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# A BILL FOR AN ACT

RELATING TO THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY.

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

1 PART I

2 SECTION 1. Section 206E-3, Hawaii Revised Statutes, is  
3 amended by amending subsection (b) to read as follows:

4 "(b) The authority shall consist of the director of  
5 finance or the director's designee; the director of  
6 transportation or the director's designee; a cultural  
7 specialist; an at-large member; an at-large member nominated by  
8 the [~~senate~~] president[+] of the senate; an at-large member  
9 nominated by the speaker of the house[+] of representatives;  
10 three representatives of the Heeia community development  
11 district, comprising two residents of that district or the  
12 Koolaupoko district, which consists of sections 1 through 9 of  
13 zone 4 of the first tax map key division, and one owner of a  
14 small business or one officer or director of a nonprofit  
15 organization in the Heeia community development district or  
16 Koolaupoko district, with one each nominated by the [~~county~~  
17 ~~council of the county in which the Heeia community development~~



1 ~~district is located,]~~ president of the senate and speaker of the  
2 house of representatives; three representatives of the Kalaeloa  
3 community development district, comprising two residents of the  
4 Ewa zone (zone 9, sections 1 through 2) or the Waianae zone  
5 (zone 8, sections 1 through 9) of the first tax map key  
6 division, and one owner of a small business or one officer or  
7 director of a nonprofit organization in the Ewa or Waianae zone,  
8 with one each nominated by the [~~county council of the county in~~  
9 ~~which the Kalaeloa community development district is located,]~~  
10 president of the senate and speaker of the house of  
11 representatives; three representatives of the Kakaako community  
12 development district, comprising two residents of the district  
13 and one owner of a small business or one officer or director of  
14 a nonprofit organization in the district, with one each  
15 nominated by the [~~county council of the county in which the~~  
16 ~~Kakaako community development district is located,]~~ president of  
17 the senate and speaker of the house of representatives; the  
18 director of planning and permitting of each county in which a  
19 community development district is located or the director's  
20 designee, who shall serve in an ex officio, nonvoting capacity;  
21 and the chairperson of the Hawaiian homes commission or the



1 chairperson's designee, who shall serve in an ex officio,  
2 nonvoting capacity.

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

13 The authority shall be organized and shall exercise  
14 jurisdiction as follows:

15 (1) For matters affecting the Heeia community development  
16 district, the following members shall be considered in  
17 determining quorum and majority and shall be eligible  
18 to vote:

19 (A) The director of finance or the director's  
20 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 Heeia community
- 6 development district;
- 7 provided that the director of planning and permitting
- 8 of the relevant county or the director's designee
- 9 shall participate in these matters as an ex officio,
- 10 nonvoting member and shall not be considered in
- 11 determining quorum and majority;
- 12 (2) For matters affecting the Kalaeloa community
- 13 development district, the following members shall be
- 14 considered in determining quorum and majority and
- 15 shall be eligible to vote:
- 16 (A) The director of finance or the director's
- 17 designee;
- 18 (B) The director of transportation or the director's
- 19 designee;
- 20 (C) The cultural specialist;
- 21 (D) The three at-large members; and



1 (E) The three representatives of the Kalaeloa  
2 community development district;  
3 provided that the director of planning and permitting  
4 of the relevant county and the chairperson of the  
5 Hawaiian homes commission, or their respective  
6 designees, shall participate in these matters as ex  
7 officio, nonvoting members and shall not be considered  
8 in determining quorum and majority; and

9 (3) For matters affecting the Kakaako 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 finance or the director's  
14 designee;

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

17 (C) The cultural specialist;

18 (D) The three at-large members; and

19 (E) The three representatives of the Kakaako  
20 community development district;



1 provided that the director of planning and permitting  
2 of the relevant county or the director's designee  
3 shall participate in these matters as an ex officio,  
4 nonvoting member and shall not be considered in  
5 determining quorum and majority.

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

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



1 shall be for three years, and the initial terms of the remaining  
2 five members 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]~~ that is independently owned and ~~[which]~~ that is  
16 not dominant in its field of operation."

17 SECTION 2. Section 206E-4, Hawaii Revised Statutes, is  
18 amended to read as follows:

19 **"§206E-4 Powers; generally.** (a) Except as otherwise  
20 limited by this chapter, the authority may:

21 (1) Sue and be sued;



- 1           (2) Have a seal and alter the same at pleasure;
- 2           (3) Make and execute contracts and all other instruments
- 3                 necessary or convenient for the exercise of its powers
- 4                 and functions under this chapter;
- 5           (4) Make and alter bylaws for its organization and
- 6                 internal management;
- 7           (5) Make rules with respect to its projects, operations,
- 8                 properties, and facilities, which rules shall be in
- 9                 conformance with chapter 91;
- 10          (6) Through its executive director appoint officers,
- 11                 agents, and employees, prescribe their duties and
- 12                 qualifications, and fix their salaries, without regard
- 13                 to chapter 76;
- 14          (7) Prepare or cause to be prepared a community
- 15                 development plan for all designated community
- 16                 development districts;
- 17          (8) Acquire, reacquire, or contract to acquire or
- 18                 reacquire by grant or purchase real, personal, or
- 19                 mixed property or any interest therein; to own, hold,
- 20                 clear, improve, and rehabilitate, and to sell, assign,





- 1 exchange, transfer, convey, lease, or otherwise  
2 dispose of or encumber the same;
- 3 (9) Acquire or reacquire by condemnation real, personal,  
4 or mixed property or any interest therein for public  
5 facilities, including but not limited to streets,  
6 sidewalks, parks, schools, and other public  
7 improvements;
- 8 (10) By itself, or in partnership with qualified persons,  
9 acquire, reacquire, construct, reconstruct,  
10 rehabilitate, improve, alter, or repair or provide for  
11 the construction, reconstruction, improvement,  
12 alteration, or repair of any project; own, hold, sell,  
13 assign, transfer, convey, exchange, lease, or  
14 otherwise dispose of or encumber any project, and in  
15 the case of the sale of any project, accept a purchase  
16 money mortgage in connection therewith; and repurchase  
17 or otherwise acquire any project that the authority  
18 has theretofore sold or otherwise conveyed,  
19 transferred, or disposed of;
- 20 (11) Arrange or contract for the planning, replanning,  
21 opening, grading, or closing of streets, roads,



1 roadway, alleys, or other places, or for the  
2 furnishing of facilities or for the acquisition of  
3 property or property rights or for the furnishing of  
4 property or services in connection with a project;

5 (12) Grant options to purchase any project or to renew any  
6 lease entered into by it in connection with any of its  
7 projects, on terms and conditions as it deems  
8 advisable;

9 (13) Prepare or cause to be prepared plans, specifications,  
10 designs, and estimates of costs for the construction,  
11 reconstruction, rehabilitation, improvement,  
12 alteration, or repair of any project, and from time to  
13 time to modify the plans, specifications, designs, or  
14 estimates;

15 (14) Provide advisory, consultative, training, and  
16 educational services, technical assistance, and advice  
17 to any person, partnership, or corporation, either  
18 public or private, to carry out the purposes of this  
19 chapter, and engage the services of consultants on a  
20 contractual basis for rendering professional and  
21 technical assistance and advice;



- 1 (15) Procure insurance against any loss in connection with  
2 its property and other assets and operations in  
3 amounts and from insurers as it deems desirable;
- 4 (16) Contract for and accept gifts or grants in any form  
5 from any public agency or from any other source;
- 6 (17) Do any and all things necessary to carry out its  
7 purposes and exercise the powers given and granted in  
8 this chapter; and
- 9 (18) Allow satisfaction of any affordable housing  
10 requirements imposed by the authority upon any  
11 proposed development project through the construction  
12 of reserved housing, as defined in section 206E-101,  
13 by a person on land located outside the geographic  
14 boundaries of the authority's jurisdiction; provided  
15 that the authority may permit cash payments in lieu of  
16 providing reserved housing. The substituted housing  
17 shall be located on the same island as the development  
18 project and shall be substantially equal in value to  
19 the required reserved housing units that were to be  
20 developed on site. The authority shall establish the



1 following priority in the development of reserved  
2 housing:

- 3 (A) Within the community development district;
- 4 (B) Within areas immediately surrounding the  
5 community development district;
- 6 (C) Areas within the central urban core; and
- 7 (D) In outlying areas within the same island as the  
8 development project.

9 The Hawaii community development authority shall  
10 adopt rules relating to the approval of reserved  
11 housing that are developed outside of a community  
12 development district. The rules shall include, but  
13 are not limited to, the establishment of guidelines to  
14 ensure compliance with the above priorities.

15 (b) The authority shall not have jurisdiction over the  
16 development of lands under the jurisdiction of the stadium  
17 authority, unless authorized by the stadium authority."

18 SECTION 3. Section 206E-14, Hawaii Revised Statutes, is  
19 amended by amending subsection (a) to read as follows:

20 "(a) The authority [~~may~~], without recourse to public  
21 auction, may sell[~~7~~] or lease for a term not exceeding sixty-



1 five years, all or any portion of the real or personal property  
2 constituting a redevelopment project to any person, upon [~~such~~]  
3 terms and conditions as may be approved by the authority, if the  
4 authority finds that the sale or lease is in conformity with the  
5 community development plan.

6 [~~For the stadium development district, leases shall not~~  
7 ~~exceed a term of ninety nine years.] "~~

8 SECTION 4. Chapter 206E, part IX, Hawaii Revised Statutes,  
9 is repealed.

10 PART II

11 SECTION 5. Act 268, Session Laws of Hawaii 2019, is  
12 amended by amending sections 4, 5, and 6 to read as follows:

13 "SECTION 4. There is appropriated out of the general  
14 revenues of the State of Hawaii the sum of \$20,000,000 or so  
15 much thereof as may be necessary for fiscal year 2019-2020 for  
16 the [~~establishment and~~] development of the stadium [~~development~~  
17 ~~district~~] authority property for public use.

18 The sum appropriated shall be expended by the [~~Hawaii~~  
19 ~~community development~~] stadium authority for the purposes of  
20 this Act; provided that the appropriation shall not lapse at the  
21 end of the fiscal year for which the appropriation is made;



1 provided further that all moneys unencumbered as of June 30,  
2 2022, shall lapse as of that date.

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

15 The proceeds of the revenue bonds shall be deposited into  
16 the [~~Hawaii community development revolving~~] fund  
17 created in section [~~206E-16,~~] \_\_\_\_\_, Hawaii Revised Statutes.

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



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

8 PART III

9 SECTION 6. Statutory material to be repealed is bracketed  
10 and stricken. New statutory material is underscored.

11 SECTION 7. This Act shall take effect upon its approval;  
12 provided that the existing representatives of the Heeia  
13 community development district, Kalaeloa community development  
14 district, and Kakaako community development district shall  
15 continue to serve until the expiration of their respective  
16 terms.



**Report Title:**

Hawaii Community Development Authority; Membership; Nominating Authority; Stadium Authority; Stadium Development District; Appropriation

**Description:**

Amends the nominating authority of the representatives of the Heeia community development district, Kalaeloa community development district, and Kakaako community development district that serve on the Hawaii community development authority. Provides that the Hawaii Community Development Authority shall not have jurisdiction over the development of lands under the Stadium Authority's jurisdiction. Repeals provisions relating to the stadium development district. Amends Act 268, Session Laws of Hawaii 2019, by making the Stadium Authority responsible for expending the appropriations made by that Act and authorizing the Stadium Authority, rather than the Hawaii Community Development Authority, to issue the revenue bonds authorized by Act 268, Session Laws of Hawaii 2019. (SD1)

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

