

JAN 26 2011

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 206J, Hawaii Revised Statutes, is
3 repealed.

4 SECTION 2. Except as otherwise provided in this Act, all
5 rights, powers, functions, and duties of the Aloha Tower
6 development corporation are transferred to the to the department
7 of transportation.

8 SECTION 3. All appropriations, records, equipment,
9 machines, files, supplies, contracts, books, papers, documents,
10 maps, and other personal property heretofore made, used,
11 acquired, or held by the Aloha Tower development corporation
12 shall be transferred to department of transportation.

PART II

13
14 SECTION 4. Chapter 206E-32, Hawaii Revised Statutes, is
15 amended by adding:

16 The district shall also include the area bounded by Nimitz
17 Highway beginning at its intersection with the Diamond Head
18 boundary of tax map key 2-1-13:7 north along Nimitz Highway to

1 its 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
14 2-1-13:7 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
22 1-5-8:1 and tax map key 1-5-8:9; north along Nimitz Highway to

1 the 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 **PART III**

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

8 **"§266- Harbors modernization group; commercial harbors**
9 **modernization plan.** (a) No later than July 1, 2010, the
10 harbors modernization group shall be administratively placed
11 under the department of transportation. The harbors
12 modernization group shall have jurisdiction over the harbors
13 modernization project, to undertake projects for the commercial
14 harbors modernization plan. All projects, prior to
15 implementation, shall be approved by the governor. If the
16 governor approves a project, the harbors modernization group
17 shall have expending authority over the approved project,
18 notwithstanding any law to 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, collectively to be known as
7 the commercial harbors modernization plan, which shall be
8 completed no later than June 30, 2017. These harbor 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;

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- 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.

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1 (c) 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 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 designee, who shall
9 serve as chairperson;

10 (2) The director of finance, or designee; and

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

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

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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, which:

8 (i) Promote the welfare, growth, and economic
9 interests of Hawaii's commercial harbors
10 and 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
15 Hawaii harbors and harbor facilities, for
16 compliance 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 project 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:

18 (1) Moneys;

19 (2) Rentals;

20 (3) Charges; and

21 (4) Other revenues of the department from the Aloha Tower
22 Marketplace Project;

1 shall be deposited into the fund.

2 **PART IV**

3 SECTION 6. Notwithstanding any law to the contrary:

4 (1) The two public members from the maritime industry, who
5 were serving on the harbors modernization group under
6 appointments effective on the day before the effective
7 date of this Act, shall continue to serve on the
8 harbors modernization group in the capacity of public
9 members from the maritime industry; and

10 (2) The service of all other members on the harbors
11 modernization group as of the day before the effective
12 date of this Act shall terminate on the day before the
13 effective date of this Act.

14 SECTION 7. There is appropriated out of the Aloha Tower
15 Fund the sum of \$ or so much thereof as may be
16 necessary for fiscal year 2011-2012 for consultant services to
17 implement the commercial harbors modernization plan and the
18 Aloha Tower Marketplace Project.

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

21

22

Report Title:

Aloha Tower Development Corporation; Repeal; Appropriation

Description:

Abolishes Aloha Tower development corporation. Transfers the ATDC assets to the department of transportation. Transfers the zoning and planning jurisdiction to the Hawaii community development authority. Makes appropriation. Effective on July 1, 2011.

JUSTIFICATION SHEET

SB. NO. 1247

DEPARTMENT: Business, Economic Development, and Tourism

TITLE: A BILL FOR AN ACT RELATING TO ALOHA TOWER DEVELOPMENT CORPORATION.

PURPOSE: Dissolve the Aloha Tower Development Corporation; Transfer assets and powers to the Department of Transportation except for the zoning and planning which transfers to the Hawaii Community Development Authority.

MEANS: Repeal of Chapter 206J, Hawaii Revised Statutes; Amend Section 206E-32, Hawaii Revised Statutes and Chapter 266, Hawaii Revised Statutes.

JUSTIFICATION: This proposed bill is the complimenting piece to the Legislature's decision to eliminate the Aloha Tower Development Corporation's operating budget.

Impact on the public: Minimal impact as the Aloha Tower Development Corporation currently does not have an office and staff. Also the Department of Transportation administratively assumed management of the Harbors Modernization Plan projects.

Impact on the department and other agencies: The Department of Transportation will assume additional responsibilities, most of which it already administers. The Hawaii Community Development Authority will increase its zoning and planning jurisdiction to include the Aloha Tower Project Area.

GENERAL FUND: None.

OTHER FUNDS: Aloha Tower Fund.

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PPBS PROGRAM
DESIGNATION:

BED 151; TRN 301

OTHER AFFECTED
AGENCIES:

Department of Transportation; Hawaii
Community Development Authority.

EFFECTIVE DATE:

July 1, 2011.