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

4 "PART . EAST KAPOLEI COMMUNITY DEVELOPMENT DISTRICT

5 **§206E- District established; boundaries.** The east
6 Kapolei community development district is established. The
7 district shall include the area within the boundaries
8 established under the east Kapolei neighborhood transit-oriented
9 development plan approved by the county council of the city and
10 county of Honolulu.

11 **§206E- East Kapolei community development district;**
12 **guiding principles.** The following development guiding
13 principles shall generally govern the authority's actions in the
14 east Kapolei community development district:

- 15 (1) Integrate transit into the communities and design and
16 guide development to connect neighborhoods within the
17 east Kapolei community development district;



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



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

6 **§206E- East Kapolei community development revolving**
7 **fund.** (a) There is established in the state treasury the east
8 Kapolei community development revolving fund, into which shall
9 be deposited:

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

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

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



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

3 (c) Investment earnings credited to the assets of the east
4 Kapolei community development revolving fund shall become part
5 of the assets of the fund."

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

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

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



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

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

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

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

15 "**§206E-3 Hawaii community development authority;**
16 **established.** (a) There is established the Hawaii community
17 development authority, which shall be a body corporate and a
18 public instrumentality of the State, for the purpose of
19 implementing this chapter. The authority shall be placed within
20 the department of business, economic development, and tourism
21 for administrative purposes.



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

2 (1) The director of finance or the director's designee;
3 [~~the~~]

4 (2) The director of transportation or the director's
5 designee; [~~a~~]

6 (3) A cultural specialist; [~~an~~]

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

8 (5) An at-large member nominated by the senate president;
9 [~~an~~]

10 (6) An at-large member nominated by the speaker of the
11 house[~~, three~~] of representatives;

12 (7) Three representatives of the Heeia community
13 development district, [~~comprising two~~] which shall
14 consist of the following:

15 (A) Two residents of that district or the Koolaupoko
16 district, which consists of sections 1 through 9
17 of zone 4 of the first tax map key division[~~7~~];
18 and [~~one~~]

19 (B) One owner of a small business or one officer or
20 director of a nonprofit organization in the Heeia



1 community development district or Koolaupoko
 2 district,
 3 nominated by the county council of the county in which
 4 the Heeia community development district is located;
 5 [~~three~~]

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

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

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

16 nominated by the county council of the county in which
 17 the Kalaeloa community development district is
 18 located; [~~three~~]

19 (9) Three representatives of the [~~Kakaake~~] east Kapolei
 20 community development district, [~~comprising two~~] which
 21 shall consist of the following:



- 1 (A) Two residents of the district; and [~~one~~]
- 2 (B) One owner of a small business or one officer or
- 3 director of a nonprofit organization in the
- 4 district,
- 5 nominated by the county council of the county in which
- 6 the [~~Kakaake~~] east Kapolei community development
- 7 district is located; [~~the~~]
- 8 (10) The director of planning and permitting of each county
- 9 in which a community development district is located
- 10 or the director's designee, who shall serve in an ex
- 11 officio, nonvoting capacity; and [~~the~~]
- 12 (11) The chairperson of the Hawaiian homes commission or
- 13 the chairperson's designee, who shall serve in an ex
- 14 officio, nonvoting capacity.

15 All members except the director of finance, director of

16 transportation, county directors of planning and permitting, and

17 chairperson of the Hawaiian homes commission or their designees

18 shall be appointed by the governor pursuant to section 26-34.

19 The two at-large members nominated by the senate president and

20 speaker of the house of representatives and the nine

21 representatives of the respective community development



1 districts shall each be appointed by the governor from a list of
2 three nominees submitted for each position by the nominating
3 authority specified in this subsection.

4 (c) The authority shall be organized and shall exercise
5 jurisdiction as follows:

6 (1) For matters affecting the Heeia community development
7 district, the following members shall be considered in
8 determining quorum and majority and shall be eligible
9 to vote:

10 (A) The director of finance or the director's
11 designee;

12 (B) The director of transportation or the director's
13 designee;

14 (C) The cultural specialist;

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

16 (E) The three representatives of the Heeia community
17 development district;

18 provided that the director of planning and permitting
19 of the relevant county or the director's designee
20 shall participate in these matters as an ex officio,



1 nonvoting member and shall not be considered in
2 determining quorum and majority;

3 (2) For matters affecting the Kalaeloa community
4 development district, the following members shall be
5 considered in determining quorum and majority and
6 shall be eligible to vote:

7 (A) The director of finance or the director's
8 designee;

9 (B) The director of transportation or the director's
10 designee;

11 (C) The cultural specialist;

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

13 (E) The three representatives of the Kalaeloa
14 community development district;

15 provided that the director of planning and permitting
16 of the relevant county and the chairperson of the
17 Hawaiian homes commission, or their respective
18 designees, shall participate in these matters as ex
19 officio, nonvoting members and shall not be considered
20 in determining quorum and majority; and



1 (3) For matters affecting the [~~Kakaake~~] east Kapolei
2 community development district, the following members
3 shall be considered in determining quorum and majority
4 and shall be eligible to vote:

5 (A) The director of finance or the director's
6 designee;

7 (B) The director of transportation or the director's
8 designee;

9 (C) The cultural specialist;

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

11 (E) The three representatives of the [~~Kakaake~~] east
12 Kapolei community development district;

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

18 [~~In the event of~~] (d) If a vacancy[~~7~~] occurs, a member
19 shall be appointed to fill the vacancy in the same manner as the
20 original appointment within thirty days of the vacancy or within



1 ten days of the senate's rejection of a previous appointment, as
2 applicable.

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

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

19 (e) Notwithstanding section 92-15, a majority of all
20 eligible voting members as specified in this [~~subsection~~]
21 section shall constitute a quorum to do business, and the



1 concurrence of a majority of all eligible voting members as
2 specified in this [~~subsection~~] section shall be necessary to
3 make any action of the authority valid. All members shall
4 continue in office until their respective successors have been
5 appointed and qualified. Except as herein provided, no member
6 appointed under this [~~subsection~~] section shall be an officer or
7 employee of the State or its political subdivisions.

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

11 [~~(e)~~] (g) The authority shall appoint the executive
12 director who shall be the chief executive officer. The
13 authority shall set the salary of the executive director, who
14 shall serve at the pleasure of the authority and shall be exempt
15 from chapter 76.

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

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



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

3 " ~~[+]§212-5.5[+]~~ **Foreign-trade zone; jurisdiction.**

4 ~~[Anything to the contrary notwithstanding,]~~ Notwithstanding any
5 other law to the contrary, the department of business, economic
6 development, and tourism shall have jurisdiction and
7 administrative authority over the area in the vicinity of Piers
8 1 and 2 currently being used as a foreign-trade zone. This area
9 is defined as all of parcels 2 and 3-A of the Forrest Avenue
10 subdivision, as shown on the map filed in the bureau of
11 conveyances of the State of Hawaii, as file plan 2335, and lot
12 A-1, as shown on map 2, filed in the office of the assistant
13 registrar of the land court of the State of Hawaii with land
14 court application 1328~~;~~ ~~provided that all existing easements~~
15 ~~affecting and appurtenant to the parcels to be deleted from the~~
16 ~~Kakaako community development district boundaries shall not be~~
17 ~~affected by this change]."~~

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

20 " ~~[+]§266-1.5[+]~~ **Honolulu harbor Piers 1 and 2;**

21 **jurisdiction.** ~~[Any law to the contrary notwithstanding,]~~



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

14 SECTION 6. Chapter 206E, part II, Hawaii Revised Statutes,
15 is repealed.

16 SECTION 7. No later than January 1, 2020, the Hawaii
17 community development authority shall establish a plan to return
18 planning, zoning, and infrastructure development
19 responsibilities of the Kakaako district to the city and county
20 of Honolulu. The plan shall include a transition schedule



1 acceptable to the city and county of Honolulu. At a minimum,
2 the plan shall address:

- 3 (1) The designation of functions to appropriate government
4 entities, including the department of land and natural
5 resources, department of transportation, and city and
6 county of Honolulu;
- 7 (2) The disposition of unencumbered moneys deposited in
8 state revolving or special funds applicable to the
9 Kakaako district;
- 10 (3) The transfer of state officers and employees impacted
11 by the transfer of responsibilities to the city and
12 county of Honolulu;
- 13 (4) The disposition or amendment of rules, policies,
14 procedures, guidelines, and other material applicable
15 to the Kakaako district;
- 16 (5) The disposition of deeds, leases, contracts, loans,
17 agreements, permits, and other documents executed by
18 or on behalf of the Hawaii community development
19 authority applicable to the Kakaako district; and
- 20 (6) Funding recommendations to facilitate the transition.



1 SECTION 8. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

3 SECTION 9. This Act shall take effect upon approval.



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. Repeals the laws relating to the Kakaako community development district and replaces members representing the Kakaako community development district of the Hawaii Community Development Authority with members representing the east Kapolei community development district. Makes conforming amendments. Requires the Hawaii Community Development Authority to establish a plan, by 1/1/2020, to return various responsibilities of the Kakaako district to the City and County of Honolulu. (SD2)

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

