# A BILL FOR AN ACT

RELATING TO DEVELOPMENT DISTRICTS.

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

- 1 SECTION 1. Section 206E, Hawaii Revised Statutes, is
- 2 amended by adding a new part to read as follows:
- 3 "PART . PULEHUNUI COMMUNITY DEVELOPMENT DISTRICT
- 4 §206E-A Pulehunui community development district; purpose;
- 5 findings. The legislature finds that the lands of Pulehunui,
- 6 Maui are underutilized. Redeveloping, renovating, or improving
- 7 these public lands in a manner that will provide suitable
- 8 recreational, residential, educational, and commercial areas
- 9 where the public can live, congregate, recreate, attend schools,
- 10 and shop, as part of a thoughtfully integrated experience, is in
- 11 the best interests of the State and its people.
- 12 The legislature further finds that the establishment of an
- 13 autonomous community development authority under the Hawaii
- 14 community development authority is the best method of addressing
- 15 the planning and development of the public lands in Pulehunui,
- **16** Maui.

- 1 This part establishes the Pulehunui community development
- 2 district and the Pulehunui community development authority to
- 3 make optimal use of public land for the economic, residential,
- 4 educational, and social benefit of the people of Hawaii.
- 5 The legislature finds that the jurisdiction of the
- 6 authority shall include development within the Pulehunui
- 7 community development district. Any development within the
- 8 district shall require a permit from the authority.
- 9 §206E-B Definitions. As used in this part, unless the
- 10 context otherwise requires:
- 11 "Authority" means the Pulehunui community development
- 12 authority.
- "District" means the Pulehunui community development
- 14 district established by this part.
- 15 §206E-C Pulehunui community development authority; powers;
- 16 members; voting and quorum. (a) There is established a
- 17 Pulehunui community development authority, which shall be a body
- 18 corporate and a public instrumentality of the State, for the
- 19 purposes of implementing this part. The authority shall be
- 20 considered as part of the Hawaii community development authority
- 21 for administrative purposes.

1	(b)	Except as otherwise provided by law, the authority may
2	make and	execute contracts and all other instruments necessary
3	or conven	ient for the planning and development of the Pulehunui
4	community	development district.
5	(c)	The authority shall consist of:
6	(1)	The director of finance or the director's designee;
7	(2)	The director of transportation or the director's
8		designee;
9	(3)	The chairperson of the board of land and natural
10		resources or the chairperson's designee;
11	(4)	The comptroller or the comptroller's designee;
12	(5)	The adjutant general or the adjutant general's
13		designee;
14	(6)	The director of public safety or the director's
15		designee;
16	(7)	The executive director of the Hawaii community
17		development authority or the executive director's
18		designee;
19	(8)	The mayor of the county in which the Pulehunui
20		community development district is located or the
21		mayor's designee;

1	(9)	The chair of the county council of the county in which
2		the Pulehunui community development district is
3		located or the chair's designee;
4	(10)	The Hawaii community development authority cultural
5		specialist;
6	(11)	A resident of the island of Maui appointed by the
7		president of the senate; and
8	(12)	A resident of the island of Maui appointed by the
9		speaker of the house of representatives.
10	All membe	rs except the director of finance or the director's
11	designee	and the adjutant general or the adjutant general's
12	designee	shall serve as voting members and shall be considered
13	in determ	ining quorum and majority. The director of finance or
14	the direc	tor's designee and the adjutant general or the adjutant
15	general's	designee shall participate in these matters as ex
16	officio,	nonvoting members and shall not be considered in
17	determini	ng quorum and majority.
18	(c)	Six voting members of the advisory council shall
19	constitut	e a quorum to do business, and any action taken by the

authority shall be validated by a majority of the quorum.

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- 1 (d) The authority shall annually elect the chairperson and
- 2 vice chairperson from among its members.
- 3 (e) The members of the authority appointed under
- 4 subsection (b) shall serve without compensation, but each shall
- 5 be reimbursed for expenses, including travel expenses, incurred
- 6 in the performance of their duties.
- 7 §206E-D District; established; boundaries. The Pulehunui
- 8 community development district is established and shall be
- 9 composed of the following properties:
- 10 (1) TMK 2-3-8-008-001;
- 11 (2) TMK 2-3-8-008-007;
- 12 (3) TMK 2-3-8-008-037; and
- 13 (4) TMK 2-3-8-008-038.
- 14 §206E-E Development guidance policies. The following
- 15 shall be the development guidance policies generally governing
- 16 the authority's actions in the district:
- 17 (1) The authority may engage in planning, design, and
- 18 construction activities within and outside the
- 19 district; provided that activities outside the
- 20 district shall relate to infrastructure development,
- 21 area-wide drainage improvements, roadway realignments

1		and improvements, business and industrial relocation,
2		and other activities the authority deems necessary to
3		carry out development of the district and implement
4		this part. The authority may undertake studies or
5		coordinating activities in conjunction with the county
6		and appropriate state agencies and may address
7		facility systems, industrial relocation, and other
8		activities;
9	(2)	Hawaiian archaeological, historic, and cultural sites
10		shall be preserved and protected;
11	(3)	Endangered species of flora and fauna shall be
12		preserved to the extent feasible;
13	(4)	Land use and development activities within the
14		district shall be coordinated with and, to the extent
15		possible, complement existing county and state
16		policies, plans, and programs affecting the district;
17		and
18	(5)	Public facilities within the district shall be
19		planned, located, and developed to support the
20		development policies established by this part for the

district and rules adopted pursuant to this chapter.

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1	§206E-F Development district governance; memorandum of
2	agreement. Notwithstanding section 206E-3, for matters
3	affecting the district, the authority and the comptroller shall
4	execute a memorandum of agreement with the appropriate state
5	agencies; provided that for matters affecting TMK 2-3-8-008-037,
6	the executive director of the Hawaii community development
7	authority shall execute a memorandum of agreement with the
8	appropriate state agencies.
9	§206E-G Annual comprehensive report. Not less than twenty
10	days prior to the convening of each regular session of the
11	legislature, the authority shall submit to the legislature an
12	annual comprehensive status report on the progress of
13	development within the district."
14	SECTION 2. Chapter 206E, Hawaii Revised Statutes, is
15	amended by adding a new section to be appropriately designated
16	and to read as follows:
17	" <u>§206E-</u> Contracts with the federal government. (a)
18	The authority may:
19	(1) Borrow money or accept grants from the federal
20	government for or in aid of any development project

1		the authority is authorized to undertake pursuant to
2		this chapter;
3	(2)	Procure insurance or guarantees from the federal
4		government for the payment of any debts or parts
5		thereof secured by mortgages made or held by the
6		authority;
7	(3)	Comply with any conditions required by the federal
8		government in any contract for financial assistance;
9		and
10	(4)	Execute contracts with the federal government.
11	(b)	It is the purpose and intent of this section to
12	authorize	the authority to do any and all things necessary to
13	secure the financial aid and the cooperation of the federal	
14	government in the undertaking, construction, maintenance, and	
15	operation of any development within a district that the	
16	authority	is empowered to undertake."
17	SECT	ION 3. Section 206E-3, Hawaii Revised Statutes, is
18	amended b	y amending subsection (b) to read as follows:
19	"(b)	The authority shall consist of the director of
20	finance o	r the director's designee; the director of
21	trangnert	ation or the directoria degiance, a gultural

- 1 specialist; an at-large member; an at-large member nominated by
- 2 the senate president; an at-large member nominated by the
- 3 speaker of the house; three representatives of the Heeia
- 4 community development district, comprising two residents of that
- 5 district or the Koolaupoko district, which consists of sections
- 6 1 through 9 of zone 4 of the first tax map key division, and one
- 7 owner of a small business or one officer or director of a
- 8 nonprofit organization in the Heeia community development
- 9 district or Koolaupoko district, nominated by the county council
- 10 of the county in which the Heeia community development district
- 11 is located; three representatives of the Kalaeloa community
- 12 development district, comprising two residents of the Ewa zone
- 13 (zone 9, sections 1 through 2) or the Waianae zone (zone 8,
- 14 sections 1 through 9) of the first tax map key division, and one
- 15 owner of a small business or one officer or director of a
- 16 nonprofit organization in the Ewa or Waianae zone, nominated by
- 17 the county council of the county in which the Kalaeloa community
- 18 development district is located; three representatives of the
- 19 Kakaako community development district, comprising two residents
- 20 of the district and one owner of a small business or one officer
- 21 or director of a nonprofit organization in the district,

- 1 nominated by the county council of the county in which the
- 2 Kakaako community development district is located; the director
- 3 of planning and permitting of each county in which a community
- 4 development district is located or the director's designee, who
- 5 shall serve in an ex officio, nonvoting capacity; and the
- 6 chairperson of the Hawaiian homes commission or the
- 7 chairperson's designee, who shall serve in an ex officio,
- 8 nonvoting capacity.
- 9 All members except the director of finance, director of
- 10 transportation, county directors of planning and permitting, and
- 11 chairperson of the Hawaiian homes commission or their designees
- 12 shall be appointed by the governor pursuant to section 26-34.
- 13 The two at-large members nominated by the senate president and
- 14 speaker of the house and the nine representatives of the
- 15 respective community development districts shall each be
- 16 appointed by the governor from a list of three nominees
- 17 submitted for each position by the nominating authority
- 18 specified in this subsection.
- 19 The authority shall be organized and shall exercise
- 20 jurisdiction as follows:

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

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

1	(B) T	he director of transportation or the director's	
2	d	esignee;	
3	(C) T	he cultural specialist;	
4	(D) T	he three at-large members; and	
5	(E) T	he three representatives of the Kakaako	
6	c	community development district;	
7	provid	led 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	nonvot	ing member and shall not be considered in	
11	determ	nining quorum and majority[+]; and	
12	(4) For ma	tters affecting the Pulehunui community	
13	develo	pment district, membership for determining	
14	quorum	n, majority, and voting authority shall be as	
15	provid	led under section 206E-C.	
16	In the even	t of a vacancy, a member shall be appointed to	
17	fill the vacancy	in the same manner as the original appointment	
18	within thirty da	ys of the vacancy or within ten days of the	
19	senate's rejecti	on of a previous appointment, as applicable.	
20	The terms o	of the director of finance, director of	
21	transportation,	county directors of planning and permitting, and	

- 1 chairperson of the Hawaiian homes commission or their respective
- 2 designees shall run concurrently with each official's term of
- 3 office. The terms of the appointed voting members shall be for
- 4 four years, commencing on July 1 and expiring on June 30;
- 5 provided that the initial terms of all voting members initially
- 6 appointed pursuant to Act 61, Session Laws of Hawaii 2014, shall
- 7 commence on March 1, 2015. The governor shall provide for
- 8 staggered terms of the initially appointed voting members so
- 9 that the initial terms of four members selected by lot shall be
- 10 for two years, the initial terms of four members selected by lot
- 11 shall be for three years, and the initial terms of the remaining
- 12 five members shall be for four years.
- 13 The governor may remove or suspend for cause any member
- 14 after due notice and public hearing.
- 15 Notwithstanding section 92-15, a majority of all eligible
- 16 voting members as specified in this subsection shall constitute
- 17 a quorum to do business, and the concurrence of a majority of
- 18 all eligible voting members as specified in this subsection
- 19 shall be necessary to make any action of the authority valid.
- 20 All members shall continue in office until their respective
- 21 successors have been appointed and qualified. Except as herein

- 1 provided, no member appointed under this subsection shall be an
- 2 officer or employee of the State or its political subdivisions.
- For purposes of this section, "small business" means a
- 4 business which is independently owned and which is not dominant
- 5 in its field of operation."
- 6 SECTION 4. 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 2020-2021 for
- 9 development of the Pulehunui community development district.
- 10 The sum appropriated shall be expended by the Hawaii
- 11 community development authority for the purposes of this Act.
- 12 SECTION 5. There is appropriated out of the general
- 13 revenues of the State of Hawaii the sum of \$ or so
- 14 much thereof as may be necessary for fiscal year 2020-2021 for
- 15 two full-time equivalent (2.00 FTE) positions to carry out the
- 16 purposes of this Act.
- 17 The sum appropriated shall be expended by the Hawaii
- 18 community development authority for the purposes of this Act.
- 19 SECTION 6. In codifying the new sections added by
- 20 section 1 of this Act, the revisor of statutes shall substitute

- 1 appropriate section numbers for the letters used in designating
- 2 the new sections in this Act.
- 3 SECTION 7. Statutory material to be repealed is bracketed
- 4 and stricken. New statutory material is underscored.
- 5 SECTION 8. This Act shall take effect on July 1, 2050.

#### Report Title:

HCDA; Pulehunui Community Development District; Federal Financial Aid; Appropriation

#### Description:

Establishes the Pulehunui community development authority on the island of Maui as an autonomous community development authority under the Hawaii Community Development Authority for the purposes of developing the Pulehunui community development district. Authorizes the Hawaii Community Development Authority to obtain various forms of financial aid from the federal government for projects of the authority. Appropriates funds for the development of the Pulehunui community development district and establishment of two full-time equivalent (2.00 FTE) positions. Effective 7/1/2050. (HD1)

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