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# A BILL FOR AN ACT

RELATING TO THE HAWAII COMMUNITY DEVELOPMENT DISTRICT.

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

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

4           **"PART           .   HAWAII COMMUNITY DEVELOPMENT DISTRICT**

5           **§206-           Hawaii community development district; purpose.**

6 The legislature finds and declares that, as a matter of public  
7 policy, the enhancement, restoration, rehabilitation,  
8 perpetuation, and use of the buildings, structures, land, and  
9 shoreline within the Hawaii community development district are  
10 required to maintain the historical, commercial, cultural, and  
11 recreational significance of the Hawaii community development  
12 district, which provides economic, financial, and social  
13 benefits to the island of Hawaii and the State.

14           The legislature further finds that:

15           (1) The Banyan Drive area of the island of Hawaii contains  
16           about eighty-five per cent of the overnight visitor  
17           accommodations in east Hawaii;



1 (2) The State of Hawaii owns virtually the entire Banyan  
2 Drive area; and

3 (5) The State has a responsibility to ensure that the  
4 Banyan Drive area does not deteriorate and have a  
5 harmful impact on the economy of the community as a  
6 whole.

7 The purpose of this Act is to establish the Hawaii  
8 community development district where hotel, resort, commercial,  
9 residential, and public uses may coexist compatibly within the  
10 same area and the Hawaii community development board to advise  
11 the department of land and natural resources on the restoration  
12 and management of that area.

13 **§206- Hawaii community development board.** (a) There  
14 is established a Hawaii community development board, which shall  
15 be the designated agency of the State to implement this part,  
16 notwithstanding any other provision in this chapter to the  
17 contrary. The board shall be attached to the department of land  
18 and natural resources for administrative purposes.

19 (b) The board shall be a policy-making board for the  
20 Hawaii community development district and shall consist of nine  
21 members as follows:



- 1           (1) The chairperson of the board of directors of the  
2           Hawaii tourism authority, or the chairperson's  
3           designated representative, who shall be an ex-officio,  
4           voting member;
- 5           (2) The director of business, economic development, and  
6           tourism, or the director's designated representative,  
7           who shall be an ex officio, voting member;
- 8           (3) The chairperson of the board of land and natural  
9           resources, or the chairperson's designated  
10          representative, who shall be an ex officio, voting  
11          member;
- 12          (5) The director of planning of the county of Hawaii, or  
13          the director's designated representative, who shall be  
14          an ex officio, voting member; and
- 15          (6) Five public, voting members appointed by the governor  
16          pursuant to section 26-34 from a list of ten names  
17          submitted for appointment by the mayor of the county  
18          of Hawaii; provided that after the initial  
19          appointment, if a vacancy occurs in any public, voting  
20          position for which the member was selected from a list  
21          of recommendations submitted by the mayor, the  
22          governor shall fill the vacancy from a list of three



1            recommendations made by the mayor of the county of  
2            Hawaii. The five public, voting members shall be  
3            residents of east Hawaii and shall be selected on the  
4            basis of their knowledge, experience, and expertise in  
5            visitor industry management, small and large  
6            businesses, economics, banking, real estate, finance,  
7            marketing, and management; provided further that at  
8            least one member shall be an owner or active manager  
9            of a business located within the physical boundaries  
10           of the Hawaii community development district.

11           (c) The board shall elect its chairperson from among its  
12           public, voting members.

13           (d) The members of the board shall serve without  
14           compensation but shall be reimbursed for expenses, including  
15           travel expenses, incurred in the performance of their duties.

16           (e) The department of land and natural resources shall  
17           appoint staff as necessary to support the functions of the  
18           board. All staff shall be exempt from chapter 76.

19           (f) The board shall be responsible for the development of  
20           recommendations regarding community development policies, the  
21           district improvement program, and the development guidelines for  
22           the Hawaii community development district.



1 (g) As used in this part, "east Hawaii" means the  
2 districts of Puna, south Hilo, north Hilo, and Hamakua, as  
3 described by the tax key zones for the island of Hawaii.

4 **§206- Powers and duties of the board; generally.**

5 Notwithstanding any provision of this chapter to the contrary,  
6 the Hawaii community development board may:

- 7 (1) Recommend to the appropriate authorities cost-  
8 effective mechanisms, legislation, and policies to  
9 prevent deterioration of existing facilities and  
10 provide leadership for the development and enhancement  
11 of the district;
- 12 (2) Provide estimates of fiscal impact and financing  
13 options for different development opportunities;
- 14 (3) Determine underutilization patterns for the current  
15 district and identify potential opportunities for  
16 redevelopment;
- 17 (4) Participate and cooperate in planning processes or  
18 infrastructure projects undertaken by the county that  
19 impact adjacent or associated lands within the  
20 district;



1 (5) Participate in the planning of a district-wide  
2 improvement program for necessary district-wide public  
3 facilities within the district;

4 (6) Identify public lands that may be suitable for  
5 development, including through market analysis to  
6 determine the best revenue generating programs for the  
7 public lands identified within the district; and

8 (7) Prepare or cause to be prepared a community  
9 development plan for the district.

10 **§206- Hawaii community development district;**

11 **boundaries.** The Hawaii community development district is  
12 established. The district shall include the area bounded by the  
13 shoreline from the intersection of Lihiwai street and Kamehameha  
14 avenue; Kamehameha avenue to its intersection with Kalanianaole  
15 avenue; Kalanianaole avenue to Huipu street; Huipu street to its  
16 intersection with Ocean View drive; the north end of Ocean View  
17 drive right to the end of Ocean View drive; the end of Ocean  
18 View drive to the shoreline; and the shoreline to the  
19 intersection of Lihiwai street and Kamehameha avenue.

20 **§206- Development guidance policies; plan.** (a) The  
21 following shall be the development guidance policies generally



1 governing the Hawaii community development board's action in the  
2 Hawaii community development district:

3 (1) Development shall result in a community which permits  
4 an appropriate land mixture of hotel and resort,  
5 commercial, residential, and public uses;

6 (2) The board may engage in planning and establishing  
7 design guidelines relating to infrastructure  
8 development and other activities the board determines  
9 is necessary to carry out the redevelopment of the  
10 district;

11 (3) The board may conduct studies in conjunction with  
12 county and state agencies necessary to determine the  
13 appropriate activities for development in the  
14 district;

15 (4) Land use and redevelopment activities within the  
16 district shall be coordinated with and, to the extent  
17 possible, complement existing county and state  
18 policies, plans, and programs affecting the district;  
19 and

20 (5) Public facilities within the district shall be  
21 planned, located, and developed to support the



1            redevelopment policies established by this part for  
2            the district.

3            (b) The board shall develop and adopt a community  
4 development plan, which shall supersede all other inconsistent  
5 ordinances and rules relating to the use, planning, development,  
6 and construction on the land in the Hawaii community development  
7 district. The community development plan shall follow existing  
8 laws, rules, ordinances, and regulations as closely as is  
9 consistent with standards of good design, pleasant amenities,  
10 health, safety, and coordinated development.

11            **§206- Annual report to the legislature.** The Hawaii  
12 community development board shall submit an annual report of its  
13 activities and proposals for recommended legislation to the  
14 legislature no later than twenty days prior to the convening of  
15 each regular session."

16            SECTION 2. There is appropriated out of the general  
17 revenues of the State of Hawaii the sum of \$            or so  
18 much thereof as may be necessary for fiscal year 2013-2014 to  
19 carry out the purposes of this Act.

20            The sum appropriated shall be expended by the department of  
21 land and natural resources for the purposes of this Act.

22            SECTION 3. This Act shall take effect on July 1, 2013.





**Report Title:**

Hawaii Community Development District; DLNR; Appropriation

**Description:**

Establishes Hawaii Community Development Board to advise the DLNR on matters related to the restoration and management of the Hawaii Community Development District in East Hawaii. Makes an appropriation to be expended by DLNR. Effective July 1, 2013.  
(HB1249 HD1)

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

