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# A BILL FOR AN ACT

RELATING TO THE STRUCTURE OF GOVERNMENT.

**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       .   STADIUM DEVELOPMENT DISTRICT**

5           **§206E-       Stadium development district; purpose; findings.**

6 The legislature finds that the aloha stadium and lands under the  
7 jurisdiction of the stadium authority and department of  
8 accounting and general services are underutilized. The stadium  
9 facility has been in dire need of significant repair and  
10 maintenance for many years. The stadium authority has  
11 considered repairing, upgrading, and replacing the existing  
12 facility to optimize the public's enjoyment and ensure public  
13 safety. Redeveloping, renovating, or improving these public  
14 lands in a manner that will provide suitable recreational,  
15 residential, educational, and commercial areas, where the public  
16 can live, congregate, recreate, attend schools, and shop, as



1 part of a thoughtfully integrated experience, is in the best  
2 interests of the State and its people.

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

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

10 **§206E- Definitions.** As used in this part, unless the  
11 context otherwise requires:

12 "District" means the stadium development district  
13 established by this part.

14 **§206E- District; established; boundaries.** (a) The  
15 stadium development district is established and shall be  
16 composed of all land under the jurisdiction of the stadium  
17 authority established pursuant to section 109-1.

18 (b) The authority shall facilitate the development of all  
19 property belonging to the State within the district; provided  
20 that development is carried out in accordance with any county  
21 transit-oriented development plans for lands surrounding the



1 district. In addition to any other duties that the authority  
2 may have pursuant to this chapter, the authority's duties shall  
3 include:

- 4 (1) Coordinating with the federal government regarding the  
5 ownership and use of, or restrictions on, properties  
6 within the district that were previously owned or are  
7 currently owned by the federal government;
- 8 (2) Coordinating with other state entities during the  
9 conveyance of properties and conducting remediation  
10 activities for the property belonging to the State  
11 within the district;
- 12 (3) Developing the infrastructure necessary to support the  
13 development of all property belonging to the State  
14 within the district; and
- 15 (4) Providing, to the extent feasible, maximum opportunity  
16 for the reuse of property belonging to the State  
17 within the district by private enterprise or state and  
18 county government.

19 **§206E- Development guidance policies.** The following  
20 shall be the development guidance policies generally governing  
21 the authority's actions in the district:



- 1           (1) Development shall be in accordance with any county  
2           transit-oriented development plan, unless modified by  
3           the authority pursuant to paragraph (2);
- 4           (2) With the approval of the governor, the authority, upon  
5           the concurrence of a majority of its voting members,  
6           may modify and make changes to a transit-oriented  
7           development plan with respect to the district to  
8           respond to changing conditions; provided that before  
9           amending a transit-oriented development plan, the  
10          authority shall conduct a public hearing to inform the  
11          public of the proposed changes and receive public  
12          input;
- 13          (3) The authority shall seek to promote economic  
14          development and employment opportunities by fostering  
15          diverse land uses and encouraging private sector  
16          investments that use the opportunities presented by  
17          the high-capacity transit corridor project consistent  
18          with the needs of the public, including mixed use  
19          housing and housing in transit-oriented developments;
- 20          (4) The authority may engage in planning, design, and  
21          construction activities within and outside the



1 district; provided that activities outside the  
2 district shall relate to infrastructure development,  
3 area-wide drainage improvements, roadway realignments  
4 and improvements, business and industrial relocation,  
5 and other activities the authority deems necessary to  
6 carry out development of the district and implement  
7 this part. The authority may undertake studies or  
8 coordinating activities in conjunction with the county  
9 and appropriate state agencies and may address  
10 facility systems, industrial relocation, and other  
11 activities;

12 (5) Hawaiian archaeological, historic, and cultural sites  
13 shall be preserved and protected;

14 (6) Endangered species of flora and fauna shall be  
15 preserved to the extent feasible;

16 (7) Land use and development activities within the  
17 district shall be coordinated with and, to the extent  
18 possible, complement existing county and state  
19 policies, plans, and programs affecting the district;  
20 and



1 (8) Public facilities within the district shall be  
2 planned, located, and developed to support the  
3 development policies established by this chapter for  
4 the district and rules adopted pursuant to this  
5 chapter.

6 **§206E- Stadium development district governance;**  
7 **memorandum of agreement.** Notwithstanding section 206E-3, for  
8 matters affecting the stadium development district, the  
9 executive director of the authority, state comptroller, and the  
10 stadium authority shall execute a memorandum of agreement with  
11 the appropriate state agencies.

12 **§206E- Annual comprehensive report.** Not less than  
13 twenty days prior to the convening of each regular session of  
14 the legislature, the authority shall submit to the legislature  
15 an annual comprehensive status report on the progress of  
16 development within the stadium development district."

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

19 "(a) The authority may, without recourse to public  
20 auction, sell, or lease for a term not exceeding sixty-five  
21 years, all or any portion of the real or personal property



1 constituting a redevelopment project to any person, upon such  
2 terms and conditions as may be approved by the authority, if the  
3 authority finds that the sale or lease is in conformity with the  
4 community development plan.

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

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

- 17 (1) TMK 99003055:0000;  
18 (2) TMK 99003061:0000;  
19 (3) TMK 99003070:0000;  
20 (4) TMK 99003071:0000; and



1           (5) Any other parcels under the jurisdiction of the  
2                    stadium authority.

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

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





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

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

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

20           The revenue bonds authorized under this Act shall be issued  
21 pursuant to part III, chapter 39, Hawaii Revised Statutes. The



1 authorization to issue revenue bonds under this Act shall lapse  
2 on June 30, 2024.

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

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

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



**Report Title:**

HCDA; Stadium Authority; Stadium Development District; Land Transfer; Appropriation

**Description:**

Establishes the Stadium Development District comprising all state land under the Stadium Authority's jurisdiction. Authorizes HCDA to facilitate the development of all state property within the District. Requires a memorandum of agreement for matters affecting the District. Directs DLNR to transfer title of stadium lands to the Stadium Authority. Subjects leases of land within the District to not more than 99 years. Authorizes the issuance of revenue bonds and general obligation bonds. Appropriates funds. Requires annual reports to the Legislature. (HB1586 CD1)

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

