JAN 2 4 2018

### A BILL FOR AN ACT

RELATING TO LAND DEVELOPMENT.

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

1	SECTION 1. The legislature finds that in January 2016, the
2	Hawai'i county planning director and chair of the board of land
3	and natural resources signed a statement of understanding to
4	enter into a collaborative process for the redevelopment of the
5	Banyan Drive peninsula because it consisted of real property
6	that was underutilized or in disrepair. Pursuant to chapter 53,
7	Hawaii Revised Statutes, the county of Hawai'i created a local
8	redevelopment agency, the Banyan Drive Hawai'i redevelopment
9	agency, to work toward improving the Banyan Drive redevelopment
10	area, as defined by the Hawai'i county council, through a
11	coordinated revitalization effort via the adoption and
12	implementation of a master urban redevelopment plan. A
13	conceptual master plan for redevelopment of the Banyan Drive
14	redevelopment area was developed between May and October of
15	2016, which established a starting place for the formation of
16	the redevelopment plan. However, in order for the redevelopment
17	plan to be further developed funding is needed to conduct the

1	necessary	environmental	impact	studies	and	other	studies
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- 2 required pursuant to chapter 343, Hawai'i Revised Statutes.
- 3 The purpose of this Act is to:
- 4 (1) Require the department of land and natural resources
  5 to allocate twenty-five per cent of revenues collected
  6 from commercial properties within the Banyan Drive
  7 redevelopment area to the Banyan Drive Hawai'i
  8 redevelopment agency; and
- 9 (2) Appropriate funds from the special land and
  10 development fund to assist the county of Hawai'i in
  11 conducting the necessary environmental impact
  12 statements necessary to complete its redevelopment
  13 plan for the Banyan Drive redevelopment area.
- 14 SECTION 2. Section 171-19, Hawaii Revised Statutes, is 15 amended by amending subsection (a) to read as follows:
- "(a) There is created in the department a special fund to
  be designated as the "special land and development fund".
- 18 Subject to the Hawaiian Homes Commission Act of 1920, as
- 19 amended, and section 5(f) of the Admission Act of 1959, all
- 20 proceeds of sale of public lands, including interest on deferred
- 21 payments; all moneys collected under section 171-58 for mineral

1	and	water	rights:	all	rents	from	leases,	licenses,	and	permits

- 2 derived from public lands; all moneys collected from lessees of
- 3 public lands within industrial parks; all fees, fines, and other
- 4 administrative charges collected under this chapter and chapter
- 5 183C; a portion of the highway fuel tax collected under chapter
- 6 243; all moneys collected by the department for the commercial
- 7 use of public trails and trail accesses under the jurisdiction
- 8 of the department; transient accommodations tax revenues
- 9 collected pursuant to section 237D-6.5(b)(5); and private
- 10 contributions for the management, maintenance, and development
- 11 of trails and accesses shall be set apart in the fund and shall
- 12 be used only as authorized by the legislature for the following
- 13 purposes:
- 14 (1) To reimburse the general fund of the State for
- 15 advances made that are required to be reimbursed from
- 16 the proceeds derived from sales, leases, licenses, or
- 17 permits of public lands;
- 18 (2) For the planning, development, management, operations,
- or maintenance of all lands and improvements under the
- 20 control and management of the board pursuant to title
- 21 12, including but not limited to permanent or

1		temporary staff positions who may be appointed without
2		regard to chapter 76; provided that transient
3		accommodations tax revenues allocated to the fund
4		shall be expended as provided in section 237D-
5		6.5(b)(5);
6	(3)	To repurchase any land, including improvements, in the
7		exercise by the board of any right of repurchase
8		specifically reserved in any patent, deed, lease, or
9		other documents or as provided by law;
10	(4)	For the payment of all appraisal fees; provided that
11		all fees reimbursed to the board shall be deposited in
12		the fund;
13	(5)	For the payment of publication notices as required
14		under this chapter; provided that all or a portion of
15		the expenditures may be charged to the purchaser or
16		lessee of public lands or any interest therein under
17		rules adopted by the board;
18	(6)	For the management, maintenance, and development of
19		trails and trail accesses under the jurisdiction of
20		the department;

1	(7)	For the payment to private land developers who have
2		contracted with the board for development of public
3		lands under section 171-60;
4	(8)	For the payment of debt service on revenue bonds
5		issued by the department, and the establishment of
6		debt service and other reserves deemed necessary by
7		the board;
8	(9)	To reimburse the general fund for debt service on
9		general obligation bonds issued to finance
10		departmental projects, where the bonds are designated
11	,	to be reimbursed from the special land and development
12		fund;
13	(10)	For the protection, planning, management, and
14		regulation of water resources under chapter 174C;
15		[ <del>and</del> ]
16	(11)	To a redevelopment agency of a county established
17		pursuant to chapter 53 for conducting environmental
18		impact studies or other studies as part of its
19		redevelopment plan; provided that the redevelopment
20		district contains state lands; and
21	[ <del>(11)</del> ]	(12) For other purposes of this chapter."

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         SECTION 3. Notwithstanding any law to the contrary, the
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    department of land and natural resources shall allocate twenty-
    five per cent of the revenues collected each year from any
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    commercial property within the Banyan Drive redevelopment area,
    as defined by the Hawai'i county council, for all rents for
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6
    leases, licenses, and permits to the Banyan Drive Hawai'i
    redevelopment agency within the county of Hawai'i.
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         SECTION 4. There is appropriated out of the special land
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    and development fund established pursuant to section 171-19,
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    Hawaii Revised Statutes, the sum of $250,000 or so much thereof
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    as may be necessary for fiscal year 2018-2019 to the Banyan
12
    Drive Hawai'i redevelopment agency within the county of Hawai'i
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    for conducting environmental impact studies or other studies as
14
    required for its redevelopment plan for the Banyan Drive
15
    redevelopment area; provided that the environmental impact
16
    studies shall include but not be limited to the following:
17
         (1)
              A cultural impact assessment;
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         (2)
              An archaeological inventory survey;
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         (3)
              An infrastructure capacity study;
20
         (4)
              A socioeconomic study;
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Water, soil, floral, and faunal studies;

(5)

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- 1 (6) Exploration of alternative scenarios; and
- (7) Stakeholder consultation and engagement;
- 3 provided further that no funds shall be expended unless matched
- on a dollar-for-dollar basis by funds from Hawai'i county. 4
- 5 The sum appropriated shall be expended by the department of
- 6 land and natural resources for the purposes of this Act.
- 7 SECTION 5. Statutory material to be repealed is bracketed
- 8 and stricken. New statutory material is underscored.

SECTION 6. This Act shall take effect on July 1, 2018. 9

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INTRODUCED BY:

#### Report Title:

Banyan Drive Hawai'i Redevelopment Agency; Environmental Impact Studies; Department of Land and Natural Resources; Appropriation

#### Description:

Requires the department of land and natural resources to allocate twenty-five per cent of revenues collected from commercial properties within the Banyan Drive redevelopment area to the Banyan Drive Hawai'i redevelopment agency. Appropriates funds from the special land and development fund to assist the county of Hawai'i in conducting the necessary environmental impact studies necessary to complete its redevelopment plan for the Banyan Drive redevelopment area. Requires matching funds from the county of Hawai'i.

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