
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 there exists vast,
2 unmet community development needs that the Hawaii community
3 development authority may address through its community
4 development districts.

5 Significant planning and public outreach has occurred on
6 specific projects to revitalize many areas of the State. One
7 such area is the land under the jurisdiction of the stadium
8 authority and the department of accounting and general services.

9 The legislature finds that redevelopment of lands under the
10 jurisdiction of the stadium authority and the department of
11 accounting and general services could benefit from the Hawaii
12 community development authority administering such a project.

13 The legislature further finds that, as significant public
14 outreach and studies have already occurred, a stadium
15 development district may be formed that is exempt from
16 requirements of chapter 206E-5, Hawaii Revised Statutes.



1 The purpose of this Act is to establish the stadium
2 development district, which includes all state property under
3 the jurisdiction of the stadium authority, under the
4 jurisdiction of the Hawaii community development authority to
5 expedite the redevelopment of Aloha stadium and the property
6 around it to bring economic development to an area that is in
7 need of renewal, renovation, and improvement.

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

11 "PART . STADIUM DEVELOPMENT DISTRICT

12 §206E- Stadium development district; purpose; findings.

13 The legislature finds that the Aloha Stadium and lands under the
14 jurisdiction of the stadium authority and department of
15 accounting and general services are underutilized. The stadium
16 facility has been in dire need of significant repair and
17 maintenance for many years. The stadium authority has
18 considered repairing, upgrading, and replacing the existing
19 facility to optimize the public's enjoyment and ensure public
20 safety. Redeveloping, renovating, or improving these public
21 lands in a manner that will provide suitable recreational,



1 residential, educational, and commercial areas where the public
2 can live, congregate, recreate, attend schools, and shop as part
3 of a thoughtfully integrated experience, is in the best
4 interests of the State and its people.

5 This part establishes the stadium development district to
6 make optimal use of public land for the economic, residential,
7 educational, and social benefit of the people of Hawaii.

8 The legislature finds that the jurisdiction of the
9 authority shall include development within the stadium
10 development district.

11 The legislature finds that extensive planning for the
12 redevelopment of the aloha stadium property has already occurred
13 and the project must move quickly to the implementation phase.

14 The legislature further finds that proper execution of a
15 mixed-use redevelopment of Aloha Stadium may result in
16 sufficient revenue to maintain the stadium and its environs
17 without any additional cost to taxpayers.

18 The legislature finds that since the authority's role in
19 the stadium development district is purely ministerial, no new
20 board is necessary to administer the stadium development



1 district, and the executive director may take actions necessary
2 to effectuate this part.

3 The legislature finds that nothing in this section shall
4 affect the day-to-day duties of the stadium authority except to
5 the extent that they hinder the redevelopment described in this
6 part.

7 §206E- Definitions. As used in this part, unless the
8 context otherwise requires:

9 "District" means the stadium development district
10 established by this part.

11 "Executive director" means the executive director of the
12 Hawaii community development authority.

13 §206E- District; established; boundaries. (a) The
14 stadium development district is established and shall be
15 composed of all land under the jurisdiction of the stadium
16 authority established by this part.

17 (b) The executive director shall facilitate the
18 development of all property belonging to the State within the
19 district; provided that development is consistent with the Aloha
20 Stadium Conceptual Redevelopment Report dated February 23, 2017,
21 and prepared for the department of accounting and general



1 services and any county transit-oriented development plans for
2 lands within and surrounding the district. In addition to any
3 other duties that the executive director may have pursuant to
4 this chapter, the executive director's duties shall include but
5 not be limited to:

6 (1) Coordinating with other state entities during the
7 conveyance of properties and conducting remediation
8 activities for the property belonging to the State
9 within the district;

10 (2) Developing the infrastructure necessary to support the
11 development of all property belonging to the State
12 within the district; and

13 (3) Providing, to the extent feasible, maximum opportunity
14 for the reuse of property belonging to the State
15 within the district by private enterprise or state and
16 county government.

17 (c) Upon written request of the executive director and
18 proclamation of the governor, the boundary of the district may
19 be expanded to contiguous land; provided that the expanded
20 district would be part of redevelopment. The legislature may



1 reject such an expansion of the district by adoption of a
2 concurrent resolution.

3 §206E- Development guidance policies. (a) The
4 following shall be the development guidance policies generally
5 governing the executive director's actions in the district:

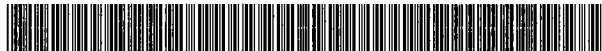
- 6 (1) Development shall be consistent with any county
7 transit-oriented development plan;
- 8 (2) Development shall be consistent with the Aloha Stadium
9 Conceptual Redevelopment Report dated February 23,
10 2017, and prepared for the department of accounting
11 and general services;
- 12 (3) With the approval of the governor, the executive
13 director, may modify and make changes to a transit-
14 oriented development plan and the Aloha Stadium
15 Conceptual Redevelopment Report with respect to the
16 district to respond to changing conditions or needs;
17 provided that prior to any amendment, the executive
18 director shall conduct a public hearing to inform the
19 public of the proposed changes and receive public
20 input, and the executive director or hearings officer



1 shall record all comments and provide a response in
2 writing to each comment;

3 (4) The executive director shall issue a solicitation and
4 may select a vendor for the stadium development
5 district that includes a stadium, including luxury
6 suites and retail, dining, office, residential, and
7 other commercial operations. The solicitation shall
8 consider parking as well as efficient ingress and
9 egress to the stadium. The executive director shall
10 consider revenue produced by the solicitation to
11 generate sufficient cash flows to maintain the
12 stadium;

13 (5) The executive director may engage in planning, design,
14 and construction activities within and outside the
15 district; provided that activities outside the
16 district shall relate to infrastructure development,
17 area-wide drainage improvements, roadway realignments
18 and improvements, business and industrial relocation,
19 and other activities the executive director deems
20 necessary to carry out development of the district and
21 implement this part. The executive director may



1 undertake studies or coordinating activities in
2 conjunction with the county and appropriate state
3 agencies and may address facility systems, industrial
4 relocation, and other activities;
5 (6) Endangered species of flora and fauna shall be
6 preserved to the extent feasible;
7 (7) Land use and development activities within the
8 district shall be coordinated with and, to the extent
9 possible, complement existing county and state
10 policies, plans, and programs affecting the district;
11 (8) Public facilities within the district shall be
12 planned, located, and developed to support the
13 development policies established by this part for the
14 district and rules adopted pursuant to this part;
15 (9) Should the stadium development district generate
16 revenues in excess of the amount needed to maintain
17 the stadium, fifty per cent of the revenues shall be
18 deposited into the Hawaii community development
19 revolving fund to be used as the authority deems
20 necessary, and fifty per cent of the revenues shall be
21 deposited into the stadium special fund; and



1 (10) The executive director shall prepare development plans
2 for all designated stadium complex areas.

3 (b) The development guidance policies generally governing
4 the stadium authority's actions in the district are as follows:

- 5 (1) Acquire and hold real estate;
- 6 (2) Exercise condemnation powers for public facilities;
- 7 (3) Partner with other entities to construct improvements;
- 8 (4) Prepare and modify development plans;
- 9 (5) Contract with other entities for a design-build
10 approach for a project;
- 11 (6) Contract and accept gifts from public agencies or
12 other sources; and
- 13 (7) Develop a marketing plan for the stadium area.

14 §206E- Development rules. The executive director may,
15 by written request to and proclamation by the governor, adopt
16 rules to be followed during the development within the district,
17 which shall be known as the development rules, in connection
18 with health, safety, building, planning, zoning, and land use.
19 The legislature may reject the adoption of rules by adoption of
20 a concurrent resolution. The rules shall supersede all other
21 inconsistent ordinances and rules relating to the use, zoning,



1 planning, and development of land and construction thereon
2 within the district. Rules adopted under this section shall
3 follow existing laws, rules, ordinances, and regulations as
4 closely as is consistent with standards meeting minimum
5 requirements of good design, pleasant amenities, health, safety,
6 and coordinated development. The executive director may
7 establish policies and procedures for monitoring and ensuring
8 that development within the district complies with these
9 development rules and may establish fines and penalties or take
10 any other action available under the law to eliminate any
11 noncomplying action."

12 SECTION 3. Section 6E-8, Hawaii Revised Statutes, is
13 amended by amending subsection (a) to read as follows:

14 "(a) Before any agency or officer of the State or its
15 political subdivisions commences any project which may affect
16 historic property, aviation artifact, or a burial site, the
17 agency or officer shall advise the department and allow the
18 department an opportunity for review of the effect of the
19 proposed project on historic properties, aviation artifacts, or
20 burial sites, consistent with section 6E-43, especially those
21 listed on the Hawaii register of historic places. The proposed



1 project shall not be commenced, or if it has already begun,
2 continued, until the department has given its written
3 concurrence. If:

4 (1) The proposed project consists of corridors or large
5 land areas;

6 (2) Access to properties is restricted; [~~or~~]

7 (3) Circumstances dictate that construction be done in
8 stages [~~7~~]; or

9 (4) The project is done in the stadium development
10 district as designated in chapter 206E,

11 the department may give its written concurrence based on a
12 phased review of the project; provided that there shall be a
13 programmatic agreement between the department and the project
14 applicant that identifies each phase and the estimated timelines
15 for each phase.

16 The department shall provide written concurrence or non-
17 concurrence within ninety days after the filing of a request
18 with the department. The agency or officer seeking to proceed
19 with the project, or any person, may appeal the department's
20 concurrence or non-concurrence to the Hawaii historic places
21 review board. An agency, officer, or other person who is



1 dissatisfied with the decision of the review board may apply to
2 the governor, who may take action as the governor deems best in
3 overruling or sustaining the department."

4 SECTION 4. Section 206E-4.1, Hawaii Revised Statutes, is
5 amended to read as follows:

6 "[+]§206E-4.1[+] **Assignment of powers and duties**
7 **prohibited.** Notwithstanding anything contained in this chapter
8 to the contrary, except for part _____ of this chapter, the
9 authority shall not assign to any person or agency, including
10 the executive director of the authority, any of its powers and
11 duties related to the approval of any variance, exemption, or
12 modification of any provision of a community development plan or
13 community development rules."

14 SECTION 5. Section 206E-5, Hawaii Revised Statutes, is
15 amended to read as follows:

16 "**§206E-5 Designation of community development districts;**
17 **community development plans.** (a) The legislature, by statute,
18 may designate an area as a community development district if it
19 determines that there is need for replanning, renewal, or
20 redevelopment of that area. The designation shall describe the
21 boundaries of the district.



1 (b) After designation, the authority shall develop a
2 community development plan for the designated district. The
3 plan shall include but not be limited to community development
4 guidance policies, district-wide improvement program and
5 community development rules.

6 (c) The authority may enter into cooperative agreements
7 with qualified persons or public agencies, where the powers,
8 services, and capabilities of such persons or agencies are
9 deemed necessary and appropriate for the development of the
10 community development plan.

11 (d) Whenever possible, planning activities of the
12 authority shall be coordinated with federal, state and county
13 plans. Consideration shall be given to state goals and
14 policies, adopted state plan or land use guidance policies,
15 county general plans, development plans, and ordinances.

16 (e) The authority shall hold a public hearing on a
17 proposed community development plan pursuant to chapter 91 and,
18 after consideration of comments received and appropriate
19 revision, shall submit the community development plan to the
20 governor for the governor's approval.



1 After approval, the governor shall submit to the
2 legislature requests for appropriations, authorization to issue
3 bonds, or both, to implement the community development plan in
4 an orderly, affordable, and feasible manner. The governor shall
5 submit the requests to the legislature as part of the executive
6 budget or supplemental budget, as appropriate. In addition to
7 the information, data, and materials required under chapter 37,
8 the requests shall be accompanied by:

9 (1) Plans, maps, narrative descriptions, and other
10 appropriate materials on the:

11 (A) Locations and design of projects or public
12 facilities proposed to be funded; and

13 (B) Phase of the community development plans proposed
14 to be implemented with the requested funds; and

15 (2) Other information deemed by the governor of
16 significance to the legislature regarding the projects
17 or public facilities proposed to be funded, including
18 a discussion of the public benefits intended by, and
19 adverse effects which may result from, implementation
20 of the projects or public facilities.



1 (f) The authority may amend the community development plan
2 as may be necessary. Amendments shall be made in accordance
3 with chapter 91.

4 (g) The stadium development district shall be exempt from
5 this section."

6 SECTION 6. There is appropriated out of the general
7 revenues of the State of Hawaii the sum of \$100,000,000 or so
8 much thereof as may be necessary for fiscal year 2019-2020 for
9 the Hawaii community development authority to establish and
10 develop the stadium development district for public use.

11 The sum appropriated shall be expended by the Hawaii
12 community development authority for the purposes of this Act.

13 SECTION 7. The legislature finds and declares that the
14 issuance of revenue bonds under this Act is in the public
15 interest and for the public health, safety, and general welfare.

16 Pursuant to chapter 39, part III, and chapter 206E, part VI,
17 Hawaii Revised Statutes, the Hawaii community development
18 authority, with the approval of the governor, may issue in one
19 or more series revenue bonds in a total amount not to exceed
20 \$150,000,000 for the Hawaii community development authority to
21 establish the stadium development district and build a new



1 stadium as provided for in chapter 206E, part , Hawaii
2 Revised Statutes.

3 The proceeds of the revenue bonds shall be deposited into
4 the Hawaii community development revolving fund created in
5 section 206E-16, Hawaii Revised Statutes.

6 The revenue bonds authorized under this Act shall be issued
7 pursuant to chapter 39, part III, Hawaii Revised Statutes, and
8 chapter 206E, part VI, Hawaii Revised Statutes. The
9 authorization to issue revenue bonds under this Act shall lapse
10 on June 30, 2024.

11 SECTION 8. The director of finance is authorized to issue
12 general obligation bonds in the sum of \$100,000,000 or so much
13 thereof as may be necessary and the same sum or so much thereof
14 as may be necessary is appropriated for fiscal year 2019-2020 to
15 the Hawaii community development authority to build a new
16 stadium.

17 SECTION 9. The sum appropriated shall be expended by the
18 Hawaii community development authority for the purposes of this
19 Act.

20 SECTION 10. The appropriation made for the capital
21 improvement project authorized by section 8 of this Act shall



1 not lapse at the end of the fiscal biennium for which the
2 appropriation is made; provided that all moneys from the
3 appropriation unencumbered as of June 30, 2022, shall lapse as
4 of that date.

5 SECTION 11. Statutory material to be repealed is bracketed
6 and stricken. New statutory material is underscored.

7 SECTION 12. This Act shall take effect on July 1, 2019.



Report Title:

Hawaii Community Development Authority; Stadium Development District; Appropriation

Description:

Establishes the stadium development district, which includes all state property under the jurisdiction of the stadium authority, and places that property under the jurisdiction of the Hawaii community development authority for development purposes. Authorizes the issuance of revenue bonds and special facility revenue bonds and appropriates funds. Exempts the stadium development district from section 206E-5, HRS. Authorizes the department of land and natural resources to give written concurrence on any project in the stadium development district based on a phased review. (SD1)

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