
A BILL FOR AN ACT

RELATING TO PUBLIC LANDS.

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

1 SECTION 1. The legislature finds that the department of
2 land and natural resources has the responsibility of planning
3 for the disposition of commercial, industrial, hotel, and resort
4 classes of public lands to determine:

- 5 (1) Specific use or uses;
6 (2) Minimum size of parcels;
7 (3) Required building construction or improvements; and
8 (4) Lease terms and requirements.

9 The legislature also finds that because of the policies
10 guiding the management of public lands with commercial,
11 industrial, resort, and hotel uses, there has been little
12 incentive for lessees to make major improvements to their
13 infrastructure, resulting in the deterioration of infrastructure
14 and facilities. The lack of improvement to property in many of
15 these areas has resulted in dilapidation, deterioration, age, or
16 obsolescence of the buildings and structures in those areas.



1 The legislature further finds that the rejuvenation of
2 areas of public lands that have become dilapidated, obsolete, or
3 have deteriorated over time is in the public interest and
4 constitutes a valid public purpose.

5 The purpose of this Act is to establish a four-year
6 redevelopment pilot project for the Kanoelehua industrial area
7 to enable the department of land and natural resources to
8 recommend policies that:

- 9 (1) Define the policies for the management of public lands
10 in the Kanoelehua industrial area;
- 11 (2) Establish a plan for the designated area, including
12 district-wide improvements, that is coordinated with
13 state and county land use and planning policies; and
- 14 (3) Implement asset and property management concepts that
15 can optimize income from the properties and evolve in
16 response to changing principles of property
17 administration.

18 SECTION 2. Definitions. As used in this Act, unless the
19 context requires otherwise:

20 "Board" means the board of land and natural resources.



1 "Chairperson" means the chairperson of the board of land
2 and natural resources.

3 "Department" means the department of land and natural
4 resources.

5 "Designated redevelopment district" means the district
6 designated by the department pursuant to this Act.

7 "Pilot project" means the Kanoelehua redevelopment pilot
8 project for the Kanoelehua industrial area.

9 "Plan" or "redevelopment plan" means the development plan
10 for the designated redevelopment district prepared by the
11 committee pursuant to this Act.

12 "Planning committee" or "committee" means the policy-
13 advising committee for the designated redevelopment district.

14 "Public facilities" includes streets and highways, storm
15 drainage systems, water systems, street lighting systems, off-
16 street parking facilities, and sanitary sewerage systems.

17 SECTION 3. Kanoelehua redevelopment pilot project. (a)

18 There is established within the department a four-year pilot
19 project to be known as the Kanoelehua redevelopment pilot
20 project. The purpose of the pilot project is to:



- 1 (1) Define the policies for the management of public lands
2 in the Kanoelehua industrial area;
- 3 (2) Establish a plan for the designated redevelopment
4 district in the Kanoelehua industrial area, including
5 district-wide improvements, that is coordinated with
6 state and county land use and planning policies; and
- 7 (3) Implement asset and property management concepts that
8 can optimize income from the properties and evolve in
9 response to changing principles of property
10 administration.
- 11 (b) The department shall:
- 12 (1) Establish the boundaries of the redevelopment district
13 within the Kanoelehua industrial area;
- 14 (2) Establish a planning committee to prepare the
15 redevelopment plan;
- 16 (3) Designate an area of public lands in the Kanoelehua
17 industrial area to serve as the designated
18 redevelopment district; provided that lands designated
19 by the department shall fall under the following
20 categories:



1 (A) Industrial park lands under section 171-132,
2 Hawaii Revised Statutes; or

3 (B) Commercial, industrial, hotel, or resort use
4 lands under section 171-10, Hawaii Revised
5 Statutes; and

6 (4) Implement, to the extent feasible, the recommendations
7 of the planning committee in the designated district.

8 (c) The pilot project shall terminate on June 30, 2019.

9 SECTION 4. Planning committee. (a) Upon the designation
10 of the boundaries of the designated redevelopment district
11 pursuant to this Act, the chairperson shall establish a planning
12 committee for the Kanoelehua industrial area to be placed in the
13 department for administrative purposes.

14 (b) The committee shall be a policy-advising committee for
15 the designated redevelopment district and shall consist of nine
16 members. The members shall consist of:

17 (1) The chairperson of the board;

18 (2) The director of planning for Hawaii county or the
19 director's designee; and

20 (3) Seven public members, three of whom shall be selected
21 by the chairperson from a list of not fewer than six



1 names submitted by the mayor of Hawaii county;
2 provided that all seven public members shall be
3 residents of the county of Hawaii and shall be
4 selected on the basis of their knowledge, experience,
5 and expertise in:

- 6 (A) Small or large businesses management;
7 (B) Economics, banking, investment, or finance;
8 (C) Real estate development;
9 (D) Real estate management;
10 (E) Marketing; or
11 (F) Hotel and resort management.

12 (c) The committee shall elect its chair from among the
13 public members.

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

17 (e) The committee shall prepare and provide
18 recommendations to the board on the following:

- 19 (1) The preparation of a development plan for the
20 designated redevelopment district;



- 1 (2) The renewal or renegotiation of any lease in
2 connection with any project contained in the
3 development plan for the designated redevelopment
4 district, on such terms and conditions as it deems
5 advisable;
- 6 (3) The preparation of plans, design criteria,
7 landscaping, and estimates of costs for the
8 construction, rehabilitation, or repair of any project
9 contained in the development plan for the designated
10 redevelopment district, and from time to time the
11 modification of such plans or estimates;
- 12 (4) Studies to be conducted in conjunction with county and
13 state agencies necessary to determine the appropriate
14 activities for development in the designated
15 redevelopment district;
- 16 (5) The reduction or waiver of rental leases on any lease
17 of public land for any project in the designated
18 redevelopment district that requires substantial
19 improvements;
- 20 (6) The creation or execution of contracts and instruments
21 that are necessary for the exercise of the purpose of



1 the establishment of the redevelopment district,
2 including the need to engage the services of
3 consultants for rendering of professional and
4 technical assistance and advice; and

5 (7) The need for development agreements with a developer
6 or developers for any project contained in the
7 proposed development plan; provided that such
8 development agreement recommendations shall contain:

9 (A) The location, area, and size of the parcel to be
10 developed;

11 (B) The use or uses to which the parcel shall be put
12 in conformance with the development plan, and
13 with applicable state and county laws and
14 ordinances;

15 (C) The period of time for the construction and
16 completion of the development; and

17 (D) Other terms and conditions that the committee
18 deems necessary.

19 (f) The committee shall prepare a redevelopment plan for
20 the designated redevelopment district, including proposed
21 district development policies, district improvement programs,



1 necessary public facilities, infrastructure needs, and proposed
2 development guidelines and rules. Specifically, the committee
3 shall prepare a redevelopment plan that includes, but is not
4 limited to the following:

- 5 (1) Establishing within the designated redevelopment
6 district, if applicable, areas principally for:
- 7 (A) Commercial activities;
 - 8 (B) Processing, construction, manufacturing,
9 transportation, wholesaling, storage, and similar
10 industrial activities;
 - 11 (C) Resort and hotel activities, including facilities
12 and services for visitors; or
 - 13 (D) Public and recreational facilities with detailed
14 standards for height, bulk, size, and location of
15 buildings;
- 16 (2) A district-wide improvement program for necessary
17 district-wide public facilities within the designated
18 redevelopment district;
- 19 (3) Plans, specifications, and estimates of the costs for
20 the development, construction, reconstruction, or
21 improvement of any project in the designated



1 redevelopment district, and from time to time modify
2 the plans, specifications, or estimates;

3 (4) Identification of specific uses for areas in the
4 designated redevelopment district and the required
5 parceling of land into minimum size areas related to
6 the specific uses;

7 (5) Identification of lease rentals that should be
8 established for the specific uses and the terms and
9 conditions of the leases; and

10 (6) Recommendations for interim development controls to be
11 implemented during the transition to the execution of
12 the provisions of the redevelopment plan, such as
13 recommending the holdover of a lessee pursuant to
14 section 171-40, Hawaii Revised Statutes, or issuance
15 of permits pursuant to section 171-55, Hawaii Revised
16 Statutes, to existing lessees upon the expiration of
17 their lease terms.

18 (g) The district redevelopment plan may provide
19 recommendations for the withdrawal or taking for public purposes
20 of public land or portions of the public land under a lease,
21 including suggested lease terms.



1 (h) The committee shall hold a public hearing on a
2 proposed redevelopment plan for the designated redevelopment
3 district, and shall consider the comments received and
4 incorporate any revisions to the plan that may be necessary.

5 SECTION 5. Reports to the legislature. The department
6 shall submit:

7 (1) A progress report of the pilot project, including
8 analysis of the progress of the pilot project and
9 recommendations on whether similar projects should be
10 expanded to other counties, no later than twenty days
11 prior to the convening of the regular session of 2017;
12 and

13 (2) A final report on the operations and findings and
14 recommendations on the pilot project, including any
15 proposed legislation, no later than twenty days prior
16 to the convening of the regular session of 2019.

17 SECTION 6. There is appropriated out of the general
18 revenues of the State of Hawaii the sum of \$ or so much
19 thereof as may be necessary for fiscal year 2015-2016 and the
20 same sum or so much thereof as may be necessary for fiscal year



1 2016-2017 to carry out the purposes of this Act, including such
2 sums as may be necessary for staffing costs.

3 The sums appropriated shall be expended by the department
4 of land and natural resources for the purposes of this Act.

5 SECTION 7. This Act shall take effect on July 1, 2050.



Report Title:

Public Lands; Redevelopment; Kanoelehua Industrial Area

Description:

Establishes the four-year Kanoelehua Redevelopment Pilot Project under the Department of Land and Natural Resources.

Appropriates funds. (HB1267 HD1)

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

