

JAN 18 2019

A BILL FOR AN ACT

RELATING TO COMMUNITY DEVELOPMENT.

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

1 SECTION 1. The purpose of this Act is to require the
2 Hawaii community development authority to develop a transit-
3 oriented development (TOD) zone improvement program to foster
4 community development by strategically investing in public
5 facilities.

6 The legislature finds that the construction and
7 installation of certain public facilities are necessary and
8 desirable to facilitate the renewal and redevelopment of areas
9 proximate to proposed fixed transit stations. TOD is a powerful
10 tool that can ultimately deliver a wide range of social,
11 environmental, and economic benefits. TOD promotes development
12 patterns that support quality of life, preserve the natural
13 environment, provide a range of housing choices for residents,
14 and encourage walking, biking, and mass transit.

15 The State plays an important role in overcoming barriers to
16 TOD, including encouraging needed investments in regional public
17 facilities such as roads, sewers, and storm water management



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1 systems. This Act is intended to move current TOD planning
2 efforts forward into structures that benefit the community.

3 SECTION 2. Section 206E-2, Hawaii Revised Statutes, is
4 amended by adding two new definitions to be appropriately
5 inserted and to read as follows:

6 "TOD" means transit-oriented development.

7 "TOD zone" means the parcels of land within a one-half mile
8 radius around a proposed or existing fixed transit station as
9 determined by the authority, taking into account proximity,
10 walkability, adopted county plans, and other relevant factors;
11 provided that TOD zones shall not be established in lands
12 administered by the Hawaii public housing authority, lands
13 administered by the stadium authority, or any community
14 development districts designated pursuant to section 206E-5."

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



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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;



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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;



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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 TOD zones, including the

10 creation of TOD zones, the following members and the

11 director of the office of planning or the director's

12 designee shall be considered in determining quorum and

13 majority and shall be eligible to vote:

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

15 designee;

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

17 designee;

18 (C) The cultural specialist; and

19 (D) The three at-large members;

20 provided that the director of planning and permitting

21 of the relevant county or the director's designee



1 shall participate in these matters as an ex officio,
2 nonvoting member and shall not be considered in
3 determining quorum and majority.

4 In the event of a vacancy, a member shall be appointed to
5 fill the vacancy in the same manner as the original appointment
6 within thirty days of the vacancy or within ten days of the
7 senate's rejection of a previous appointment, as applicable.

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



1 three years, and the initial terms of the remaining five members
2 shall be for four years.

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

5 Notwithstanding section 92-15, a majority of all eligible
6 voting members as specified in this subsection shall constitute
7 a quorum to do business, and the concurrence of a majority of
8 all eligible voting members as specified in this subsection
9 shall be necessary to make any action of the authority valid.

10 All members shall continue in office until their respective
11 successors have been appointed and qualified. Except as herein
12 provided, no member appointed under this subsection shall be an
13 officer or employee of the State or its political subdivisions.

14 For purposes of this section, "small business" means a
15 business which is independently owned and which is not dominant
16 in its field of operation."

17 SECTION 4. Section 206E-6, Hawaii Revised Statutes, is
18 amended as follows:

19 1. By amending the title and subsections (a) and (b) to
20 read:



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1 "§206E-6 District-wide and TOD zone improvement [~~program.~~]
2 programs. (a) The authority shall develop a district-wide
3 improvement program and a TOD zone improvement program to
4 identify necessary district-wide and TOD zone public facilities
5 within a community development district[-] or TOD zone.

6 (b) Whenever the authority shall determine to undertake,
7 or cause to be undertaken, any public facility as part of the
8 district-wide or TOD zone improvement program, the cost of
9 providing the public facilities shall be assessed against the
10 real property in the community development district specially
11 benefiting from such public facilities. The authority shall
12 determine the areas of the community development district or TOD
13 zone which will benefit from the public facilities to be
14 undertaken and, if less than the entire community development
15 district or TOD zone benefits, the authority may establish
16 assessment areas within the community development district[-] or
17 TOD zone. The authority may issue and sell bonds in such
18 amounts as may be authorized by the legislature to provide funds
19 to finance such public facilities. The authority shall fix the
20 assessments against real property specially benefited. All
21 assessments made pursuant to this section shall be a statutory



1 lien against each lot or parcel of land assessed from the date
2 of the notice declaring the assessment until paid and such lien
3 shall have priority over all other liens except the lien of
4 property taxes. As between liens of assessments, the earlier
5 lien shall be superior to the later lien."

6 2. By amending subsection (i) to read:

7 "(i) Notwithstanding any law to the contrary, whenever as
8 part of a district-wide or TOD zone improvement program it
9 becomes necessary to remove, relocate, replace, or reconstruct
10 public utility facilities, the authority shall establish by rule
11 the allocation of cost between the authority, the affected
12 public utilities, and properties that may specially benefit from
13 such improvement, if any. In determining the allocation of
14 cost, the authority shall consider the cost allocation policies
15 for improvement districts established by the county in which the
16 removal, relocation, replacement, or reconstruction is to take
17 place."

18 SECTION 5. There is appropriated out of the general
19 revenues of the State of Hawaii the sum of \$60,000 or so much
20 thereof as may be necessary for fiscal year 2019-2020 and the
21 same sum or so much thereof as may be necessary for fiscal year



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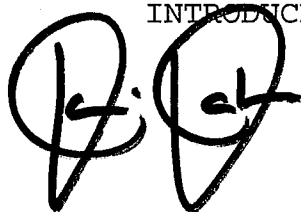
1 2020-2021 for the hiring of one full-time equivalent (1.00 FTE)
 2 temporary position in the Hawaii community development authority
 3 to maintain the staff necessary to develop and manage the TOD
 4 zone improvement program.

5 The sums appropriated shall be expended by the Hawaii
 6 community development authority for the purposes of this Act.

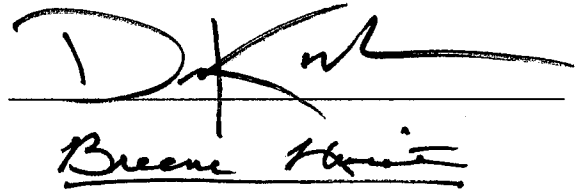
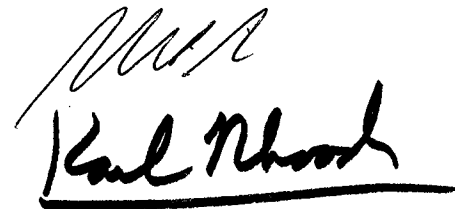
7 SECTION 6. Statutory material to be repealed is bracketed
 8 and stricken. New statutory material is underscored.

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

10



INTRODUCED BY:


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Report Title:

Transit-Oriented Development; Hawaii Community Development Authority; Appropriation

Description:

Requires the Hawaii Community Development Authority to develop a transit-oriented development (TOD) zone improvement program to foster community development by strategically investing in public facilities. Appropriates funds to HCDA for staff necessary to develop and manage the TOD zone improvement program.

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