

JAN 21 2021

A BILL FOR AN ACT

RELATING TO COMMUNITY DEVELOPMENT.

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

1 SECTION 1. The purpose of this Act is to require the
2 Hawai'i community development authority to develop a transit-
3 oriented development (TOD) zone improvement program to foster
4 community development by strategically investing in public
5 facilities.

6 The legislature finds that the construction and
7 installation of certain public facilities are necessary and
8 desirable to facilitate the renewal and redevelopment of areas
9 proximate to proposed fixed transit stations. TOD is a powerful
10 tool that can ultimately deliver a wide range of social,
11 environmental, and economic benefits. TOD promotes development
12 patterns that support quality of life; preserve the natural
13 environment; provide a range of housing choices for residents;
14 and encourage walking, biking, and mass transit.

15 The State plays an important role in overcoming barriers to
16 TOD, including encouraging needed investments in regional public
17 facilities such as roads, sewers, and storm water management



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1 systems. This Act is intended to move current TOD planning
2 efforts forward into structures that benefit the community.

3 The legislature further finds that, currently, no single
4 entity has the authority to redevelop the State's assets along
5 the transit corridor in the best interest of the State. This
6 Act will consolidate long-term master planning and zoning
7 regarding state owned lands within each of the TOD's under the
8 Hawai'i Community Development Authority in order to resolve any
9 ambiguities."

10 SECTION 2. Section 206E-2, Hawaii Revised Statutes, is
11 amended by adding two new definitions to be appropriately
12 inserted and to read as follows:

13 "TOD" means transit-oriented development.

14 "TOD zone" means the parcels of land within a one-half mile
15 radius around a proposed or existing fixed transit station as
16 determined by the authority, taking into account proximity,
17 walkability, adopted county plans, and other relevant factors;
18 provided that TOD zones shall not be established on lands
19 administered by the Hawaii public housing authority, lands
20 administered by the stadium authority, or any community
21 development districts designated pursuant to section 206E-5."



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1 SECTION 3. Section 206E-3, Hawaii Revised Statutes, is
2 amended by amending subsection (b) to read as follows:
3 "(b) The authority shall consist of the director of
4 finance or the director's designee; the director of
5 transportation or the director's designee; a cultural
6 specialist; an at-large member; an at-large member nominated by
7 the senate president; an at-large member nominated by the
8 speaker of the house; three representatives of the Heeia
9 community development district, comprising two residents of that
10 district or the Koolaupoko district, which consists of sections
11 1 through 9 of zone 4 of the first tax map key division, and one
12 owner of a small business or one officer or director of a
13 nonprofit organization in the Heeia community development
14 district or Koolaupoko district, nominated by the county council
15 of the county in which the Heeia community development district
16 is located; three representatives of the Kalaeloa community
17 development district, comprising two residents of the Ewa zone
18 (zone 9, sections 1 through 2) or the Waianae zone (zone 8,
19 sections 1 through 9) of the first tax map key division, and one
20 owner of a small business or one officer or director of a
21 nonprofit organization in the Ewa or Waianae zone, nominated by



1 the county council of the county in which the Kalaeloa community
2 development district is located; three representatives of the
3 Kakaako community development district, comprising two residents
4 of the district and one owner of a small business or one officer
5 or director of a nonprofit organization in the district,
6 nominated by the county council of the county in which the
7 Kakaako community development district is located; the director
8 of planning and permitting of each county in which a community
9 development district is located or the director's designee, who
10 shall serve in an ex officio, nonvoting capacity; and the
11 chairperson of the Hawaiian homes commission or the
12 chairperson's designee, who shall serve in an ex officio,
13 nonvoting capacity.

14 All members except the director of finance, director of
15 transportation, county directors of planning and permitting, and
16 chairperson of the Hawaiian homes commission or their designees
17 shall be appointed by the governor pursuant to section 26-34.
18 The two at-large members nominated by the senate president and
19 speaker of the house and the nine representatives of the
20 respective community development districts shall each be
21 appointed by the governor from a list of three nominees



1 submitted for each position by the nominating authority
2 specified in this subsection.

3 The authority shall be organized and shall exercise
4 jurisdiction as follows:

5 (1) For matters affecting the Heeia community development
6 district, the following members shall be considered in
7 determining quorum and majority and shall be eligible
8 to vote:

9 (A) The director of finance or the director's
10 designee;

11 (B) The director of transportation or the director's
12 designee;

13 (C) The cultural specialist;

14 (D) The three at-large members; and

15 (E) The three representatives of the Heeia community
16 development district;

17 provided that the director of planning and permitting
18 of the relevant county or the director's designee
19 shall participate in these matters as an ex officio,
20 nonvoting member and shall not be considered in
21 determining quorum and majority;



1 (2) For matters affecting the Kalaeloa community
2 development district, the following members shall be
3 considered in determining quorum and majority and
4 shall be eligible 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 Kalaeloa
12 community development district;
13 provided that the director of planning and permitting
14 of the relevant county and the chairperson of the
15 Hawaiian homes commission, or their respective
16 designees, shall participate in these matters as ex
17 officio, nonvoting members and shall not be considered
18 in determining quorum and majority;
19 (3) For matters affecting the Kakaako community
20 development district, the following members shall be



1 considered in determining quorum and majority and
2 shall be eligible to vote:

3 (A) The director of finance or the director's
4 designee;

5 (B) The director of transportation or the director's
6 designee;

7 (C) The cultural specialist;

8 (D) The three at-large members; and

9 (E) The three representatives of the Kakaako
10 community development district;

11 provided that the director of planning and permitting
12 of the relevant county or the director's designee
13 shall participate in these matters as an ex officio,
14 nonvoting member and shall not be considered in
15 determining quorum and majority[~~-~~]; and

16 (4) For matters affecting TOD zones, including the
17 creation of TOD zones, the following members and the
18 director of the office of planning or the director's
19 designee shall be considered in determining quorum and
20 majority and 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; and
- 6 (D) The three at-large members;
- 7 provided 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 nonvoting member and shall not be considered in
- 11 determining quorum and majority.

12 In the event of a vacancy, a member shall be appointed to

13 fill the vacancy in the same manner as the original appointment

14 within thirty days of the vacancy or within ten days of the

15 senate's rejection of a previous appointment, as applicable.

16 The terms of the director of finance, director of

17 transportation, county directors of planning and permitting, and

18 chairperson of the Hawaiian homes commission, and director of

19 office of planning or their respective designees shall run

20 concurrently with each official's term of office. The terms of

21 the appointed voting members shall be for four years, commencing



1 on July 1 and expiring on June 30; provided that the initial
2 terms of all voting members initially appointed pursuant to Act
3 61, Session Laws of Hawaii 2014, shall commence on March 1,
4 2015. The governor shall provide for staggered terms of the
5 initially appointed voting members so that the initial terms of
6 four members selected by lot shall be for two years, the initial
7 terms of four members selected by lot shall be for three years,
8 and the initial terms of the remaining five members shall be for
9 four years.

10 The governor may remove or suspend for cause any member
11 after due notice and public hearing.

12 Notwithstanding section 92-15, a majority of all eligible
13 voting members as specified in this subsection shall constitute
14 a quorum to do business, and the concurrence of a majority of
15 all eligible voting members as specified in this subsection
16 shall be necessary to make any action of the authority valid.
17 All members shall continue in office until their respective
18 successors have been appointed and qualified. Except as herein
19 provided, no member appointed under this subsection shall be an
20 officer or employee of the State or its political subdivisions.



1 For purposes of this section, "small business" means a
2 business ~~[which]~~ that is independently owned and ~~[which]~~ is not
3 dominant in its field of operation."

4 SECTION 4. Section 206E-6, Hawaii Revised Statutes, is
5 amended as follows:

6 1. By amending the title and subsections (a) and (b) to
7 read:

8 "~~§206E-6 District-wide and TOD zone improvement [program.]~~

9 programs. (a) The authority shall develop a district-wide
10 improvement program and a TOD zone improvement program to
11 identify necessary district-wide and TOD zone public facilities
12 within a community development district ~~[-]~~ or TOD zone.

13 (b) Whenever the authority shall determine to undertake,
14 or cause to be undertaken, any public facility as part of the
15 district-wide or TOD zone improvement program, the cost of
16 providing the public facilities shall be assessed against the
17 real property in the community development district specially
18 benefiting from such public facilities. The authority shall
19 determine the areas of the community development district
20 ~~[which]~~ or TOD zone that will benefit from the public facilities
21 to be undertaken and, if less than the entire community



1 development district or TOD zone benefits, the authority may
2 establish assessment areas within the community development
3 district [–] or TOD zone. The authority may issue and sell bonds
4 in such amounts as may be authorized by the legislature to
5 provide funds to finance such public facilities. The authority
6 shall fix the assessments against real property specially
7 benefited. All assessments made pursuant to this section shall
8 be a statutory lien against each lot or parcel of land assessed
9 from the date of the notice declaring the assessment until paid
10 and such lien shall have priority over all other liens except
11 the lien of property taxes. As between liens of assessments,
12 the earlier lien shall be superior to the later lien."

13 2. By amending subsection (i) to read:

14 "(i) Notwithstanding any law to the contrary, whenever as
15 part of a district-wide or TOD zone improvement program it
16 becomes necessary to remove, relocate, replace, or reconstruct
17 public utility facilities, the authority shall establish by rule
18 the allocation of cost between the authority, the affected
19 public utilities, and properties that may specially benefit from
20 such improvement, if any. In determining the allocation of
21 cost, the authority shall consider the cost allocation policies



1 for improvement districts established by the county in which the
2 removal, relocation, replacement, or reconstruction is to take
3 place."

4 SECTION 5. There is appropriated out of the general
5 revenues of the State of Hawaii the sum of \$60,000 or so much
6 thereof as may be necessary for fiscal year 2021-2022 and the
7 same sum or so much thereof as may be necessary for fiscal year
8 2022-2023 for one full-time equivalent (1.00 FTE) temporary
9 position in the Hawaii community development authority to
10 maintain the staff necessary to develop and manage the transit-
11 oriented development zone improvement program.

12 The sums appropriated shall be expended by the Hawaii
13 community development authority for the purposes of this Act.

14 SECTION 6. Statutory material to be repealed is bracketed
15 and stricken. New statutory material is underscored.

16 SECTION 7. This Act shall take effect on July 1, 2021.

17

INTRODUCED BY: 

S.B. NO. 140

Report Title:

Transit-oriented Development; Hawai'i Community Development Authority; Appropriation

Description:

Requires the Hawai'i Community Development Authority (HCDA) to develop a transit-oriented development (TOD) zone improvement program to foster community development by strategically investing in public facilities. Appropriates funds to HCDA for staff necessary to develop and manage the TOD zone improvement program.

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