

JAN 27 2010

S.B. NO. 2942

A BILL FOR AN ACT

RELATING TO THE ALOHA TOWER DEVELOPMENT CORPORATION.

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

PART I

1
2 SECTION 1. Chapter 206J, Hawaii Revised Statutes, is
3 repealed.

4 SECTION 2. Except as otherwise provided in this Act, all
5 rights, powers, functions, and duties of the Aloha Tower
6 development corporation are transferred to the Hawaii community
7 development authority under chapter 206E, Hawaii Revised
8 Statutes, except with respect to harbors modernization functions
9 which shall be transferred to the department of transportation,
10 harbors division.

11 SECTION 3. All appropriations, records, equipment,
12 machines, files, supplies, contracts, books, papers, documents,
13 maps, and other personal property heretofore made, used,
14 acquired, or held by the Aloha Tower development corporation
15 relating to the functions transferred to the Hawaii community
16 development authority shall be transferred with the functions to
17 which they relate.



PART II

SECTION 4. Chapter 206E, Hawaii Revised Statutes, is amended by adding two new sections to be appropriately designated and to read as follows:

"§206E- Aloha Tower fund. There is created the Aloha Tower fund, to be placed for administrative purposes under the authority. All:

- (1) Moneys;
(2) Rentals;
(3) Charges;
(4) Other revenues of the authority; and
(5) Moneys or charges received by the department of business, economic development, and tourism;

including reimbursements for costs and staff services as a result of planning, development, or redevelopment of the lands located seaward of Nimitz Highway between Pier 4 and the Honolulu International Airport shall be deposited into the fund.

§206E- Aloha Tower. (a) The authority shall be responsible for the development, planning, construction, improvement, repair, and reconstruction of projects within the Aloha Tower complex as follows: the area bounded by Nimitz Highway beginning at its intersection with the Diamond Head



1 boundary of tax map key 2-1-13:7 north along Nimitz Highway to
2 its intersection with the makai boundary of tax map key 1-7-1:6;
3 northeast along River Street to its intersection with King
4 Street; north along King Street to its intersection with Iwilei
5 Road west along Iwilei Road to its intersection with Nimitz
6 Highway at the Ewa makai corner of tax map key 1-5-08:1; south
7 along Nimitz Highway to its intersection with the boundary
8 between tax map key 1-5-8:1 and tax map key 1-5-8:9; west along
9 a line to the Diamond Head mauka corner of tax map key 1-5-40:4;
10 west along Nimitz Highway to its intersection with the Ewa
11 boundary of tax map key 1-5-38:4; south along the Ewa boundaries
12 of tax map key 1-5-38:4 and 1-5-38:5 to Honolulu Harbor; east
13 along the waterfront boundary of tax map key 1-5-38:5 to Pier
14 23; south along Pier 23 to the southwest end of Pier 22;
15 continuing along a line in the same direction to its
16 intersection with the Honolulu Harbor Federal Project Line;
17 northeast along the Honolulu Harbor Federal Project Line to a
18 point in Honolulu Harbor 475 feet perpendicular to Pier 11;
19 southwest along a line parallel to Piers 10 and 11 to its
20 intersection with a line extending from the southwest end of
21 Pier 22 to the point of intersection of the Honolulu Harbor
22 Federal Project Line and a line extending along Pier 8 into



1 Honolulu Harbor; southeast along a line to the point of
2 intersection of the Honolulu Federal Project Line and a line
3 extending along Pier 8 into Honolulu Harbor; southeast along the
4 Honolulu Harbor Federal Project Line to its intersection with a
5 line extending along Pier 4 into Honolulu Harbor; east along a
6 line from that intersection and along Pier 4 to its intersection
7 with Nimitz Highway; north along Nimitz Highway to its
8 intersection with Richards Street; southwest along Richards
9 Street to its intersection with Ala Moana Boulevard; northwest
10 along Ala Moana Boulevard to its intersection with the Ewa
11 boundary of tax map key 2-1-14:6; northeast along the Ewa
12 boundary of tax map key 2-1-14:6 to its Ewa mauka corner; and
13 northwest across Bishop Street to the point of beginning at the
14 intersection of the Diamond Head boundary of tax map key
15 2-1-13:7 and Nimitz Highway. The complex shall also include the
16 area bounded by Iwilei Road beginning with its intersection with
17 Nimitz Highway; west along Iwilei Road to its intersection with
18 Pacific Street; southeast along Pacific Street to its
19 intersection with the Ewa mauka corner of tax map key 1-5-38:4;
20 east along Nimitz Highway to its intersection with the Diamond
21 Head mauka corner of tax map key 1-50-40:4; east along a line to
22 the point of intersection at the boundary between tax map key



1 1-5-8:1 and tax map key 1-5-8:9; north along Nimitz Highway to
2 the point of beginning at the intersection of Nimitz Highway and
3 Iwilei Road; all fast and submerged lands contained within these
4 areas shall also be included.

5 (b) The authority, with the approval of the governor, may
6 issue bonds in amounts as authorized from time to time by law as
7 deemed advisable for any of its purposes. Any bonds issued by
8 the Aloha Tower development corporation prior to July 1, 2010,
9 shall be deemed to be issued in the name of the authority on
10 July 1, 2010.

11 (c) Three additional voting members shall be appointed to
12 the authority by the governor to represent Aloha Tower. These
13 members shall be considered in determining quorum and majority
14 only on issues relating to Aloha Tower, and may vote only on
15 issues relating to Aloha Tower. These members shall consist of:

16 (1) The director of transportation or designee in charge
17 of harbors; and

18 (2) Two public members appointed as follows:

19 (A) One member to be appointed from a list of two
20 persons submitted to the governor by the senate
21 president; and



1 (B) One member to be appointed from a list of two
 2 persons submitted to the governor by the speaker
 3 of the house of representatives."

PART III

5 SECTION 5. Chapter 266, Hawaii Revised Statutes, is
 6 amended by adding two new sections to be appropriately
 7 designated and to read as follows:

8 "§266- Harbors modernization group; commercial harbors
 9 modernization plan; harbors division. (a) No later than July
 10 1, 2010, the harbors modernization group shall be
 11 administratively placed under the department of transportation,
 12 harbors division. The harbors modernization group shall assume
 13 jurisdiction over the harbors modernization project from the
 14 Aloha Tower development corporation, to undertake projects for
 15 the commercial harbors modernization plan. All projects, prior
 16 to implementation, shall be approved by the governor. If the
 17 governor approves a project, the harbors modernization group
 18 shall have expending authority over the approved project,
 19 notwithstanding any law to the contrary.

20 For purposes of this subsection, the department of
 21 transportation, harbors division, shall seek the input and
 22 guidance of the United States Department of Transportation,



1 Maritime Administration, in the management of the harbors
2 modernization project; provided that the department of
3 transportation, harbors division, may enter into an agreement
4 with the United States Department of Transportation Maritime
5 Administration for the purpose of infrastructure improvements of
6 harbors statewide.

7 (b) The harbors modernization group shall have
8 jurisdiction over harbors projects, collectively to be known as
9 the commercial harbors modernization plan, which shall be
10 completed no later than June 30, 2017. These harbor projects
11 shall be as follows:

12 (1) Honolulu harbor. Development of infrastructure,
13 expansion of facilities, and tenant relocations,
14 including the development of the new Kapalama
15 container terminal;

16 (2) Kahului harbor. Development of infrastructure,
17 expansion of facilities, tenant relocations, and
18 acquisition of lands, including the West harbor barge
19 or ferry slip or both, West harbor dredging and
20 breakwater, West harbor cruise terminal, Pier 1 fuel
21 line replacement and upgrade, East harbor breakwater,
22 and Pier 2B strengthening;



- 1 (3) Hana harbor. Development of infrastructure,
2 demolition, as necessary, and expansion of facilities
3 and acquisition of lands;
- 4 (4) Hilo harbor. Development of infrastructure, expansion
5 of facilities, tenant relocations, and acquisition of
6 lands, including the Pier 4 interisland cargo
7 terminal;
- 8 (5) Kawaihae harbor. Development of infrastructure,
9 expansion of facilities, tenant relocations,
10 acquisition of lands, including the Pier 2 terminal
11 and barge improvements, Pier 2 extension and terminal,
12 and Pier 4 and liquid bulk terminals;
- 13 (6) Kalaeloa harbor. Development of infrastructure,
14 expansion of facilities, tenant relocations, and
15 acquisition of lands, including the West harbor
16 infrastructure, Pier 4 dedicated fuel pier, and
17 extension of the fuel line; and
- 18 (7) Nawiliwili harbor. Development of infrastructure,
19 expansion of facilities, tenant relocations, and
20 acquisition of lands, including the new multi-use
21 pier.



1 (c) Land disposition matters in projects identified in the
2 commercial harbors modernization plan, including land
3 acquisition, leasing, and conveyance, and acquisition of
4 easements or right-of-ways, shall continue to be under the
5 jurisdiction of the board of land and natural resources pursuant
6 to chapter 171.

7 (d) The harbors modernization group shall be comprised of
8 four voting members, as follows:

9 (1) The director of transportation, or designee, who shall
10 serve as chairperson;

11 (2) The director of finance, or designee; and

12 (3) Two public members, not including any officer or
13 employee of the State, one to be appointed by the
14 governor from a list of three nominees submitted to
15 the governor by the president of the senate, and one
16 to be approved by the governor from a list of three
17 nominees submitted to the governor by the speaker of
18 the house of representatives; provided that the two
19 public members shall each be directly involved with:

20 (A) Any harbor or offshore mooring facility in the
21 State that is primarily involved with the
22 movement of commercial cargo and passenger



1 vessels entering, departing, or traveling within
2 the state harbor system;

3 (B) An activity that requires or is otherwise
4 directly related to the loading, offloading,
5 storage, or distribution of goods and services by
6 means of seaborne transportation; or

7 (C) Activities, which:

8 (i) Promote the welfare, growth, and economic
9 interests of Hawaii's commercial harbors and
10 harbor facilities;

11 (ii) Assist and inform harbor users of, and
12 assist harbor users in, the interpretation
13 of laws, rules, regulations, and proposed
14 and pending legislation applicable to Hawaii
15 harbors and harbor facilities, for
16 compliance purposes; and

17 (iii) Foster and encourage the development and
18 improvement of Hawaii harbors and harbor
19 facilities.

20 The members of the harbors modernization group shall serve
21 for four year terms and shall continue in office until their
22 respective successors have been appointed.



1 The members of the harbors modernization group shall serve
2 without compensation, but each member shall be reimbursed for
3 expenses, including travel expenses, incurred in the performance
4 of their duties.

5 For purposes of conducting business, a majority of the
6 members of the harbors modernization group shall constitute a
7 quorum. For purposes of voting, a majority of the quorum shall
8 be required for decision making.

9 (e) The department of transportation may apply any
10 revenues derived from commercial development projects in the
11 state harbors to defray the cost of harbor infrastructure
12 improvements incurred within the State.

13 (f) All procurements relating to the harbors modernization
14 project shall be exempt from chapter 103D until June 30, 2017.

15 (g) The harbors modernization group shall cease to exist
16 when the harbors modernization project is completed.

17 §266- Appointment of executive director; appointment of
18 staff. The harbors modernization group shall appoint and set
19 the salary of an executive director, who shall be exempt from
20 chapters 76 and 89, and shall serve at the pleasure of the
21 harbors modernization group.



1 The executive director may appoint, without regard to
 2 chapters 76 and 89, and at pleasure dismiss persons as the
 3 executive director finds necessary for the performance of the
 4 functions of the harbors modernization group and fix their
 5 compensation; provided that any person, who is a civil service
 6 appointment on the staff of the harbors modernization group as
 7 of June 30, 2010 shall be transferred under the executive
 8 director in accordance with law."

PART IV

SECTION 6. Notwithstanding any law to the contrary:

- 11 (1) The two public members from the maritime industry, who
- 12 were serving on the harbors modernization group under
- 13 appointments effective on the day before the effective
- 14 date of this Act, shall continue to serve on the
- 15 harbors modernization group in the capacity of public
- 16 members from the maritime industry; and
- 17 (2) The service of all other members on the harbors
- 18 modernization group as of the day before the effective
- 19 date of this Act shall terminate on the day before the
- 20 effective date of this Act.

SECTION 7. All appropriations, records, equipment,
 machines, files, supplies, contracts, books, papers, documents,



1 maps, and other personal property heretofore made, used,
 2 acquired, or held by the Aloha Tower development corporation
 3 with regard to harbor projects and development relating to the
 4 functions transferred to the department of transportation shall
 5 be transferred with the functions to which they relate.

6 SECTION 8. There is appropriated out of the general
 7 revenues of the State of Hawaii the sum of \$ or so
 8 much thereof as may be necessary for fiscal year 2010-2011 for
 9 the compensation of the newly appointed executive director and
 10 the staff of the harbors modernization group, as well as
 11 consultant services to implement the commercial harbors
 12 modernization plan.

13 The sum appropriated shall be expended by the department of
 14 transportation for the purposes of this Act.

15 SECTION 9. New statutory material is underscored.

16 SECTION 10. This Act shall take effect on July 1, 2010.

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INTRODUCED BY: John Iwanaka

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Report Title:

Aloha Tower Development Corporation; Repeal; Appropriation

Description:

Abolishes Aloha Tower development corporation. Transfers the ATDC to the Hawaii community development authority. Transfers harbors modernization group to the department of transportation. Places commercial harbors modernization plan under the harbors modernization group. Provides for appointment of new harbors modernization group and an executive director and staff. Makes appropriation.

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