
A BILL FOR AN ACT

RELATING TO THE ALOHA TOWER DEVELOPMENT CORPORATION.

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

PART I

1
2 SECTION 1. Chapter 206E, Hawaii Revised Statutes, is
3 amended by adding a new part to be appropriately designated and
4 to read as follows:

5 **"PART .. ALOHA TOWER COMMUNITY DEVELOPMENT DISTRICT**

6 **§206E-A Established; boundaries.** The Aloha Tower
7 community development district is established. The district
8 shall be located entirely within the Kakaako community
9 development district and shall have the boundaries established
10 pursuant to section 206E-32.

11 **§206E-B Community development rules; powers and duties**
12 **limited.** Notwithstanding any provision to the contrary, the
13 authority shall establish community development rules under
14 chapter 91 on health, safety, building, planning, zoning, and
15 land use which, upon final adoption of a community development
16 plan, shall supersede all other inconsistent ordinances and
17 rules relating to the use, zoning, planning, and development of
18 land and construction thereon, in accordance with section



1 206E-7; provided that any rights, powers, functions, and duties
2 related to the administration of the district that are not
3 specifically enumerated in this section are transferred to the
4 department of transportation, in accordance with chapter 266."

5 SECTION 2. Chapter 266, Hawaii Revised Statutes, is
6 amended by adding two new sections to be appropriately
7 designated and to read as follows:

8 "§266- Harbors modernization group; commercial harbors
9 modernization plan. (a) No later than July 1, 2011, the
10 harbors modernization group shall be administratively placed
11 under the department of transportation. The harbors
12 modernization group shall have jurisdiction over harbors
13 projects for the commercial harbors modernization plan described
14 in subsection (b). All projects, prior to implementation, shall
15 be approved by the governor. If the governor approves a
16 project, the harbors modernization group shall have expending
17 authority over the approved project, notwithstanding any law to
18 the contrary.

19 For purposes of this subsection, the department of
20 transportation shall seek the input and guidance of the United
21 States Department of Transportation Maritime Administration in
22 the management of the harbors modernization project; provided



1 that the department of transportation may enter into an
2 agreement with the United States Department of Transportation
3 Maritime Administration for the purpose of infrastructure
4 improvements of harbors statewide.

5 (b) The harbors modernization group shall have
6 jurisdiction over harbors projects, to be known collectively as
7 the commercial harbors modernization plan, which shall be
8 completed no later than June 30, 2017. These harbors projects
9 shall be as follows:

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

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



- 1 (3) Hana harbor. Development of infrastructure,
2 demolition, as necessary, expansion of facilities, and
3 acquisition of lands;
- 4 (4) Hilo harbor. Development of infrastructure, expansion
5 of facilities, tenant relocations, and acquisition of
6 lands, including the Pier 4 interisland cargo
7 terminal;
- 8 (5) Kawaihae harbor. Development of infrastructure,
9 expansion of facilities, tenant relocations,
10 acquisition of lands, including the Pier 2 terminal
11 and barge improvements, Pier 2 extension and terminal,
12 and Pier 4 and liquid bulk terminals;
- 13 (6) Kalaeloa harbor. Development of infrastructure,
14 expansion of facilities, tenant relocations, and
15 acquisition of lands, including the West harbor
16 infrastructure, Pier 4 dedicated fuel pier, and
17 extension of the fuel line; and
- 18 (7) Nawiliwili harbor. Development of infrastructure,
19 expansion of facilities, tenant relocations, and
20 acquisition of lands, including the new multi-use
21 pier.



1 (c) Land disposition matters in projects identified in the
2 commercial harbors modernization plan, including land
3 acquisition, leasing, and conveyance, and acquisitions of
4 easements or rights-of-way, shall be under the jurisdiction of
5 the board of land and natural resources pursuant to chapter 171.

6 (d) The harbors modernization group shall be comprised of
7 four voting members, as follows:

8 (1) The director of transportation, or the director's
9 designee, who shall serve as chairperson;

10 (2) The director of finance, or the director's designee;
11 and

12 (3) Two public members, not including any officer or
13 employee of the State, one to be appointed by the
14 governor from a list of three nominees submitted to
15 the governor by the president of the senate, and one
16 to be approved by the governor from a list of three
17 nominees submitted to the governor by the speaker of
18 the house of representatives; provided that the two
19 public members shall each be directly involved with:

20 (A) Any harbor or offshore mooring facility in the
21 State that is primarily involved with the
22 movement of commercial cargo and passenger



1 vessels entering, departing, or traveling within
2 the state harbor system;

3 (B) An activity that requires or is otherwise
4 directly related to the loading, offloading,
5 storage, or distribution of goods and services by
6 means of seaborne transportation; or

7 (C) Activities that:

8 (i) Promote the welfare, growth, and economic
9 interests of Hawaii's commercial harbors and
10 harbor facilities;

11 (ii) Assist and inform harbor users of, and
12 assist harbor users in, the interpretation
13 of laws, rules, regulations, and proposed
14 and pending legislation applicable to Hawaii
15 harbors and harbor facilities for compliance
16 purposes; and

17 (iii) Foster and encourage the development and
18 improvement of Hawaii harbors and harbor
19 facilities.

20 The members of the harbors modernization group shall serve
21 for four year terms and shall continue in office until their
22 respective successors have been appointed.



1 The members of the harbors modernization group shall serve
2 without compensation, but each member shall be reimbursed for
3 expenses, including travel expenses, incurred in the performance
4 of their duties.

5 For purposes of conducting business, a majority of the
6 members of the harbors modernization group shall constitute a
7 quorum. For purposes of voting, a majority of the quorum shall
8 be required for decision making.

9 (e) The department of transportation may apply any
10 revenues derived from commercial development projects in the
11 state harbors to defray the cost of harbor infrastructure
12 improvements.

13 (f) The harbors modernization group shall cease to exist
14 when the harbors modernization plan is completed.

15 §266- **Aloha Tower fund.** There is created the Aloha
16 Tower fund, to be placed for administrative purposes under the
17 department of transportation. All moneys, rental fees, charges,
18 and other revenues of the department derived from the Aloha
19 Tower Marketplace Project shall be deposited into the fund."

20 SECTION 3. Section 26-18, Hawaii Revised Statutes, is
21 amended by amending subsection (b) to read as follows:



1 "(b) The following are placed in the department of
2 business, economic development, and tourism for administrative
3 purposes as defined by section 26-35: [~~Aloha Tower development~~
4 ~~corporation,~~] Hawaii community development authority, Hawaii
5 housing finance and development corporation, high technology
6 development corporation, land use commission, natural energy
7 laboratory of Hawaii authority, and any other boards and
8 commissions as shall be provided by law.

9 The department of business, economic development, and
10 tourism shall be empowered to establish, modify, or abolish
11 statistical boundaries for cities, towns, or villages in the
12 State and shall publish, as expeditiously as possible, an up-to-
13 date list of cities, towns, and villages after changes to
14 statistical boundaries have been made."

15 SECTION 4. Section 36-27, Hawaii Revised Statutes, is
16 amended by amending subsection (a) to read as follows:

17 "(a) Except as provided in this section, and
18 notwithstanding any other law to the contrary, from time to
19 time, the director of finance, for the purpose of defraying the
20 prorated estimate of central service expenses of government in
21 relation to all special funds, except the:



- 1 (1) Special out-of-school time instructional program fund
- 2 under section 302A-1310;
- 3 (2) School cafeteria special funds of the department of
- 4 education;
- 5 (3) Special funds of the University of Hawaii;
- 6 (4) State educational facilities improvement special fund;
- 7 (5) Convention center enterprise special fund under
- 8 section 201B-8;
- 9 (6) Special funds established by section 206E-6;
- 10 (7) Housing loan program revenue bond special fund;
- 11 (8) Housing project bond special fund;
- 12 (9) Aloha Tower fund created by section [~~206J-17~~] 266- ;
- 13 (10) Funds of the employees' retirement system created by
- 14 section 88-109;
- 15 (11) Unemployment compensation fund established under
- 16 section 383-121;
- 17 (12) Hawaii hurricane relief fund established under chapter
- 18 431P;
- 19 (13) Hawaii health systems corporation special funds and
- 20 the subaccounts of its regional system boards;
- 21 (14) Tourism special fund established under section 201B-
- 22 11;



- 1 (15) Universal service fund established under section 269-
2 42;
- 3 (16) Emergency and budget reserve fund under section 328L-
4 3;
- 5 (17) Public schools special fees and charges fund under
6 section 302A-1130;
- 7 (18) Sport fish special fund under section 187A-9.5;
- 8 (19) Glass advance disposal fee established by section
9 342G-82;
- 10 (20) Center for nursing special fund under section 304A-
11 2163;
- 12 (21) Passenger facility charge special fund established by
13 section 261-5.5;
- 14 (22) Court interpreting services revolving fund under
15 section 607-1.5;
- 16 (23) Hawaii cancer research special fund;
- 17 (24) Community health centers special fund;
- 18 (25) Emergency medical services special fund;
- 19 (26) Rental motor vehicle customer facility charge special
20 fund established under section 261-5.6; and
- 21 (27) Shared services technology special fund under section
22 27-43,



1 shall deduct five per cent of all receipts of all special funds,
2 which deduction shall be transferred to the general fund of the
3 State and become general realizations of the State. All
4 officers of the State and other persons having power to allocate
5 or disburse any special funds shall cooperate with the director
6 in effecting these transfers. To determine the proper revenue
7 base upon which the central service assessment is to be
8 calculated, the director shall adopt rules pursuant to chapter
9 91 for the purpose of suspending or limiting the application of
10 the central service assessment of any fund. No later than
11 twenty days prior to the convening of each regular session of
12 the legislature, the director shall report all central service
13 assessments made during the preceding fiscal year."

14 SECTION 5. Section 36-30, Hawaii Revised Statutes, is
15 amended by amending subsection (a) to read as follows:

- 16 "(a) Each special fund, except the:
- 17 (1) Transportation use special fund established by section
18 261D-1;
 - 19 (2) Special out-of-school time instructional program fund
20 under section 302A-1310;
 - 21 (3) School cafeteria special funds of the department of
22 education;



- 1 (4) Special funds of the University of Hawaii;
- 2 (5) State educational facilities improvement special fund;
- 3 (6) Special funds established by section 206E-6;
- 4 (7) Aloha Tower fund created by section [~~206J-17;~~] 266- ;
- 5 (8) Funds of the employees' retirement system created by
- 6 section 88-109;
- 7 (9) Unemployment compensation fund established under
- 8 section 383-121;
- 9 (10) Hawaii hurricane relief fund established under section
- 10 431P-2;
- 11 (11) Convention center enterprise special fund established
- 12 under section 201B-8;
- 13 (12) Hawaii health systems corporation special funds and
- 14 the subaccounts of its regional system boards;
- 15 (13) Tourism special fund established under section 201B-
- 16 11;
- 17 (14) Universal service fund established under section 269-
- 18 42;
- 19 (15) Emergency and budget reserve fund under section 328L-
- 20 3;
- 21 (16) Public schools special fees and charges fund under
- 22 section 302A-1130;



- 1 (17) Sport fish special fund under section 187A-9.5;
- 2 (18) Center for nursing special fund under section 304A-
- 3 2163;
- 4 (19) Passenger facility charge special fund established by
- 5 section 261-5.5;
- 6 (20) Court interpreting services revolving fund under
- 7 section 607-1.5;
- 8 (21) Hawaii cancer research special fund;
- 9 (22) Community health centers special fund;
- 10 (23) Emergency medical services special fund;
- 11 (24) Rental motor vehicle customer facility charge special
- 12 fund established under section 261-5.6; and
- 13 (25) Shared services technology special fund under section
- 14 27-43,

15 shall be responsible for its pro rata share of the
 16 administrative expenses incurred by the department responsible
 17 for the operations supported by the special fund concerned."

18 SECTION 6. Section 171-2, Hawaii Revised Statutes, is
 19 amended to read as follows:

20 "**§171-2 Definition of public lands.** "Public lands" means
 21 all lands or interest therein in the State classed as government
 22 or crown lands previous to August 15, 1895, or acquired or



1 reserved by the government upon or subsequent to that date by
2 purchase, exchange, escheat, or the exercise of the right of
3 eminent domain, or in any other manner; including accreted lands
4 not otherwise awarded, submerged lands, and lands beneath tidal
5 waters which are suitable for reclamation, together with
6 reclaimed lands which have been given the status of public lands
7 under this chapter, except:

- 8 (1) Lands designated in section 203 of the Hawaiian Homes
9 Commission Act, 1920, as amended;
- 10 (2) Lands set aside pursuant to law for the use of the
11 United States;
- 12 (3) Lands being used for roads and streets;
- 13 (4) Lands to which the United States relinquished the
14 absolute fee and ownership under section 91 of the
15 Hawaiian Organic Act prior to the admission of Hawaii
16 as a state of the United States unless subsequently
17 placed under the control of the board of land and
18 natural resources and given the status of public lands
19 in accordance with the State Constitution, the
20 Hawaiian Homes Commission Act, 1920, as amended, or
21 other laws;
- 22 (5) Lands to which the University of Hawaii holds title;



- 1 (6) Lands to which the Hawaii housing finance and
- 2 development corporation in its corporate capacity
- 3 holds title;
- 4 (7) Lands to which the Hawaii community development
- 5 authority in its corporate capacity holds title;
- 6 (8) Lands to which the department of agriculture holds
- 7 title by way of foreclosure, voluntary surrender, or
- 8 otherwise, to recover moneys loaned or to recover
- 9 debts otherwise owed the department under chapter 167;
- 10 ~~[-(9) Lands which are set aside by the governor to the Aloha~~
- 11 ~~Tower development corporation; lands leased to the~~
- 12 ~~Aloha Tower development corporation by any department~~
- 13 ~~or agency of the State; or lands to which the Aloha~~
- 14 ~~Tower development corporation holds title in its~~
- 15 ~~corporate capacity;]~~
- 16 ~~[-(10)]~~ (9) Lands which are set aside by the governor to the
- 17 agribusiness development corporation; lands leased to
- 18 the agribusiness development corporation by any
- 19 department or agency of the State; or lands to which
- 20 the agribusiness development corporation in its
- 21 corporate capacity holds title; and



1 [~~11~~] (10) Lands to which the high technology development
2 corporation in its corporate capacity holds title."

3 SECTION 7. Section 171-64.7, Hawaii Revised Statutes, is
4 amended by amending subsection (a) to read as follows:

5 "(a) This section applies to all lands or interest therein
6 owned or under the control of state departments and agencies
7 classed as government or crown lands previous to August 15,
8 1895, or acquired or reserved by the government upon or
9 subsequent to that date by purchase, exchange, escheat, or the
10 exercise of the right of eminent domain, or any other manner,
11 including accreted lands not otherwise awarded, submerged lands,
12 and lands beneath tidal waters which are suitable for
13 reclamation, together with reclaimed lands which have been given
14 the status of public lands under this chapter, including:

15 (1) Land set aside pursuant to law for the use of the
16 United States;

17 (2) Land to which the United States relinquished the
18 absolute fee and ownership under section 91 of the
19 Organic Act prior to the admission of Hawaii as a
20 state of the United States;

21 (3) Land to which the University of Hawaii holds title;



1 (4) Land to which the Hawaii housing finance and
2 development corporation in its corporate capacity
3 holds title;

4 (5) Land to which the department of agriculture holds
5 title by way of foreclosure, voluntary surrender, or
6 otherwise, to recover moneys loaned or to recover
7 debts otherwise owed the department under chapter 167;

8 ~~[(6) Land that is set aside by the governor to the Aloha
9 Tower development corporation; or land to which the
10 Aloha Tower development corporation holds title in its
11 corporate capacity;~~

12 ~~+(7)]~~ (6) Land that is set aside by the governor to the
13 agribusiness development corporation; or land to which
14 the agribusiness development corporation in its
15 corporate capacity holds title; and

16 ~~+(8)]~~ (7) Land to which the high technology development
17 corporation in its corporate capacity holds title."

18 SECTION 8. Section 206E-32, Hawaii Revised Statutes, is
19 amended to read as follows:

20 "§206E-32 District~~+~~ established~~+~~; Aloha Tower
21 community development district; boundaries. (a) The Kakaako
22 community development district ~~[is established.]~~ and the Aloha



1 Tower community development district are established. The Aloha
2 Tower community development district shall be included entirely
3 within the Kakaako community development district and shall
4 include the lands described in subsection (b) of this section.
5 The Kakaako community development district shall include that
6 area bounded by King Street; Piikoi Street from its intersection
7 with King Street to Ala Moana Boulevard; Ala Moana Boulevard,
8 inclusive, from Piikoi Street to its intersection with the Ewa
9 boundary of Ala Moana Park also identified as the Ewa boundary
10 of tax map key 2-3-37:01; the Ewa boundary of tax map key 2-3-
11 37:01 from its intersection with Ala Moana Boulevard to the
12 shoreline; the shoreline from its intersection with the property
13 line representing the Ewa boundary of property identified by tax
14 map key 2-3-37:01 to the property line between Pier 2 and Pier
15 4; the property line between Pier 2 and Pier 4 from its
16 intersection with the shoreline to Ala Moana Boulevard; Ala
17 Moana Boulevard from its intersection with the property line
18 between lands identified by Pier 2 and Pier 4 to Punchbowl
19 Street; and Punchbowl Street to its intersection with King
20 Street; provided that the following parcels at Pier 1 and Pier 2
21 shall be deleted from the Kakaako community development district
22 boundaries and conveyed to the department of land and natural



1 resources to be set aside for the department of transportation
2 and the foreign-trade zone division of the department of
3 business, economic development, and tourism, to ensure continued
4 maritime and foreign commerce use: all of lot 3 and parcels 2,
5 3-A, A, and B of the Forrest Avenue subdivision, as shown on the
6 map filed with the bureau of conveyances of the State of Hawaii
7 as file plan 2335; and lots A-1 and A-2, as shown on map 2,
8 filed in the office of the assistant registrar of the land court
9 of the State of Hawaii with land court application 1328; and
10 provided further that all existing easements affecting and
11 appurtenant to the parcels to be deleted from the Kakaako
12 community development district boundaries shall not be affected
13 by this change.

14 The district shall also include that parcel of land
15 identified by tax map key 2-1-14:16, situated mauka of Pier 6
16 and Pier 7 and makai of Nimitz Highway, being the site for the
17 existing Hawaiian Electric power plant and related facilities.

18 (b) The district shall also include the Aloha Tower
19 community development district, established pursuant to section
20 206E-A, which shall include the area bounded by Nimitz Highway
21 beginning at its intersection with the Diamond Head boundary of
22 tax map key 2-1-13:7 north along Nimitz Highway to its



1 intersection with the makai boundary of tax map key 1 7 1:6;
2 northeast along River Street to its intersection with King
3 Street; north along King Street to its intersection with Iwilei
4 Road west along Iwilei Road to its intersection with Nimitz
5 Highway at the Ewa makai corner of tax map key 1 5 08:1; south
6 along Nimitz Highway to its intersection with the boundary
7 between tax map key 1-5-8:1 and tax map key 1 5 8:9; west along
8 a line to the Diamond Head mauka corner of tax map key 1-5-40:4;
9 west along Nimitz Highway to its intersection with the Ewa
10 boundary of tax map key 1-5-38:4; south along the Ewa boundaries
11 of tax map key 1-5-38:4 and 1-5-38:5 to Honolulu Harbor; east
12 along the waterfront boundary of tax map key 1-5-38:5 to Pier
13 23; south along Pier 23 to the southwest end of Pier 22;
14 continuing along a line in the same direction to its
15 intersection with the Honolulu Harbor Federal Project Line;
16 northeast along the Honolulu Harbor Federal Project Line to a
17 point in Honolulu Harbor 475 feet perpendicular to Pier 11;
18 southwest along a line parallel to Piers 10 and 11 to its
19 intersection with a line extending from the southwest end of
20 Pier 22 to the point of intersection of the Honolulu Harbor
21 Federal Project Line and a line extending along Pier 8 into
22 Honolulu Harbor; southeast along a line to the point of



1 intersection of the Honolulu Federal Project Line and a line
2 extending along Pier 8 into Honolulu Harbor; southeast along the
3 Honolulu Harbor Federal Project Line to its intersection with a
4 line extending along Pier 4 into Honolulu Harbor; east along a
5 line from that intersection and along Pier 4 to its intersection
6 with Nimitz Highway; north along Nimitz Highway to its
7 intersection with Richards Street; southwest along Richards
8 Street to its intersection with Ala Moana Boulevard; northwest
9 along Ala Moana Boulevard to its intersection with the Ewa
10 boundary of tax map key 2-1-14:6; northeast along the Ewa
11 boundary of tax map key 2-1-14:6 to its Ewa mauka corner; and
12 northwest across Bishop Street to the point of beginning at the
13 intersection of the Diamond Head boundary of tax map key 2-1-
14 13:7 and Nimitz Highway. The complex shall also include the
15 area bounded by Iwilei Road beginning with its intersection with
16 Nimitz Highway; west along Iwilei Road to its intersection with
17 Pacific Street; southeast along Pacific Street to its
18 intersection with the Ewa mauka corner of tax map key 1-5-38:4;
19 east along Nimitz Highway to its intersection with the Diamond
20 Head mauka corner of tax map key 1-50-40:4; east along a line to
21 the point of intersection at the boundary between tax map key 1-
22 5-8:1 and tax map key 1-5-8:9; north along Nimitz Highway to the



1 point of beginning at the intersection of Nimitz Highway and
2 Iwilei Road; all fast and submerged lands contained within these
3 areas shall also be included."

4 SECTION 9. Chapter 206J, Hawaii Revised Statutes, is
5 repealed.

6 **PART II**

7 SECTION 10. Except as otherwise provided in this Act, all
8 rights, powers, functions, and duties of the Aloha Tower
9 development corporation are transferred to the department of
10 transportation.

11 SECTION 11. All appropriations, records, equipment,
12 machines, files, supplies, contracts, books, papers, documents,
13 maps, and other personal property heretofore made, used,
14 acquired, or held by the Aloha Tower development corporation
15 shall be transferred to department of transportation.

16 SECTION 12. Notwithstanding any law to the contrary:

- 17 (1) The two public members from the maritime industry who
18 were serving on the harbors modernization group as of
19 the day before the effective date of this Act shall
20 continue to serve on the harbors modernization group
21 in the capacity of public members from the maritime
22 industry; and



1 (2) The service of all other members on the harbors
2 modernization group who were serving prior to the
3 effective date of this Act shall terminate on the day
4 before the effective date of this Act.

5 SECTION 13. In codifying the new part added by section 1
6 of this Act, the revisor of statutes shall substitute
7 appropriate section numbers for the letters used in designating
8 the new sections in this Act.

9 SECTION 14. There is appropriated out of the Aloha Tower
10 fund the sum of \$ or so much thereof as may be
11 necessary for fiscal year 2011-2012 for consultant services to
12 implement the commercial harbors modernization plan and the
13 Aloha Tower Marketplace Project.

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

16 SECTION 15. Statutory material to be repealed is bracketed
17 and stricken. New statutory material is underscored.

18 SECTION 16. This Act shall take effect on July 1, 2050.



Report Title:

Aloha Tower Development Corporation; Repeal; Appropriation

Description:

Abolishes the Aloha Tower development corporation (ATDC). Transfers the ATDC assets to the department of transportation. Establishes the Aloha Tower community development district within the Kakaako community development district. Transfers the zoning and planning jurisdiction to the Hawaii community development authority. Makes appropriation. Effective 07/01/2050. (SD2)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

