

JAN 17 2020

A BILL FOR AN ACT

RELATING TO DEVELOPMENT DISTRICTS.

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

1 SECTION 1. Section 206E, Hawaii Revised Statutes, is
2 amended by adding a new part to read as follows:

3 **"PART . PULEHUNUI COMMUNITY DEVELOPMENT DISTRICT**

4 **§206E-A Pulehunui community development district; purpose;**

5 **findings.** The legislature finds that the lands of Pulehunui,
6 Maui are underutilized. Redeveloping, renovating, or improving
7 these public lands in a manner that will provide suitable
8 recreational, residential, educational, and commercial areas
9 where the public can live, congregate, recreate, attend schools,
10 and shop, as part of a thoughtfully integrated experience, is in
11 the best interests of the State and its people.

12 This part establishes the Pulehunui community development
13 district to make optimal use of public land for the economic,
14 residential, educational, and social benefit of the people of
15 Hawaii.

16 The legislature finds that the jurisdiction of the
17 authority shall include development within the Pulehunui



1 community development district. Any development within the
2 district shall require a permit from the authority.

3 **§206E-B Definitions.** As used in this part, unless the
4 context otherwise requires:

5 "District" means the Pulehunui community development
6 district established by this part.

7 **§206E-C District; established; boundaries.** The Pulehunui
8 community development district is established and shall be
9 composed of the following properties:

- 10 (1) TMK 2-3-8-008-001;
- 11 (2) TMK 2-3-8-008-007;
- 12 (3) TMK 2-3-8-008-037; and
- 13 (4) TMK 2-3-8-008-038.

14 **§206E-D Development guidance policies.** The following
15 shall be the development guidance policies generally governing
16 the authority's actions in the district:

- 17 (1) The authority may engage in planning, design, and
18 construction activities within and outside the
19 district; provided that activities outside the
20 district shall relate to infrastructure development,
21 area-wide drainage improvements, roadway realignments



1 and improvements, business and industrial relocation,
2 and other activities the authority deems necessary to
3 carry out development of the district and implement
4 this part. The authority may undertake studies or
5 coordinating activities in conjunction with the county
6 and appropriate state agencies and may address
7 facility systems, industrial relocation, and other
8 activities;

9 (2) Hawaiian archaeological, historic, and cultural sites
10 shall be preserved and protected;

11 (3) Endangered species of flora and fauna shall be
12 preserved to the extent feasible;

13 (4) Land use and development activities within the
14 district shall be coordinated with and, to the extent
15 possible, complement existing county and state
16 policies, plans, and programs affecting the district;
17 and

18 (5) Public facilities within the district shall be
19 planned, located, and developed to support the
20 development policies established by this chapter for



1 the district and rules adopted pursuant to this
2 chapter.

3 **§206E-E Development district governance; memorandum of**
4 **agreement.** Notwithstanding section 206E-3, for matters
5 affecting the district, the executive director of the authority
6 and the comptroller shall execute a memorandum of agreement with
7 the appropriate state agencies.

8 **§206E-F Annual comprehensive report.** Not less than twenty
9 days prior to the convening of each regular session of the
10 legislature, the authority shall submit to the legislature an
11 annual comprehensive status report on the progress of
12 development within the district."

13 SECTION 2. Chapter 206E, Hawaii Revised Statutes, is
14 amended by adding a new section to be appropriately designated
15 and to read as follows:

16 **"§206E- Contracts with the federal government. (a)**

17 The authority may:

- 18 (1) Borrow money or accept grants from the federal
- 19 government for or in aid of any development project
- 20 the authority is authorized to undertake pursuant to
- 21 this chapter;



- 1 (2) Procure insurance or guarantees from the federal
- 2 government for the payment of any debts or parts
- 3 thereof secured by mortgages made or held by the
- 4 authority;
- 5 (4) Comply with any conditions required by the federal
- 6 government in any contract for financial assistance;
- 7 and
- 8 (5) Execute contracts with the federal government.
- 9 (b) It is the purpose and intent of this section to
- 10 authorize the authority to do any and all things necessary to
- 11 secure the financial aid and the cooperation of the federal
- 12 government in the undertaking, construction, maintenance, and
- 13 operation of any development within a district that the
- 14 authority is empowered to undertake."

15 SECTION 3. Section 206E-3, Hawaii Revised Statutes, is

16 amended by amending subsection (b) to read as follows:

17 "(b) The authority shall consist of the director of

18 finance or the director's designee; the director of

19 transportation or the director's designee; a cultural

20 specialist; an at-large member; an at-large member nominated by

21 the senate president; an at-large member nominated by the



1 speaker of the house; three representatives of the Heeia
2 community development district, comprising two residents of that
3 district or the Koolaupoko district, which consists of sections
4 1 through 9 of zone 4 of the first tax map key division, and one
5 owner of a small business or one officer or director of a
6 nonprofit organization in the Heeia community development
7 district or Koolaupoko district, nominated by the county council
8 of the county in which the Heeia community development district
9 is located; three representatives of the Kalaeloa community
10 development district, comprising two residents of the Ewa zone
11 (zone 9, sections 1 through 2) or the Waianae zone (zone 8,
12 sections 1 through 9) of the first tax map key division, and one
13 owner of a small business or one officer or director of a
14 nonprofit organization in the Ewa or Waianae zone, nominated by
15 the county council of the county in which the Kalaeloa community
16 development district is located; three representatives of the
17 Kakaako community development district, comprising two residents
18 of the district and one owner of a small business or one officer
19 or director of a nonprofit organization in the district,
20 nominated by the county council of the county in which the
21 Kakaako community development district is located; the director



1 of planning and permitting of each county in which a community
2 development district is located or the director's designee, who
3 shall serve in an ex officio, nonvoting capacity; and the
4 chairperson of the Hawaiian homes commission or the
5 chairperson's designee, who shall serve in an ex officio,
6 nonvoting capacity.

7 All members except the director of finance, director of
8 transportation, county directors of planning and permitting, and
9 chairperson of the Hawaiian homes commission or their designees
10 shall be appointed by the governor pursuant to section 26-34.
11 The two at-large members nominated by the senate president and
12 speaker of the house and the nine representatives of the
13 respective community development districts shall each be
14 appointed by the governor from a list of three nominees
15 submitted for each position by the nominating authority
16 specified in this subsection.

17 The authority shall be organized and shall exercise
18 jurisdiction as follows:

19 (1) For matters affecting the Heeia community development
20 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[+];

9 (4) For matters affecting the Pulehunui 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 transportation or the director's
14 designee;

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

17 (C) The chairperson of the board of land and natural
18 resources or the chairperson's designee;

19 (D) The comptroller or the comptroller's designee;

20 (E) The adjutant general or the adjutant general's
21 designee;



- 1 (F) The director of public safety or the director's
- 2 designee;
- 3 (G) The mayor of the county in which the Pulehunui
- 4 community development district is located or the
- 5 mayor's designee;
- 6 (H) The chair of the county council of the county in
- 7 which the Pulehunui community development
- 8 district is located or the chair's designee; and
- 9 (I) The cultural specialist;
- 10 provided that the chairperson of the Hawaiian homes
- 11 commission or the chairperson's designee shall
- 12 participate in these matters as an ex officio,
- 13 nonvoting member and shall not be considered in
- 14 determining quorum and majority.

15 In the event of a vacancy, a member shall be appointed to

16 fill the vacancy in the same manner as the original appointment

17 within thirty days of the vacancy or within ten days of the

18 senate's rejection of a previous appointment, as applicable.

19 The terms of the director of finance, director of

20 transportation, county directors of planning and permitting, and

21 chairperson of the Hawaiian homes commission or their respective



1 designees shall run concurrently with each official's term of
2 office. The terms of the appointed voting members shall be for
3 four years, commencing on July 1 and expiring on June 30;
4 provided that the initial terms of all voting members initially
5 appointed pursuant to Act 61, Session Laws of Hawaii 2014, shall
6 commence on March 1, 2015. The governor shall provide for
7 staggered terms of the initially appointed voting members so
8 that the initial terms of four members selected by lot shall be
9 for two years, the initial terms of four members selected by lot
10 shall be for three years, and the initial terms of the remaining
11 five members shall be for four years.

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

14 Notwithstanding section 92-15, a majority of all eligible
15 voting members as specified in this subsection shall constitute
16 a quorum to do business, and the concurrence of a majority of
17 all eligible voting members as specified in this subsection
18 shall be necessary to make any action of the authority valid.
19 All members shall continue in office until their respective
20 successors have been appointed and qualified. Except as herein



1 provided, no member appointed under this subsection shall be an
2 officer or employee of the State or its political subdivisions.

3 For purposes of this section, "small business" means a
4 business which is independently owned and which is not dominant
5 in its field of operation."

6 SECTION 4. There is appropriated out of the general
7 revenues of the State of Hawaii the sum of \$ or so much
8 thereof as may be necessary for fiscal year 2020-2021 for
9 development of the Pulehunui community development district.

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

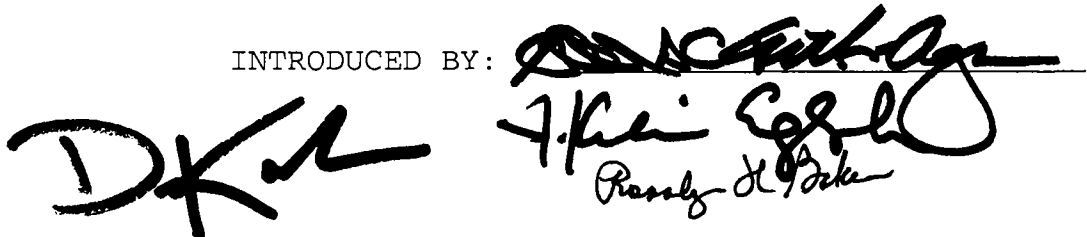
12 SECTION 5. In codifying the new sections added by section
13 1 of this Act, the revisor of statutes shall substitute
14 appropriate section numbers for the letters used in designating
15 the new sections in this Act.

16 SECTION 6. Statutory material to be repealed is bracketed
17 and stricken. New statutory material is underscored.

18 SECTION 7. This Act shall take effect on July 1, 2020.

19

INTRODUCED BY:

Handwritten signatures of DKL and Randy H. Parker.



S.B. NO. 2699

Report Title:

HCDA; Pulehunui Community Development District

Description:

Establishes the Pulehunui community development district on the island of Maui as a community development district within the authority of the Hawaii Community Development Authority. Authorizes the Hawaii Community Development Authority to obtain various forms of financial aid from the federal government for projects of the authority.

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