#### JAN 8 2 2007

#### A BILL FOR AN ACT

RELATING TO KALAELOA.

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

1	PART I
2	SECTION 1. The legislature finds that Kalaeloa can address
3	critical housing needs; provide jobs that strengthen and
4	diversify Hawaii's economy; reduce Hawaii's dependence on
5	imported fossil fuels; and create a community that will set a
6	model for other regions of the State to emulate.
7	A recently completed two-year community planning process
8	established a vision for Kalaeloa and defined a mission,
9	process, and objectives to provide jobs, economic growth, and
10	social value to the community. This process culminated in the
11	preparation and adoption of a five-year strategic plan and a 20-
12	year master plan.
13	The master plan will create:
14	(1) Three million square feet of light industrial,
15	commercial, retail and office space;
16	(2) 7,000 jobs;
17	(3) Approximately 6,350 residential units;

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1	(4)	A livable community that balances environmental,
2		cultural, and economic values; and
3	(5)	An innovation environment to create opportunities for
4		high-technology and alternative energy development.
5	The	purpose of this Act is to provide the necessary
6	authority	to see that the master plan is implemented and a more
7	livable,	prosperous future is brought to this undeveloped,
8	blighted,	and abandoned area. This will be achieved by:
9	(1)	Acquiring land to provide, under public-private
10		partnerships, recreational, housing and employment
11		opportunities;
12	(2)	Promoting quality of life initiatives;
13	(3)	Establishing renewable energy projects and the use of
14		green building practices by developments within the
15		district; and
16	(4)	Providing the infrastructure necessary to effectuate
17		the above-stated objectives.
18		PART II
19		ACQUISITION OF U.S. NAVY LANDS
20	The	legislature has identified 499 acres of land,
21	distribut	ed largely along the northern boundary of the Kalaeloa
22	community	development district, as meritorious for acquisition

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- 1 by the Hawaii community development authority (HCDA).
- 2 Designated for disposal by the U.S. Navy under 10 U.S.C. §2814,
- 3 this law allows the Navy to sell or lease this land for the
- 4 purpose of generating revenue to support redevelopment
- 5 activities elsewhere. In October 2006, the U.S. Congress passed
- 6 a provision in the FY2007 DOD Authorization Bill (H.R. 5122)
- 7 that requires the Navy to enter into a binding agreement to
- 8 convey the 499 acres of land by September 30, 2008.
- 9 The Kalaeloa master plan identifies a variety of uses for
- 10 these lands including: moderate & high intensity mixed use,
- 11 commercial, light industrial, public facilities and open space.
- 12 These land uses were developed with input of the community.
- 13 The legislature finds that acquisition by HCDA of the
- 14 Navy's brokered land achieves this public purpose from the
- 15 standpoint of flexibility and control that could otherwise not
- 16 be achieved if the lands were in private hands. When land
- 17 ownership is coupled with HCDA's zoning authority, opportunities
- 18 for increased affordable housing, innovative technologies and
- 19 job creation, and other initiatives can be more readily pursued
- 20 through public private partnerships.

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- 1 SECTION 2. General obligation bonds may be issued, as
- 2 provided by law, in the amount of one dollar to finance projects
- 3 authorized in part II.
- 4 PART III
- 5 PROMOTING COMMUNITY VALUES, RECREATION, PUBLIC HEALTH & SAFETY
- 6 SECTION 3. The legislature recognizes that the vision for
- 7 Kalaeloa cannot be achieved without meaningful community
- 8 involvement. As such, Act 188, Session Laws of Hawaii 2005, was
- 9 passed and signed into law to formalize and integrate community
- 10 needs and interests into the redevelopment process. Yet,
- 11 without safe streets, adequate parks and public facilities, and
- 12 the authority to ensure compliance to community desired
- 13 standards, such is simply not possible.
- 14 SECTION 4. Section 206E-197, Hawaii Revised Statutes, is
- 15 amended to read as follows:
- 16 "§206E-197 Complaints and activities inconsistent with
- 17 community reuse plan. The authority [may] shall establish
- 18 procedures for receiving and processing district-related
- 19 complaints, conducting research, monitoring matters that arise
- 20 within the district, and reporting its findings."
- 21 SECTION 5. Section 206E-198, Hawaii Revised Statutes, is
- 22 amended to read as follows:

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         "$206E-198 Remedies. (a) The authority may research any
    complaint relating to the district that it determines to be an
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    appropriate subject for investigation, including:
3
         (1)
              Unkempt appearance of property;
4
5
         (2)
              Brushfires on property;
              Rubbish disposed of inappropriately; [ex]
         (3)
6
              Conditions on property otherwise incongruous with
7
         (4)
              generally accepted standards of maintenance [-];
8
9
              or
         (5) Activities and actions that are inconsistent with
10
              the community reuse plan.
11
              The authority [may investigate, conduct research, or
12
   monitor any matter that arises within the district, ] shall adopt
13
    rules, including administrative procedures and penalties
14
    relating to violations, pursuant to chapter 91, and may amend
15
    the rules from time to time, in accordance with this part.
16
         [(c) If the authority decides not to research a complaint
17
    filed with the authority, it shall inform the complainant of its
18
19
    decision and shall state its reasons.
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         If the authority decides to research the complaint, it
   shall notify the complainant of its decision and shall also
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   notify the landowner of its intention to investigate.
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1 (d) Before giving any opinion or recommendation that is critical of a landowner or person who is the subject of the 2 complaint, the authority shall consult with the landowner or 3 person on the best means to remedy the situation. 4 5 (e) After a reasonable time has elapsed, the authority shall notify the complainant of the actions taken by it and by б 7 the landowner.]" SECTION 6. Section 206E-199, Hawaii Revised Statutes, is 8 amended to read as follows: 9 10 "\$206E-199 Reports. (a) [After a reasonable time has elapsed, the authority may present its opinion and 11 recommendations to the governor, the legislature, the public, or 12 any of these. The authority shall include with this opinion any 13 14 reply made by the landowner. (b) The authority shall [submit to the various landowners 15 in the district a quarterly report discussing] include, as part 16 of its obligations under §206E-19, a discussion of the 17 authority's activities under this part. [The report shall be 18 19 made available to the public upon request.] " 20 SECTION 7. General obligation bonds may be issued, as provided by law, to yield the amount of one dollar that may be 21 necessary to finance projects authorized in part III. 22

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1	PART IV
2	INFRASTRUCTURE DEVELOPMENT
3	SECTION 8. The legislature finds that not only must the
4	current infrastructure systems in Kalaeloa function more
5	efficiently to meet the demands of existing users, but
6	implementation of the Kalaeloa master plan requires upgrading
7	these systems or installing of new water, electrical, sewer,
8	roadway, drainage, and telecommunication systems.
9	Such investments are not only necessary to lay the
10	foundation from which the economic growth and prosperity is
11	built; the legislature finds they are sound fiscally.
12	SECTION 9. General obligation bonds may be issued, as
13	provided by law, to yield the amount of one dollar that may be
14	necessary to finance projects authorized in part V.
15	PART V
16	MISCELLANEOUS PROVISIONS
17	SECTION 10. This Act does not affect rights and duties
18	that matured, penalties that were incurred, and proceedings that
19	were begun, before its effective date.
20	SECTION 11. In codifying the new sections added by this
21	Act, the revisor of statutes shall substitute appropriate

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1	section numbers for the letters used in designating the new
2	sections in this Act.
3	SECTION 12. Statutory material to be repealed is bracketed
4	and stricken. New statutory material is underscored.
5	SECTION 13. This Act shall take effect on July 1, 2007.
6	
7	INTRODUCED BY:
8	BY REQUEST

#### JUSTIFICATION SHEET

DEPARTMENT: Business, Economic Development & Tourism

TITLE: A BILL FOR AN ACT RELATING TO KALAELOA.

PURPOSE: Provides the resources for bringing forth the potential of Kalaeloa as a Wahi Ho'okela

(Center for Excellence) within the Ewa District and Leeward Coast of Oahu in meeting growing housing, recreation, job,

and energy needs of Hawaii's people.

MEANS: Amend section 206E-197, Hawaii Revised

Statutes (HRS). Provide appropriations.

JUSTIFICATION: Kalaeloa, the former Barbers Point Naval Air

Station, offers a tangible opportunity through comprehensive planning, regulation, and development based on community values, to provide one of the last remaining nonceded land areas available for mixed use development in the Second City area of

Kapolei.

Impact on the public: Contributes to economic, social and environmental health and vitality of the area. Clarifies and strengthens the "ombudsman" role of the Hawaii Community Development Authority under

Act 188, Session Laws of Hawaii 2005.

Impact on the department and other agencies:
Supports strategic objectives including
development of workforce housing; workforce
development; energy for tomorrow; export of
goods and services; creation of an
"innovation infrastructure"; and improving

Hawaii's small business environment.

GENERAL FUND: None.

OTHER FUNDS: General Obligation Bonds. Amount to be

negotiated with U.S. Navy.

PPBS PROGRAM
DESIGNATION:

None.

OTHER AGENCIES

AFFECTED:

Departments of Hawaiian Homelands,

Transportation, Defense, Human Services;

various City & County agencies.

EFFECTIVE DATE:

Upon approval for non-financial sections;

July 1, 2007 for financial sections.