THE SENATE THIRTIETH LEGISLATURE, 2020 STATE OF HAWAII

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S.B. NO. $^{2940}_{S.D. 2}$

A BILL FOR AN ACT

RELATING TO THE STADIUM DEVELOPMENT DISTRICT.

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

1	PART I
2	SECTION 1. Chapter 109, Hawaii Revised Statutes, is
3	amended by adding three new sections to be appropriately
4	designated and to read as follows:
5	" <u>§109-</u> Stadium development special fund; established.
6	(a) There is established in the state treasury the stadium
7	development special fund into which shall be deposited:
8	(1) All revenues from the operations of the stadium
9	development;
10	(2) All proceeds from revenue bonds issued by the stadium
11	authority; and
12	(3) Appropriations made by the legislature to the fund.
13	(b) Moneys in the stadium development special fund shall
14	be used for the expenses of development and operations of the
15	stadium property.
16	§109- Development guidance policies; established. (a)
17	The following shall be the development guidance policies



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1	generally	governing the authority's actions in the stadium
2	developme	nt district:
3	(1)	Development shall be in accordance with any county
4		transit-oriented development plan unless modified by
5		the authority pursuant to paragraph (2);
6	(2)	With the approval of the governor, the authority, upon
7		the concurrence of a majority of its voting members,
8		may modify and make changes to a transit-oriented
9		development plan with respect to the district to
10		respond to changing conditions; provided that before
11		amending a transit-oriented development plan, the
12		authority shall conduct a public hearing to inform the
13		public of the proposed changes and receive public
14		input;
15	<u>(3)</u>	The authority shall seek to promote economic
16		development and employment opportunities by fostering
17		diverse land uses and encouraging private sector
18		investments that use the opportunities presented by
19		the rail transit corridor project consistent with the
20		needs of the public, including the development of
21		mixed-use housing and affordable housing;



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1	(4)	The authority may engage in planning, design, and
2		construction activities within and outside the
3		district; provided that activities outside the
4		district shall relate to infrastructure development,
5		area-wide drainage improvements, roadway realignments
6		and improvements, business and industrial relocation,
7		and other activities that the authority deems
8		necessary to carry out development of the district and
9		implement this part;
10	(5)	Hawaiian archaeological, historic, and cultural sites
11		shall be preserved and protected;
12	(6)	Endangered species of flora and fauna shall be
13		preserved to the extent required by law;
14	(7)	Land use and development activities within the
15		district shall be coordinated with and, to the extent
16		possible, complement and support existing county and
17		state policies, plans, and programs affecting the
18		district;
19	(8)	Public facilities within the district shall be
20		planned, located, and developed to support the
21		development guidance policies established by this



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1		chapter for the district and any rules adopted
2		pursuant to chapter 91 to implement this chapter.
3	<u>§109</u>	- Annual comprehensive report. Not less than
4	twenty da	ys prior to the convening of each regular session of
5	the legis	lature, the authority shall submit to the legislature
6	an annual	comprehensive status report on the progress of
7	developme	nt within the stadium development district."
8	SECT	ION 2. Section 109-2, Hawaii Revised Statutes, is
9	amended t	o read as follows:
10	"§10	9-2 Stadium authority; powers and duties. The powers
11	and dutie	s of the stadium authority shall be as follows:
12	(1)	To maintain, operate,[and] manage <u>, and develop</u> the
13		stadium [and related], facilities[+] related to the
14		stadium, and real property held by the stadium
15		authority;
16	(2)	To acquire and hold title to real property;
17	[(2)]	(3) To prescribe and collect rents, fees, and charges
18		for the use or enjoyment of the stadium [or any of
19		its], facilities[;] related to the stadium, and real
20		property held by the stadium authority, including



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1 entering into leases; provided that leases shall not 2 exceed a term of ninety-nine years; 3 [(3)] (4) To make and execute contracts and other 4 instruments necessary or convenient to exercise its powers under this chapter and subject to any 5 6 limitations in this chapter, to exercise all powers 7 necessary, incidental, or convenient to carry out and 8 effectuate the purposes and provisions of this 9 chapter; 10 $\left[\frac{4}{2}\right]$ (5) To adopt, amend, and repeal in accordance with 11 chapter 91 rules it may deem necessary to effectuate 12 this chapter and in connection with its projects, 13 operations, and facilities; 14 [(5)] (6) To appoint a manager and [a] deputy [manager] 15 managers who shall have qualifications as the 16 authority deems necessary and who shall hold their respective offices at the pleasure of the authority. 17 18 The manager and deputy [manager] managers shall be 19 exempt from the requirements of chapters 76 and 89. 20 Effective July 1, 2005, the manager shall be paid a 21 salary not to exceed eighty-seven per cent of the



salary of the director of human resources development. 1 2 Effective July 1, 2005, [the] a deputy manager shall 3 be paid a salary not to exceed eighty-five per cent of 4 the manager's salary. The manager shall have full 5 power to administer the affairs of the stadium and related facilities, subject to the direction and 6 7 approval of the authority. The manager shall, subject 8 to the approval of the authority, have power to 9 appoint, suspend, and discharge a secretary who shall 10 be exempt from the requirements of chapters 76 and 89, 11 and other employees, subordinates, and assistants as 12 may be necessary for the proper conduct of the 13 business of the authority. Except for persons hired 14 on contract or otherwise as provided in section 109-3 15 and except for the manager, deputy manager, and 16 secretary, all appointments, suspensions, or 17 discharges shall be made in conformity with the 18 applicable provisions of chapter 76; and 19 $\left[\frac{(6)}{1}\right]$ (7) To plan, promote, and market the stadium and 20 related facilities."

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1 SECTION 3. Section 109-7, Hawaii Revised Statutes, is 2 amended by amending subsection (a) to read as follows: 3 "(a) Any law enforcement officer who has police powers to 4 arrest offenders and issue citations, including any police officer of the counties, shall have the authority to enforce any 5 6 rule [promulgated] adopted pursuant to section [109-2(4).] 7 109 - 2(5)." 8 SECTION 4. Section 171-2, Hawaii Revised Statutes, is 9 amended to read as follows: 10 "§171-2 Definition of public lands. "Public lands" means all lands or interest therein in the State classed as government 11 12 or crown lands previous to August 15, 1895, or acquired or 13 reserved by the government upon or subsequent to that date by 14 purchase, exchange, escheat, or the exercise of the right of 15 eminent domain, or in any other manner; including lands accreted 16 after May 20, 2003, and not otherwise awarded, submerged lands, 17 and lands beneath tidal waters that are suitable for 18 reclamation, together with reclaimed lands that have been given 19 the status of public lands under this chapter, except: 20 (1) Lands designated in section 203 of the Hawaiian Homes

Commission Act, 1920, as amended;

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1 (2) Lands set aside pursuant to law for the use of the 2 United States; 3 (3) Lands being used for roads and streets; 4 Lands to which the United States relinquished the (4) 5 absolute fee and ownership under section 91 of the 6 Hawaiian Organic Act prior to the admission of Hawaii 7 as a state of the United States unless subsequently placed under the control of the board of land and 8 9 natural resources and given the status of public lands 10 in accordance with the state constitution, the 11 Hawaiian Homes Commission Act, 1920, as amended, or 12 other laws; 13 (5) Lands to which the University of Hawaii holds title; 14 (6) Lands to which the Hawaii housing finance and 15 development corporation in its corporate capacity 16 holds title: 17 (7) Lands to which the Hawaii community development 18 authority in its corporate capacity holds title; 19 Lands set aside by the governor to the Hawaii public (8) 20 housing authority or lands to which the Hawaii public



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1		housing authority in its corporate capacity holds
2		title;
3	(9)	Lands to which the department of agriculture holds
4		title by way of foreclosure, voluntary surrender, or
5		otherwise, to recover moneys loaned or to recover
6		debts otherwise owed the department under chapter 167;
7	(10)	Lands that are set aside by the governor to the Aloha
8		Tower development corporation; lands leased to the
9		Aloha Tower development corporation by any department
10		or agency of the State; or lands to which the Aloha
11		Tower development corporation holds title in its
12		corporate capacity;
13	(11)	Lands that are set aside by the governor to the
14		agribusiness development corporation; lands leased to
15		the agribusiness development corporation by any
16		department or agency of the State; or lands to which
17		the agribusiness development corporation in its
18		corporate capacity holds title;
19	(12)	Lands to which the Hawaii technology development
20		corporation in its corporate capacity holds title;
21		[and]



1 (13) Lands to which the department of education holds 2 title; and 3 (14) Lands to which the stadium authority holds title; 4 provided that, except as otherwise limited under federal law and 5 except for state land used as an airport as defined in section 6 262-1, public lands shall include the air rights over any 7 portion of state land upon which a county mass transit project 8 is developed after July 11, 2005." 9 SECTION 5. Section 171-64.7, Hawaii Revised Statutes, is 10 amended by amending subsection (a) to read as follows: 11 "(a) This section applies to all lands or interest therein 12 owned or under the control of state departments and agencies 13 classed as government or crown lands previous to August 15, 14 1895, or acquired or reserved by the government upon or 15 subsequent to that date by purchase, exchange, escheat, or the 16 exercise of the right of eminent domain, or any other manner, 17 including accreted lands not otherwise awarded, submerged lands, 18 and lands beneath tidal waters that are suitable for 19 reclamation, together with reclaimed lands that have been given 20 the status of public lands under this chapter, including:



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1 (1) Land set aside pursuant to law for the use of the 2 United States; 3 (2) Land to which the United States relinquished the 4 absolute fee and ownership under section 91 of the 5 Organic Act prior to the admission of Hawaii as a 6 state of the United States; 7 (3) Land to which the University of Hawaii holds title; 8 (4) Land to which the Hawaii housing finance and 9 development corporation in its corporate capacity 10 holds title; 11 (5) Land to which the department of agriculture holds 12 title by way of foreclosure, voluntary surrender, or 13 otherwise, to recover moneys loaned or to recover 14 debts otherwise owed the department under chapter 167; 15 (6) Land that is set aside by the governor to the Aloha 16 Tower development corporation; or land to which the 17 Aloha Tower development corporation holds title in its 18 corporate capacity; 19 (7) Land that is set aside by the governor to the

agribusiness development corporation; or land to which

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1		the agribusiness development corporation in its
2		corporate capacity holds title;
3	(8)	Land to which the Hawaii technology development
4		corporation in its corporate capacity holds title;
5	(9)	Land to which the department of education holds title;
6		[and]
7	(10)	Land to which the Hawaii public housing authority in
8		its corporate capacity holds title[+]; and
9	(11)	Lands to which the stadium authority holds title."
10	SECT	ION 6. Section 206E-14, Hawaii Revised Statutes, is
11	amended by	y amending subsection (a) to read as follows:
12	"(a)	The authority may, without recourse to public
13	auction,	sell, or lease for a term not exceeding sixty-five
14	years, al	l or any portion of the real or personal property
15	constitut	ing a redevelopment project to any person, upon such
16	terms and	conditions as may be approved by the authority, if the
17	authority	finds that the sale or lease is in conformity with the
18	community	development plan.
19	[For	the stadium development district, leases shall not

20 exceed a term of ninety-nine years.]"



1 SECTION 7. Chapter 206E, part IX, Hawaii Revised Statutes, 2 is repealed. 3 PART II 4 SECTION 8. Act 268, Session Laws of Hawaii 2019, is 5 amended by adding a new section to read as follows: 6 "SECTION 7A. With the approval of the governor, the 7 stadium authority, as the designated expending agency for 8 capital improvement projects authorized in this Act, may 9 delegate to other state agencies the implementation of projects 10 when it is determined advantageous to do so by both the stadium 11 authority as the original expending agency and the agency to 12 which expending authority is to be delegated." 13 SECTION 9. Act 268, Session Laws of Hawaii 2019, is 14 amended by amending sections 4 to 6 to read as follows: 15 "SECTION 4. There is appropriated out of the general 16 revenues of the State of Hawaii the sum of \$20,000,000 or so 17 much thereof as may be necessary for fiscal year 2019-2020 for 18 the [establishment and] development of the stadium [development 19 district] authority property for public use. 20 The sum appropriated shall be expended by the [Hawaii

community development] stadium authority for the purposes of



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this Act; provided that the appropriation shall not lapse at the
 end of the fiscal year for which the appropriation is made;
 provided further that all moneys unencumbered as of June 30,
 2022, shall lapse as of that date.

5 SECTION 5. The legislature finds and declares that the 6 issuance of revenue bonds under this Act is in the public 7 interest and for the public health, safety, and general welfare. 8 Pursuant to part III, chapter 39, Hawaii Revised Statutes. 9 Accordingly, the [Hawaii community-development] stadium authority, with the approval of the governor, may issue in one 10 11 or more series revenue bonds in a total amount not to exceed 12 \$180,000,000 for the [Hawaii community development] stadium 13 authority to implement [the stadium development district as 14 provided for in part , chapter 206E, Hawaii Revised 15 Statutes.] the development of stadium authority property for 16 public use.

17 The proceeds of the revenue bonds shall be deposited into 18 the [Hawaii community development revolving] stadium development 19 special fund created in section [206E 16,] 109- , Hawaii 20 Revised Statutes.



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The revenue bonds authorized under this Act shall be issued
 pursuant to part III, chapter 39, Hawaii Revised Statutes. The
 authorization to issue revenue bonds under this Act shall lapse
 on June 30, 2024.

5 SECTION 6. The director of finance is authorized to issue general obligation bonds in the sum of \$150,000,000 or so much 6 7 thereof as may be necessary and the same sum or so much thereof 8 as may be necessary is appropriated for fiscal year 2019-2020 to 9 the [Hawaii community development] stadium authority for the 10 [stadium development district.] development of stadium authority 11 property for public use; provided that the appropriation shall 12 not lapse at the end of the fiscal year for which the 13 appropriation is made; provided further that all moneys 14 unencumbered as of June 30, 2022, shall lapse as of that date." 15 PART III 16 SECTION 10. There is appropriated out of the general 17 revenues of the State of Hawaii the sum of \$1,000,000 or so much 18 thereof as may be necessary for fiscal year 2020-2021 to carry 19 out the purposes of this Act.

20 The sum appropriated shall be expended by the stadium21 authority for the purposes of this Act; provided that the



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appropriation shall not lapse at the end of the fiscal year for
 which the appropriation is made; provided further that all
 moneys unencumbered as of June 30, 2022, shall lapse as of that
 date.

5 PART IV
6 SECTION 11. Statutory material to be repealed is bracketed
7 and stricken. New statutory material is underscored.
8 SECTION 12. This Act shall take effect on July 1, 2020.



Report Title:

HCDA; Stadium Development District; Stadium Authority; Appropriation

Description:

Establishes the stadium development special fund. Establishes development guidance policies for the Stadium Authority's actions in the Stadium Development District. Requires the Stadium Authority to submit annual comprehensive reports to the Legislature. Authorizes the Stadium Authority to acquire and hold title to real property. Transfers authority to issue leases of the lands within the Stadium Development District from the Hawaii Community Development Authority to the Stadium Authority. Authorizes the Stadium Authority, with approval from the Governor, to delegate to other state agencies the implementation of capital improvement projects, under certain conditions. Repeals part IX of chapter 206E, Hawaii Revised Statutes, relating to the Stadium Development District. Appropriates funds. (SD2)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

