

JAN 18 2013

A BILL FOR AN ACT

RELATING TO PUBLIC LAND DEVELOPMENT CORPORATION.

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

1 SECTION 1. Act 55, Session Laws of Hawaii 2011 (Act 55),
2 codified as chapter 171C, Hawaii Revised Statutes, created the
3 public land development corporation. Section 171C-1, Hawaii
4 Revised Statutes, states in pertinent part:

5 "The purpose of this chapter is to create a vehicle and
6 process to make optimal use of public land for the
7 economic, environmental, and social benefit of the people
8 of Hawaii. This chapter establishes a public corporation
9 to administer an appropriate and culturally-sensitive
10 public land development program. The corporation shall
11 coordinate and administer programs to make optimal use of
12 public land, while ensuring that the public land is
13 maintained for the people of Hawaii."

14 The legislature finds that Act 55 has engendered
15 significant public concern and scrutiny due in part to the fact
16 that projects undertaken pursuant to Act 55 are exempt from
17 state and county laws regarding land use, zoning, and
18 construction standards for subdivisions, development, and



1 improvement of land. In addition, concerns have been raised
2 regarding inadequate notice given to the public to testify on
3 the exemption provisions. The exemptions, coupled with the
4 manner in which Act 55 was passed, have led to distrust and
5 uncertainty of the corporation's intentions and development
6 plans. Despite efforts to allay concerns, many individuals and
7 organizations, particularly environmental and Native Hawaiian
8 organizations, have expressed support for legislation to repeal
9 Act 55.

10 The legislature further finds that the implementation of
11 Act 55 falls short of "ensuring that the public land is
12 maintained for the people of Hawaii." The intent of the
13 legislature is to ensure that the public lands of Hawaii are
14 used and administered in an equitable and transparent manner
15 that should not necessarily be relegated to administrative
16 decision-making or rule making on an ad hoc basis. While the
17 optimization of the use of public lands is a meritorious goal
18 with the potential to significantly benefit the people of
19 Hawaii, the means of achieving this goal requires a greater
20 respect for existing laws and procedures and greater assurance
21 that the corporation is the vehicle that will produce economic,
22 environmental, and social benefit for the people of Hawaii.



1 The purpose of this Act is to repeal chapter 171C, Hawaii
2 Revised Statutes, the public land development corporation.

3 SECTION 2. Section 206E-4, Hawaii Revised Statutes, is
4 amended to read as follows:

5 "**§206E-4 Powers; generally.** Except as otherwise limited
6 by this chapter, the authority may:

- 7 (1) Sue and be sued;
- 8 (2) Have a seal and alter the same at pleasure;
- 9 (3) Make and execute contracts and all other instruments
10 necessary or convenient for the exercise of its powers
11 and functions under this chapter;
- 12 (4) Make and alter bylaws for its organization and
13 internal management;
- 14 (5) Make rules with respect to its projects, operations,
15 properties, and facilities, which rules shall be in
16 conformance with chapter 91;
- 17 (6) Through its executive director appoint officers,
18 agents, and employees, prescribe their duties and
19 qualifications, and fix their salaries, without regard
20 to chapter 76;



- 1 (7) Prepare or cause to be prepared a community
2 development plan for all designated community
3 development districts;
- 4 (8) Acquire, reacquire, or contract to acquire or
5 reacquire by grant or purchase real, personal, or
6 mixed property or any interest therein; to own, hold,
7 clear, improve, and rehabilitate, and to sell, assign,
8 exchange, transfer, convey, lease, or otherwise
9 dispose of or encumber the same;
- 10 (9) Acquire or reacquire by condemnation real, personal,
11 or mixed property or any interest therein for public
12 facilities, including but not limited to streets,
13 sidewalks, parks, schools, and other public
14 improvements;
- 15 (10) By itself, or in partnership with qualified persons,
16 acquire, reacquire, construct, reconstruct,
17 rehabilitate, improve, alter, or repair or provide for
18 the construction, reconstruction, improvement,
19 alteration, or repair of any project; own, hold, sell,
20 assign, transfer, convey, exchange, lease, or
21 otherwise dispose of or encumber any project, and in
22 the case of the sale of any project, accept a purchase



1 money mortgage in connection therewith; and repurchase
2 or otherwise acquire any project which the authority
3 has theretofore sold or otherwise conveyed,
4 transferred, or disposed of;

5 (11) Arrange or contract for the planning, replanning,
6 opening, grading, or closing of streets, roads,
7 roadways, alleys, or other places, or for the
8 furnishing of facilities or for the acquisition of
9 property or property rights or for the furnishing of
10 property or services in connection with a project;

11 (12) Grant options to purchase any project or to renew any
12 lease entered into by it in connection with any of its
13 projects, on such terms and conditions as it deems
14 advisable;

15 (13) Prepare or cause to be prepared plans, specifications,
16 designs, and estimates of costs for the construction,
17 reconstruction, rehabilitation, improvement,
18 alteration, or repair of any project, and from time to
19 time to modify such plans, specifications, designs, or
20 estimates;

21 (14) Provide advisory, consultative, training, and
22 educational services, technical assistance, and advice



1 to any person, partnership, or corporation, either
2 public or private, to carry out the purposes of this
3 chapter, and engage the services of consultants on a
4 contractual basis for rendering professional and
5 technical assistance and advice;

6 (15) Procure insurance against any loss in connection with
7 its property and other assets and operations in such
8 amounts and from such insurers as it deems desirable;

9 (16) Contract for and accept gifts or grants in any form
10 from any public agency or from any other source;

11 (17) Do any and all things necessary to carry out its
12 purposes and exercise the powers given and granted in
13 this chapter; and

14 (18) Allow satisfaction of any affordable housing
15 requirements imposed by the authority upon any
16 proposed development project through the construction
17 of reserved housing, as defined in section 206E-101,
18 by a person on land located outside the geographic
19 boundaries of the authority's jurisdiction; provided
20 that the authority shall not permit any person to make
21 cash payments in lieu of providing reserved housing,
22 except to account for any fractional unit that results



1 after calculating the percentage requirement against
2 residential floor space or total number of units
3 developed. The substituted housing shall be located
4 on the same island as the development project and
5 shall be substantially equal in value to the required
6 reserved housing units that were to be developed on
7 site. The authority shall establish the following
8 priority in the development of reserved housing:

- 9 (A) Within the community development district;
10 (B) Within areas immediately surrounding the
11 community development district;
12 (C) Areas within the central urban core;
13 (D) In outlying areas within the same island as the
14 development project.

15 The Hawaii community development authority shall
16 adopt rules relating to the approval of reserved
17 housing that are developed outside of a community
18 development district. The rules shall include, but
19 are not limited to, the establishment of guidelines to
20 ensure compliance with the above priorities[~~and~~

21 ~~(19) Assist the public land development corporation~~
22 ~~established by section 171C-3 in identifying public~~



1 ~~lands that may be suitable for development, carrying~~
2 ~~on marketing analysis to determine the best revenue-~~
3 ~~generating programs for the public lands identified,~~
4 ~~entering into public private agreements to~~
5 ~~appropriately develop the public lands identified, and~~
6 ~~providing the leadership for the development,~~
7 ~~financing, improvement, or enhancement of the selected~~
8 ~~development opportunities; provided that no assistance~~
9 ~~shall be provided unless the authority authorizes the~~
10 ~~assistance]."~~

11 SECTION 3. Chapter 171C, Hawaii Revised Statutes, is
12 repealed.

13 SECTION 4. (a) Any funds appropriated to the department
14 of land and natural resources pursuant to Act 55, Session Laws
15 of Hawaii 2011, that are unexpended and unencumbered as of the
16 effective date of this Act shall be deposited into the land
17 conservation fund established pursuant to section 173A-5, Hawaii
18 Revised Statutes, on the effective date of this Act.

19 (b) The planner and project-related development specialist
20 hired for purposes of Act 55, Session Laws of Hawaii 2011, shall
21 be transferred to the department of land and natural resources
22 without loss of salary, seniority, prior service credit,



1 vacation, sick leave, or other employee benefit or privilege as
2 a consequence of this Act.

3 SECTION 5. Statutory material to be repealed is bracketed
4 and stricken. New statutory material is underscored.

5 SECTION 6. This Act shall take effect upon its approval.

6

INTRODUCED BY: Josh M
Ron P



Report Title:

Public Land Development Corporation

Description:

Repeals chapter 171C, HRS, relating to the public land development corporation. Repeals requirement that Hawaii community development authority assist the public land development corporation in certain specified areas.

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

