
A BILL FOR AN ACT

RELATING TO ALOHA TOWER DEVELOPMENT CORPORATION.

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

1 SECTION 1. In order for the harbors division of the
2 department of transportation to meet the economic needs of this
3 State, suitable harbor facilities must be provided to assure the
4 efficient and timely delivery of goods imported into the State
5 by shipping. Hawaii's aging commercial harbor system has not
6 kept pace with our growing economy, and it is now critical to
7 upgrade existing port facilities and develop harbor improvements
8 in an expedited manner. Under its statutory mandate, the
9 department of transportation's harbors division is focused on
10 essential daily management and operations of the commercial
11 harbor system rather than development of new expansion
12 opportunities. In order to achieve the development of
13 critically needed harbor infrastructure improvements in an
14 expedited manner, the department of transportation's harbors
15 division desires to partner with Aloha Tower Development
16 Corporation, an entity with a development oriented mission,
17 statutory powers, and expertise in the development of state-
18 owned properties, to prioritize development of harbor



1 infrastructure in order to curtail statewide economic hardships
2 that will occur if the harbors reach maximum cargo handling
3 capacity by the year 2011 as currently projected.

4 The department of transportation's harbors division is
5 additionally stymied by the lack of funding necessary to develop
6 costly wharfs and cargo handling terminals and the ability to
7 consider development oriented financing options such as public
8 or private partnerships under its traditional structure, but the
9 Aloha Tower Development Corporation is empowered to do such
10 things. Similarly, the department of transportation's harbors
11 division is currently managing the Kewalo basin area, which is
12 under control of the Hawaii community development corporation.
13 The legislature believes that the Aloha Tower Development
14 Corporation should also undertake the improvement of Kewalo
15 basin to ensure that the improvements made to Kewalo basin and
16 Honolulu harbor compliment each other. A partnership with the
17 Aloha Tower Development Corporation, which has jurisdiction over
18 a portion of Honolulu harbor, can also assist the department of
19 transportation's harbors division by providing financial support
20 from its limited commercial development along the downtown urban
21 waterfront and Kewalo Basin. Revenues generated from commercial



1 development are proposed to be directed towards the funding of
2 commercial harbor system infrastructure improvements.

3 SECTION 2. Chapter 206J, Hawaii Revised Statutes is
4 amended by adding a new section to be appropriately designated
5 and to read as follows:

6 "§206J- Partnership with department of transportation
7 for Honolulu harbor. (a) Consistent with its general powers
8 under this chapter, the development corporation may undertake
9 projects for Honolulu harbor and its adjacent lands and Kewalo
10 basin and its adjacent lands, which are under the jurisdiction
11 of the department of transportation or the Hawaii community
12 development authority, as the case may be. Notwithstanding any
13 provision in section 206J-17 to the contrary, payments to the
14 development corporation for its administrative and operational
15 expenses in undertaking such projects shall be made by the
16 department of transportation and deposited into the Aloha Tower
17 fund in a sub-account designated for the particular development
18 project.

19 (b) Authorization for funding and participation of the
20 development corporation in Honolulu harbor and Kewalo basin
21 projects under this section, and additional position
22 authorizations within the development corporation therefor,



1 shall be subject to legislative approval on a project-by-project
2 basis. The approval may set forth the terms, conditions, and
3 any other limitations on the participation of the development
4 corporation that the legislature may enact.

5 (c) If the legislature approves a Honolulu harbor or
6 Kewalo basin project to be developed by the development
7 corporation, all appropriations for the project shall be
8 received and administered by the department of transportation.
9 The department of transportation shall retain fiscal management
10 and oversight of all project cost expenditures, budget, and
11 contract approvals.

12 (d) Subject to existing contractual and statutory
13 commitments to the department of transportation for any losses
14 in revenue under this chapter, the development corporation may
15 apply any revenues derived from commercial development projects
16 in the Aloha Tower project area to defray the cost of the harbor
17 infrastructure improvements incurred within the State."

18 SECTION 3. Section 206E-33, Hawaii Revised Statutes, is
19 amended to read as follows:

20 **"§206E-33 Kakaako community development district;**
21 **development guidance policies.** The following shall be the
22 development guidance policies generally governing the



1 authority's action in the Kakaako community development

2 district:

3 (1) Development shall result in a community which permits
4 an appropriate land mixture of residential,
5 commercial, industrial, and other uses. In view of
6 the innovative nature of the mixed use approach, urban
7 design policies should be established to provide
8 guidelines for the public and private sectors in the
9 proper development of this district; while the
10 authority's development responsibilities apply only to
11 the area within the district, the authority may engage
12 in any studies or coordinative activities permitted in
13 this chapter which affect areas lying outside the
14 district, where the authority in its discretion
15 decides that those activities are necessary to
16 implement the intent of this chapter. The studies or
17 coordinative activities shall be limited to facility
18 systems, resident and industrial relocation, and other
19 activities with the counties and appropriate state
20 agencies. The authority may engage in construction
21 activities outside of the district; provided that such
22 construction relates to infrastructure development or



1 residential or business relocation activities;
2 provided further, notwithstanding section 206E-7, that
3 such construction shall comply with the general plan,
4 development plan, ordinances, and rules of the county
5 in which the district is located;

6 (2) Existing and future industrial uses shall be permitted
7 and encouraged in appropriate locations within the
8 district. No plan or implementation strategy shall
9 prevent continued activity or redevelopment of
10 industrial and commercial uses which meet reasonable
11 performance standards;

12 (3) Activities shall be located so as to provide primary
13 reliance on public transportation and pedestrian
14 facilities for internal circulation within the
15 district or designated subareas;

16 (4) Major view planes, view corridors, and other
17 environmental elements such as natural light and
18 prevailing winds, shall be preserved through necessary
19 regulation and design review;

20 (5) Redevelopment of the district shall be compatible with
21 plans and special districts established for the Hawaii



1 Capital District, and other areas surrounding the
2 Kakaako district;

3 (6) Plans for the development or redevelopment, including
4 harbor infrastructure development and improvement
5 plans, of Kewalo basin and its adjacent lands shall be
6 made in collaboration and partnership with the Aloha
7 Tower Development Corporation and the department of
8 transportation and subject to legislative approval
9 pursuant to section 206J- ; provided that all plans
10 or projects for Kewalo basin and its adjacent lands
11 subject to this paragraph shall be approved by the
12 Aloha Tower Development Corporation prior to
13 submission to the legislature for its approval;

14 [~~6~~] (7) Historic sites and culturally significant
15 facilities, settings, or locations shall be preserved;

16 [~~7~~] (8) Land use activities within the district, where
17 compatible, shall to the greatest possible extent be
18 mixed horizontally, that is, within blocks or other
19 land areas, and vertically, as integral units of
20 multi- purpose structures;

21 [~~8~~] (9) Residential development may require a mixture of
22 densities, building types, and configurations in



1 accordance with appropriate urban design guidelines;
2 integration both vertically and horizontally of
3 residents of varying incomes, ages, and family groups;
4 and an increased supply of housing for residents of
5 low- or moderate-income may be required as a condition
6 of redevelopment in residential use. Residential
7 development shall provide necessary community
8 facilities, such as open space, parks, community
9 meeting places, child care centers, and other
10 services, within and adjacent to residential
11 development;

12 ~~(9)~~ (10) Public facilities within the district shall be
13 planned, located, and developed so as to support the
14 redevelopment policies for the district established by
15 this chapter and plans and rules adopted pursuant to
16 it."

17 SECTION 4. Statutory material to be repealed is bracketed
18 and stricken. New statutory material is underscored.

19 SECTION 5. This Act shall take effect upon its approval.



Report Title:

Honolulu Harbor; Aloha Tower Development Corporation; Department of Transportation; Partnership

Description:

Establishes a formal partnership between the Aloha Tower Development Corporation and the department of transportation harbors division for the development of Honolulu harbor and Kewalo basin infrastructure projects on an expedited basis to meet the critical demand for harbor expansion and upgrades.
(SD2)

