
A BILL FOR AN ACT

RELATING TO THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY.

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

PART I

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

"PART . EAST KAPOLEI COMMUNITY DEVELOPMENT DISTRICT

§206E- District established; boundaries. The east Kapolei community development district is established. The district shall include the area within the boundaries established under the east Kapolei neighborhood transit-oriented development plan approved by the county council of the city and county of Honolulu.

§206E- East Kapolei community development district; guiding principles. The following development guiding principles shall generally govern the authority's actions in the east Kapolei community development district:



- 1 (1) Integrate transit into the communities and design and
2 guide development to connect neighborhoods within the
3 east Kapolei community development district;
- 4 (2) Create multi-modal and interconnected communities to
5 give residents and visitors a range of transportation
6 choices so that they can choose the most direct,
7 efficient, and economical method of transportation;
- 8 (3) Create a diverse mix of uses and vibrant communities
9 that are attractive to residents and visitors and
10 encourage residents and visitors to park their
11 automobiles and walk between the different shops,
12 attractions, and restaurants;
- 13 (4) Create gathering places that are public spaces free to
14 all and designed to give residents and visitors a
15 sense of pride, connection to local culture, and
16 ownership;
- 17 (5) Develop unique rail transit station areas that
18 identify the east Kapolei region;
- 19 (6) Promote a variety of housing choices, including
20 student housing, senior housing, live and work
21 housing, and multi-family and single family housing



1 for sale and rent within the east Kapolei community
2 development district; and

- 3 (7) Create a dynamic urban environment that encourages
4 residents and visitors to actively utilize the
5 amenities provided at each rail transit station area
6 and engages street life to reduce automobile usage and
7 strengthen community social bonds.

8 **§206E- East Kapolei community development revolving**
9 **fund.** (a) There is established in the state treasury the east
10 Kapolei community development revolving fund, into which shall
11 be deposited:

- 12 (1) All revenues, income, and receipts of the authority
13 for the east Kapolei community development district,
14 notwithstanding any other law to the contrary,
15 including section 206E-16;

- 16 (2) Moneys directed, allocated, or disbursed to the east
17 Kapolei community development district from government
18 agencies or private individuals or organizations,
19 including grants, gifts, awards, donations, and
20 assessments of landowners for costs to administer and



1 operate the east Kapolei community development
2 district; and

3 (3) Moneys appropriated to the fund by the legislature.

4 (b) Moneys in the east Kapolei community development
5 revolving fund shall be used for the purposes of this part.

6 (c) Investment earnings credited to the assets of the east
7 Kapolei community development revolving fund shall become part
8 of the assets of the fund."

9 SECTION 2. Section 171-30, Hawaii Revised Statutes, is
10 amended by amending subsection (a) to read as follows:

11 "(a) The board [~~of land and natural resources~~] shall have
12 the exclusive responsibility, except as provided herein, of
13 acquiring, including by way of dedications:

14 (1) All real property or any interest therein and the
15 improvements thereon, if any, required by the State
16 for public purposes, including real property together
17 with improvements, if any, in excess of that needed
18 for such public use in cases where small remnants
19 would otherwise be left or where other justifiable
20 cause necessitates the acquisition to protect and
21 preserve the contemplated improvements, or public



1 policy demands the acquisition in connection with such
2 improvements[-]; and

3 (2) Encumbrances, in the form of leases, licenses, or
4 otherwise on public lands, needed by any state
5 department or agency for public purposes or for the
6 disposition for houselots or for economic development.

7 The board shall upon the request of and with the funds from
8 the state department or agency effectuate all acquisitions as
9 provided under this section.

10 The acceptance by the territorial legislature or the
11 legislature of a dedication of land in the Kakaako community
12 development district by a private owner is sufficient to convey
13 title to the State[-] for conveyances executed prior to January
14 1, 2024."

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

17 "**§206E-3 Hawaii community development authority;**
18 **established.** (a) There is established the Hawaii community
19 development authority, which shall be a body corporate and a
20 public instrumentality of the State, for the purpose of
21 implementing this chapter. The authority shall be placed within



1 the department of business, economic development, and tourism
2 for administrative purposes.

3 (b) The authority shall consist of the following members:

4 (1) The director of finance or the director's designee;

5 ~~[the]~~

6 (2) The director of transportation or the director's

7 designee; [a]

8 (3) A cultural specialist; [an]

9 (4) An at-large member; [an]

10 (5) An at-large member nominated by the senate president;

11 ~~[an]~~

12 (6) An at-large member nominated by the speaker of the

13 house~~[-three]~~ of representatives;

14 (7) Three representatives of the Heeia community

15 development district, ~~[comprising two]~~ which shall

16 consist of the following:

17 (A) Two residents of that district or the Koolaupoko

18 district, which consists of sections 1 through 9

19 of zone 4 of the first tax map key division~~[7]~~i

20 and ~~[one]~~



1 (B) One owner of a small business or one officer or
2 director of a nonprofit organization in the Heeia
3 community development district or Koolaupoko
4 district,

5 nominated by the county council of the county in which
6 the Heeia community development district is located;

7 [~~three~~]

8 (8) Three representatives of the Kalaeloa community
9 development district, [~~comprising two~~] which shall
10 consist of the following:

11 (A) Two residents of the Ewa zone (zone 9, sections 1
12 through 2) or the Waianae zone (zone 8, sections
13 1 through 9) of the first tax map key
14 division[~~7~~]; and [~~one~~]

15 (B) One owner of a small business or one officer or
16 director of a nonprofit organization in the Ewa
17 or Waianae zone,

18 nominated by the county council of the county in which
19 the Kalaeloa community development district is

20 located; [~~three~~]



1 (9) Three representatives of the Kakaako community
2 development district, [~~comprising two~~] which shall
3 consist of the following:

4 (A) Two residents of the district; and [one]

5 (B) One owner of a small business or one officer or
6 director of a nonprofit organization in the
7 district,

8 nominated by the county council of the county in which
9 the Kakaako community development district is located;
10 [the]

11 (10) Three representatives of the east Kapolei community
12 development district, which shall consist of the
13 following:

14 (A) Two residents of the district; and

15 (B) One owner of a small business or one officer or
16 director of a nonprofit organization in the
17 district,

18 nominated by the county council of the county in which
19 the east Kapolei community development district is
20 located;



1 (11) The director of planning and permitting of each county
2 in which a community development district is located
3 or the director's designee, who shall serve in an ex
4 officio, nonvoting capacity; and ~~the~~

5 (12) The chairperson of the Hawaiian homes commission or
6 the chairperson's designee, who shall serve in an ex
7 officio, nonvoting capacity.

8 All members except the director of finance, director of
9 transportation, county directors of planning and permitting, and
10 chairperson of the Hawaiian homes commission or their designees
11 shall be appointed by the governor pursuant to section 26-34.

12 The two at-large members nominated by the senate president and
13 speaker of the house of representatives and the nine
14 representatives of the respective community development
15 districts shall each be appointed by the governor from a list of
16 three nominees submitted for each position by the nominating
17 authority specified in this subsection.

18 (c) The authority shall be organized and shall exercise
19 jurisdiction as follows:

20 (1) For matters affecting the Heeia community development
21 district, the following members shall be considered in



1 determining quorum and majority and shall be eligible
2 to vote:

3 (A) The director of finance or the director's
4 designee;

5 (B) The director of transportation or the director's
6 designee;

7 (C) The cultural specialist;

8 (D) The three at-large members; and

9 (E) The three representatives of the Heeia community
10 development district;

11 provided that the director of planning and permitting
12 of the relevant county or the director's designee
13 shall participate in these matters as an ex officio,
14 nonvoting member and shall not be considered in
15 determining quorum and majority;

16 (2) For matters affecting the Kalaeloa community
17 development district, the following members shall be
18 considered in determining quorum and majority and
19 shall be eligible to vote:

20 (A) The director of finance or the director's
21 designee;



1 (B) The director of transportation or the director's
2 designee;

3 (C) The cultural specialist;

4 (D) The three at-large members; and

5 (E) The three representatives of the Kalaeloa
6 community development district;

7 provided that the director of planning and permitting
8 of the relevant county and the chairperson of the
9 Hawaiian homes commission, or their respective
10 designees, shall participate in these matters as ex
11 officio, nonvoting members and shall not be considered
12 in determining quorum and majority;

13 (3) For matters affecting the Kakaako community
14 development district, the following members shall be
15 considered in determining quorum and majority and
16 shall be eligible to vote:

17 (A) The director of finance or the director's
18 designee;

19 (B) The director of transportation or the director's
20 designee;

21 (C) The cultural specialist;



1 (D) The three at-large members; and

2 (E) The three representatives of the Kakaako
3 community development district;

4 provided that the director of planning and permitting
5 of the relevant county or the director's designee
6 shall participate in these matters as an ex officio,
7 nonvoting member and shall not be considered in
8 determining quorum and majority[-]; and

9 (4) For matters affecting the east Kapolei community
10 development district, the following members shall be
11 considered in determining quorum and majority and
12 shall be eligible to vote:

13 (A) The director of finance or the director's
14 designee;

15 (B) The director of transportation or the director's
16 designee;

17 (C) The cultural specialist;

18 (D) The three at-large members; and

19 (E) The three representatives of the east Kapolei
20 community development district;



1 provided that the director of planning and permitting
2 of the relevant county or the director's designee
3 shall participate in these matters as an ex officio,
4 nonvoting member and shall not be considered in
5 determining quorum and majority.

6 ~~[In the event of]~~ (d) ~~If a vacancy~~~~[,]~~ occurs, a member
7 shall be appointed to fill the vacancy in the same manner as the
8 original appointment within thirty days of the vacancy or within
9 ten days of the senate's rejection of a previous appointment, as
10 applicable.

11 The terms of the director of finance, director of
12 transportation, county directors of planning and permitting, and
13 chairperson of the Hawaiian homes commission or their respective
14 designees shall run concurrently with each official's term of
15 office. The terms of the appointed voting members shall be for
16 four years, commencing on July 1 and expiring on June 30;
17 provided that the initial terms of all voting members initially
18 appointed pursuant to Act 61, Session Laws of Hawaii 2014, shall
19 commence on March 1, 2015. The governor shall provide for
20 staggered terms of the initially appointed voting members so
21 that the initial terms of four members selected by lot shall be



1 for two years, the initial terms of four members selected by lot
2 shall be for three years, and the initial terms of the remaining
3 five members shall be for four years.

4 The governor may remove or suspend for cause any member
5 after due notice and public hearing.

6 (e) Notwithstanding section 92-15, a majority of all
7 eligible voting members as specified in this ~~[subsection]~~
8 section shall constitute a quorum to do business, and the
9 concurrence of a majority of all eligible voting members as
10 specified in this ~~[subsection]~~ section shall be necessary to
11 make any action of the authority valid. All members shall
12 continue in office until their respective successors have been
13 appointed and qualified. Except as herein provided, no member
14 appointed under this ~~[subsection]~~ section shall be an officer or
15 employee of the State or its political subdivisions.

16 (f) For purposes of this section, "small business" means a
17 business ~~[which]~~ that is independently owned and ~~[which is]~~ not
18 dominant in its field of operation.

19 ~~[(e)]~~ (g) The authority shall appoint the executive
20 director who shall be the chief executive officer. The
21 authority shall set the salary of the executive director, who



1 shall serve at the pleasure of the authority and shall be exempt
2 from chapter 76.

3 ~~[(d)]~~ (h) The authority shall annually elect the
4 chairperson and vice chairperson from among its members.

5 ~~[(e)]~~ (i) The members of the authority appointed under
6 subsection (b) shall serve without compensation, but each shall
7 be reimbursed for expenses, including travel expenses, incurred
8 in the performance of their duties."

9 SECTION 4. Section 212-5.5, Hawaii Revised Statutes, is
10 amended to read as follows:

11 "[~~+~~]§212-5.5[~~+~~] **Foreign-trade zone; jurisdiction.**

12 ~~[Anything to the contrary notwithstanding,]~~ Notwithstanding any
13 other law to the contrary, the department of business, economic
14 development, and tourism shall have jurisdiction and
15 administrative authority over the area in the vicinity of Piers
16 1 and 2 currently being used as a foreign-trade zone. This area
17 is defined as all of parcels 2 and 3-A of the Forrest Avenue
18 subdivision, as shown on the map filed in the bureau of
19 conveyances of the State of Hawaii, as file plan 2335, and lot
20 A-1, as shown on map 2, filed in the office of the assistant
21 registrar of the land court of the State of Hawaii with land



1 court application 1328 [~~provided that all existing easements~~
2 ~~affecting and appurtenant to the parcels to be deleted from the~~
3 ~~Kakaako community development district boundaries shall not be~~
4 ~~affected by this change~~]."

5 SECTION 5. Section 266-1.5, Hawaii Revised Statutes, is
6 amended to read as follows:

7 "[~~+~~]**§266-1.5**[~~+~~] Honolulu harbor Piers 1 and 2;
8 jurisdiction. [~~Any law to the contrary notwithstanding,~~]
9 Notwithstanding any other law to the contrary, the department of
10 transportation shall have jurisdiction and administrative
11 authority over Honolulu harbor Piers 1 and 2 and the contiguous
12 backup fast lands currently used for manifested cargo and
13 passenger operations. This area is defined as all of lot 3 and
14 parcels A and B of the Forrest Avenue subdivision, as shown on
15 the map filed with the bureau of conveyances of the State of
16 Hawaii, as file plan 2335, and lot A-2, as shown on map 2, filed
17 in the office of the assistant registrar of the land court of
18 the State of Hawaii with land court application 1328 [~~provided~~
19 ~~that all existing easements affecting and appurtenant to the~~
20 ~~parcels to be deleted from the Kakaako community development~~
21 ~~district boundaries shall not be affected by this change~~]."



PART II

SECTION 6. No later than January 1, 2020, the Hawaii community development authority shall establish a plan to return planning, zoning, and infrastructure development responsibilities of the Kakaako community development district to the city and county of Honolulu, which shall occur on July 1, 2024. The plan shall include a transition schedule acceptable to the city and county of Honolulu. At a minimum, the plan shall address:

- (1) The designation of functions to appropriate government entities, including the department of land and natural resources, department of transportation, and city and county of Honolulu;
- (2) The disposition of unencumbered moneys deposited in state revolving or special funds applicable to the Kakaako community development district;
- (3) The transfer of state officers and employees impacted by the transfer of responsibilities to the city and county of Honolulu, which shall be documented in a separate, special plan;



- 1 (4) The disposition or amendment of rules, policies,
2 procedures, guidelines, and other material applicable
3 to the Kakaako community development district;
- 4 (5) The disposition of deeds, leases, contracts, loans,
5 agreements, permits, and other documents executed by
6 or on behalf of the Hawaii community development
7 authority applicable to the Kakaako community
8 development district;
- 9 (6) Funding recommendations to facilitate the transition;
10 and
- 11 (7) The transition of personnel resources from the Kakaako
12 community development district to the East Kapolei
13 community development district, to be documented as a
14 special plan.

15 PART III

16 SECTION 7. Statutory material to be repealed is bracketed
17 and stricken. New statutory material is underscored.

18 SECTION 8. This Act shall take effect on January 1, 2050;
19 provided that sections 4 and 5 shall take effect on July 1,
20 2024.



Report Title:

Hawaii Community Development Authority; East Kapolei Community Development District; Transit-Oriented Development

Description:

Establishes the east Kapolei community development district under the Hawaii Community Development Authority and amends the HCDA membership accordingly. Requires HCDA to establish a plan by 1/1/2020 to return jurisdiction over the Kakaako district to the City and County of Honolulu, to occur on 7/1/2024. (SB2525 HD2)

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

