
A BILL FOR AN ACT

RELATING TO THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY.

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

1 SECTION 1. The legislature finds that state law currently
2 authorizes the Hawaii community development authority to lease
3 property for terms of up to sixty-five years without recourse to
4 public auction or public notice for sealed bids. The
5 legislature further finds that long-term leases have been
6 executed through exclusive negotiation agreements without input
7 from the community, which excludes experts who may otherwise be
8 able to evaluate the long-term impacts of building on the
9 Kakaako shoreline. A number of these leases may be detrimental
10 to the long-term sustainability and safety of Kakaako.

11 The legislature also finds that greater safeguards are
12 necessary to promote the long-term sustainability of Kakaako.

13 Accordingly, the purpose of this Act is to:

14 (1) Reduce the maximum term for which the Hawaii community
15 development authority may lease property from sixty-
16 five years to thirty years;



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1 (2) Subject leases entered into by the Hawaii community
2 development authority to public auction and public
3 notice for sealed bids;

4 (3) Provide that the Hawaii community development
5 authority may extend leases upon determining that
6 there are no adverse impacts on the land; and

7 (4) Require the Hawaii community development authority to
8 conduct a public meeting prior to entering into any
9 lease that is ten years or more.

10 SECTION 2. Section 206E-31.6, Hawaii Revised Statutes, is
11 amended by amending subsection (a) to read as follows:

12 "(a) Notwithstanding any law to the contrary, including
13 [~~+~~]section[~~+~~] 206E-14, except as prohibited by section 206E-
14 31.5, the authority may [~~without recourse to public auction or~~
15 ~~public notice for sealed bids,~~] lease for a term not exceeding
16 [~~sixty-five~~] thirty years all or any portion of the real or
17 personal property constituting a project to any person, upon
18 [~~such~~] terms and conditions as may be approved by the authority,
19 if the authority finds that the lease is in conformity with the
20 community development plan[~~-~~]; provided that:



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- 1 (1) The authority may agree to extend a lease upon
- 2 determining that extending the lease would not
- 3 adversely impact the land, as supported by evidence;
- 4 and
- 5 (2) Prior to entering into any lease of ten years or
- 6 longer, the authority shall conduct a public meeting
- 7 pursuant to chapter 92."

8 SECTION 3. Statutory material to be repealed is bracketed
 9 and stricken. New statutory material is underscored.

10 SECTION 4. This Act shall take effect upon its approval.

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H.B. NO. 1023

Report Title:

HCDA; Leases; Terms; Public Meeting

Description:

Reduces the maximum term for which the HCDA may lease property from 65 years to 30 years. Subjects leases entered into by the HCDA to public auction and public notice for sealed bids. Provides that the HCDA may extend leases upon determining that there are no adverse impacts on the land. Requires the HCDA to conduct a public meeting prior to entering into any lease that is 10 years or more.

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