

ACT 268

H.B. NO. 1586

A Bill for an Act Relating to the Structure of Government.

Be It Enacted by the Legislature of the State of Hawaii:

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

“PART . STADIUM DEVELOPMENT DISTRICT

§206E- Stadium development district; purpose; findings. The legislature finds that the aloha stadium and lands under the jurisdiction of the stadium authority and department of accounting and general services are underutilized. The stadium facility has been in dire need of significant repair and maintenance for many years. The stadium authority has considered repairing, upgrading, and replacing the existing facility to optimize the public’s enjoyment and ensure public safety. Redeveloping, renovating, or improving these public lands in a manner that will provide suitable recreational, residential, educational, and commercial areas, where the public can live, congregate, recreate, attend schools, and shop, as part of a thoughtfully integrated experience, is in the best interests of the State and its people.

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

The legislature finds that the jurisdiction of the authority shall include development within the stadium development district. Any development within the district shall require a permit from the authority.

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

“District” means the stadium development district established by this part.

§206E- District; established; boundaries. (a) The stadium development district is established and shall be composed of all land under the jurisdiction of the stadium authority established pursuant to section 109-1.

(b) The authority shall facilitate the development of all property belonging to the State within the district; provided that development is carried out in accordance with any county transit-oriented development plans for lands surrounding the district. In addition to any other duties that the authority may have pursuant to this chapter, the authority’s duties shall include:

- (1) Coordinating with the federal government regarding the ownership and use of, or restrictions on, properties within the district that were previously owned or are currently owned by the federal government;
- (2) Coordinating with other state entities during the conveyance of properties and conducting remediation activities for the property belonging to the State within the district;
- (3) Developing the infrastructure necessary to support the development of all property belonging to the State within the district; and
- (4) Providing, to the extent feasible, maximum opportunity for the re-use of property belonging to the State within the district by private enterprise or state and county government.

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

- (1) Development shall be in accordance with any county transit-oriented development plan, unless modified by the authority pursuant to paragraph (2);
- (2) With the approval of the governor, the authority, upon the concurrence of a majority of its voting members, may modify and make changes to a transit-oriented development plan with respect to the district to respond to changing conditions; provided that before amending a transit-oriented development plan, the authority shall conduct a public hearing to inform the public of the proposed changes and receive public input;
- (3) The authority shall seek to promote economic development and employment opportunities by fostering diverse land uses and encouraging private sector investments that use the opportunities presented by the high-capacity transit corridor project consistent with the needs of the public, including mixed use housing and housing in transit-oriented developments;
- (4) The authority may engage in planning, design, and construction activities within and outside the district; provided that activities outside the district shall relate to infrastructure development, area-wide drainage improvements, roadway realignments and improvements, business and industrial relocation, and other activities the authority deems necessary to carry out development of the district and implement this part. The authority may undertake studies or coordinating activities in conjunction with the county and appropriate state agencies and may address facility systems, industrial relocation, and other activities;
- (5) Hawaiian archaeological, historic, and cultural sites shall be preserved and protected;
- (6) Endangered species of flora and fauna shall be preserved to the extent feasible;
- (7) Land use and development activities within the district shall be coordinated with and, to the extent possible, complement existing county and state policies, plans, and programs affecting the district; and
- (8) Public facilities within the district shall be planned, located, and developed to support the development policies established by this chapter for the district and rules adopted pursuant to this chapter.

§206E- Stadium development district governance; memorandum of agreement. Notwithstanding section 206E-3, for matters affecting the stadium development district, the executive director of the authority, state comptroller, and the stadium authority shall execute a memorandum of agreement with the appropriate state agencies.

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

SECTION 2. Section 206E-14, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

“(a) The authority may, without recourse to public auction, sell, or lease for a term not exceeding sixty-five years, all or any portion of the real or personal property constituting a redevelopment project to any person, upon such terms and conditions as may be approved by the authority, if the authority finds that the sale or lease is in conformity with the community development plan.

For the stadium development district, leases shall not exceed a term of ninety-nine years.”

SECTION 3. (a) Notwithstanding any other law to the contrary, the department of land and natural resources shall transfer the fee simple interest in all parcels of land under the control or jurisdiction of the stadium authority, including all existing improvements thereon, to the stadium authority as grantee, as is, where is; provided that the legal instrument transferring the fee simple interest shall prohibit the stadium authority from selling, exchanging, or otherwise relinquishing the State’s title to any ceded lands. The parcels to be transferred shall include:

- (1) TMK 99003055:0000;
- (2) TMK 99003061:0000;
- (3) TMK 99003070:0000;
- (4) TMK 99003071:0000; and
- (5) Any other parcels under the jurisdiction of the stadium authority.

(b) The department of land and natural resources shall prepare, execute, and record, in the land court or bureau of conveyances, as appropriate, a quitclaim deed to convey each above-listed parcel with all existing improvements, subject to the property boundaries determined pursuant to subsection (a), to the stadium authority, as grantee. As these are conveyances in which the State and its agencies are the only parties, the tax imposed by section 247-1, Hawaii Revised Statutes, shall not apply. Effective on the date of transfer, every reference to the present titleholder or the head of the department or agency in each instrument, if the titleholder is a department or an agency, shall be construed as a reference to the stadium authority.

SECTION 4. There is appropriated out of the general revenues of the State of Hawaii the sum of \$20,000,000 or so much thereof as may be necessary for fiscal year 2019-2020 for the establishment and development of the stadium development district for public use.

The sum appropriated shall be expended by the Hawaii community development authority for the purposes of this Act; provided that the appropriation shall not lapse at the end of the fiscal year for which the appropriation is made; provided further that all moneys unencumbered as of June 30, 2022, shall lapse as of that date.

SECTION 5. The legislature finds and declares that the issuance of revenue bonds under this Act is in the public interest and for the public health, safety, and general welfare. Pursuant to part III, chapter 39, Hawaii Revised Statutes. Accordingly, the Hawaii community development authority, with the approval of the governor, may issue in one or more series revenue bonds in a total amount not to exceed \$180,000,000 for the Hawaii community development authority to implement the stadium development district as provided for in part , chapter 206E, Hawaii Revised Statutes.

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

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The revenue bonds authorized under this Act shall be issued pursuant to part III, chapter 39, Hawaii Revised Statutes. The authorization to issue revenue bonds under this Act shall lapse on June 30, 2024.

SECTION 6. The director of finance is authorized to issue general obligation bonds in the sum of \$150,000,000 or so much thereof as may be necessary and the same sum or so much thereof as may be necessary is appropriated for fiscal year 2019-2020 to the Hawaii community development authority for the stadium development district.

SECTION 7. The appropriation made for the capital improvement project authorized by section 6 of this Act shall not lapse at the end of the fiscal biennium for which the appropriation is made; provided that all moneys from the appropriation unencumbered as of June 30, 2022, shall lapse as of that date.

SECTION 8. This Act shall take effect on July 1, 2019.

(Approved July 8, 2019.)