative purposes, pursuant to section 26-35.

7           (b) ~~[Except as provided in section 206J 5.5, the]~~ The  
8 development corporation shall consist of a board of directors  
9 having ~~[seven]~~ three voting members~~[-]~~: The director of  
10 business, economic development, and tourism, the director of  
11 transportation, ~~[the chairperson of the board of land and~~  
12 ~~natural resources, and the mayor of the city and county of~~  
13 ~~Honolulu, or their respective designated representatives, shall~~  
14 ~~serve as ex officio voting members.]~~ and the deputy director of  
15 transportation, harbors division. ~~[Three members from the~~  
16 ~~public at large shall be appointed by the governor for staggered~~  
17 ~~terms pursuant to section 26-34 and shall also serve as voting~~  
18 ~~members; provided that no public member shall be an officer or~~  
19 ~~employee of the State or its political subdivisions. All~~  
20 ~~members shall continue in office until their respective~~  
21 ~~successors have been appointed.]~~ The board, by a majority vote,  
22 shall elect a chairperson from within its membership."



1 SECTION 3. Section 206J-17, Hawaii Revised Statutes, is  
2 amended as follows:

3 1. By amending subsection (a) to read:

4 "(a) There is created the Aloha Tower fund. [~~All~~

5 ~~(1) Moneys,~~

6 ~~(2) Rentals,~~

7 ~~(3) Charges,~~

8 ~~(4) Other]~~ All moneys, rentals, charges, other revenues of  
9 the development corporation~~+~~, and

10 [~~(5) Moneys]~~ moneys or charges received by the department  
11 of [~~business, economic development, and tourism,~~  
12 transportation,

13 including reimbursements for costs and staff services as a  
14 result of planning, development, or redevelopment of the lands  
15 located seaward of Nimitz Highway between Pier 4 and [~~the~~  
16 ~~Honolulu International Airport]~~ Pier 11 shall be deposited into  
17 the fund."

18 2. By amending subsection (c) to read:

19 "(c) The moneys on deposit in the fund shall be used for  
20 the purposes of this chapter, lease payments to the department  
21 of transportation, and for the development, redevelopment, or  
22 improvement of the Honolulu Waterfront located seaward of Nimitz



1 Highway between Pier 4 and [~~the Honolulu International Airport.~~]  
2 Pier 11."

3 SECTION 4. Section 206J-5.5, Hawaii Revised Statutes, is  
4 repealed.

5 [~~"§206J-5.5 Partnership with department of transportation  
6 for the implementation of the commercial harbors modernization  
7 plan and the establishment of the harbors modernization group.~~

8 ~~(a) Consistent with its general powers under this chapter, the  
9 development corporation shall establish a subgroup called the  
10 harbors modernization group to undertake projects for the  
11 commercial harbors modernization plan in subsection (b), which  
12 are under the jurisdiction of the department of transportation.  
13 Notwithstanding any provision in section 206J-17 to the  
14 contrary, payments to the development corporation for its  
15 administrative and operational expenses shall be made by the  
16 department of transportation and deposited into the Aloha Tower  
17 fund in a subaccount designated for commercial harbors  
18 modernization plan projects. The department of transportation  
19 shall delegate to the development corporation the implementation  
20 of commercial harbors modernization plan projects. All  
21 projects, prior to implementation by the development  
22 corporation, shall be approved by the director of transportation~~



1 ~~and the governor. After approval by the director of~~  
2 ~~transportation and the governor, the expending authority for the~~  
3 ~~approved projects shall be delegated to the development~~  
4 ~~corporation.~~

5 ~~(b) The harbors modernization group shall have~~  
6 ~~jurisdiction over harbors projects that shall collectively be~~  
7 ~~known as the commercial harbors modernization plan. These~~  
8 ~~harbor projects shall be as follows:~~

9 ~~(1) Honolulu harbor. Development of infrastructure,~~  
10 ~~expansion of facilities, and tenant relocations,~~  
11 ~~including the development of the new Kapalama~~  
12 ~~container terminal;~~

13 ~~(2) Kahului harbor. Development of infrastructure,~~  
14 ~~expansion of facilities, tenant relocations, and~~  
15 ~~acquisition of lands, including the West harbor barge~~  
16 ~~or ferry slip or both, West harbor dredging and~~  
17 ~~breakwater, West harbor cruise terminal, Pier 1 fuel~~  
18 ~~line replacement and upgrade, East harbor breakwater,~~  
19 ~~and Pier 2B strengthening;~~

20 ~~(3) Hana Harbor. Development of infrastructure,~~  
21 ~~demolition, as necessary, and expansion of facilities~~  
22 ~~and acquisition of lands;~~





- 1       ~~(4) Hilo harbor. Development of infrastructure, expansion~~  
2       ~~of facilities, tenant relocations, and acquisition of~~  
3       ~~lands, including the Pier 4 interisland cargo~~  
4       ~~terminal,~~
- 5       ~~(5) Kawaihae harbor. Development of infrastructure,~~  
6       ~~expansion of facilities, tenant relocations,~~  
7       ~~acquisition of lands, including the Pier 2 terminal~~  
8       ~~and barge improvements, Pier 2 extension and terminal,~~  
9       ~~and Pier 4 and liquid bulk terminals,~~
- 10       ~~(6) Kalaelea harbor. Development of infrastructure,~~  
11       ~~expansion of facilities, tenant relocations, and~~  
12       ~~acquisition of lands, including the West harbor~~  
13       ~~infrastructure, Pier 4 dedicated fuel pier, and~~  
14       ~~extension of the fuel line, and~~
- 15       ~~(7) Nawiliwili harbor. Development of infrastructure,~~  
16       ~~expansion of facilities, tenant relocations, and~~  
17       ~~acquisition of lands, including the new multi use~~  
18       ~~pier.~~
- 19       ~~(c) For the purposes of this section, the chief executive~~  
20       ~~officer shall have the power to appoint officers, agents, and~~  
21       ~~employees, prescribe their duties and qualifications, and fix~~  
22       ~~their salaries, without regard to chapter 76.~~



1       ~~(d) Land disposition matters in projects identified in the~~  
2 ~~commercial harbors modernization plan, including land~~  
3 ~~acquisition, leasing, and conveyance, and acquisition of~~  
4 ~~easements or right of ways, shall continue to be under the~~  
5 ~~jurisdiction of the board of land and natural resources pursuant~~  
6 ~~to chapter 171.~~

7       ~~(e) The harbors modernization group, when acting pursuant~~  
8 ~~to subsection (f), shall retain all the powers of the~~  
9 ~~development corporation under sections 206J 5 to 206J 21.~~

10       ~~(f) Except as otherwise provided in this subsection, the~~  
11 ~~harbors modernization group shall be comprised of six voting~~  
12 ~~members appointed by the governor to the development corporation~~  
13 ~~in addition to those members appointed under section 206J 4(b),~~  
14 ~~and pursuant to section 26 34.~~

15       ~~The harbors modernization group shall consist of:~~

16       ~~(1) The director of budget and finance, or a designated~~  
17 ~~representative, who shall serve as an ex officio~~  
18 ~~voting member;~~

19       ~~(2) Two public members from the maritime industry who~~  
20 ~~shall be directly involved with a harbor or offshore~~  
21 ~~mooring facility that is primarily for the movement of~~  
22 ~~commercial cargo, passenger, and fishing vessels~~



1 ~~entering, leaving, or traveling within the state~~  
2 ~~harbor system, or directly involved with an activity~~  
3 ~~that requires and is directly related to the loading,~~  
4 ~~offloading, storage, or distribution of goods and~~  
5 ~~services by means of seaborne transportation; and~~  
6 ~~(3) The mayors of the counties of Hawaii, Maui, and Kauai,~~  
7 ~~or their designated representatives, who shall serve~~  
8 ~~as ex officio voting members.~~

9 ~~The members of the harbors modernization group shall serve~~  
10 ~~for four year terms and shall continue in office until their~~  
11 ~~respective successors have been appointed. The chairperson of~~  
12 ~~the corporation board shall serve as the chairperson of the~~  
13 ~~harbors modernization group.~~

14 ~~The members of the harbors modernization group shall act~~  
15 ~~and be counted in determining quorum and majority for~~  
16 ~~development corporation actions only with respect to directing~~  
17 ~~the planning, design, construction, and financing of the harbor~~  
18 ~~projects identified in the commercial harbors modernization~~  
19 ~~plan. A majority of members of the development corporation and~~  
20 ~~four of the six members of the harbor modernization group shall~~  
21 ~~constitute quorum for matters relating to directing the~~  
22 ~~planning, design, construction, and financing of the harbor~~



~~1 projects identified in the commercial harbors modernization  
2 plan. A majority of the voting members of the quorum shall be  
3 required to validate any act relating to the harbor projects.  
4 These members shall serve without compensation, but each member  
5 shall be reimbursed for expenses, including travel expenses,  
6 incurred in the performance of their duties.~~

~~7 (g) Subject to existing contractual and statutory  
8 commitments to the department of transportation for any losses  
9 in revenue under this chapter, the development corporation may  
10 apply any revenues derived from commercial development projects  
11 in the Aloha Tower project area to defray the cost of harbor  
12 infrastructure improvements incurred within the State." ]~~

13 SECTION 5. All fund balances remaining unencumbered and  
14 unexpended as of June 30, 2011, in the Aloha Tower Fund shall  
15 lapse to the credit of the harbor special fund and shall be used  
16 for operating expenses for the Aloha Tower development  
17 corporation.

18 The sum appropriated shall be expended by the department of  
19 transportation for the purposes of this Act.

20 SECTION 6. Statutory material to be repealed is bracketed  
21 and stricken. New statutory material is underscored.

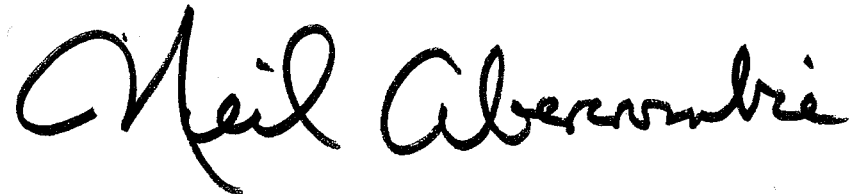
22 SECTION 7. This Act shall take effect on July 1, 2011.



H.B. NO. 1020  
H.D. 2  
S.D. 2  
C.D. 1

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APPROVED this 23 day of JUN, 2011

A handwritten signature in black ink that reads "Neil Abernethy". The signature is written in a cursive style with a large initial "N".

GOVERNOR OF THE STATE OF HAWAII