
A BILL FOR AN ACT

RELATING TO WAIAKEA PENINSULA REDEVELOPMENT.

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

1 SECTION 1. The legislature finds that the rejuvenation of
2 public lands located on the Waiakea peninsula on the island of
3 Hawaii that have become dilapidated, obsolete, or have
4 deteriorated over time is in the best interest of the public and
5 constitutes a valid public purpose.

6 The purpose of this Act is to establish the Waiakea
7 peninsula on the island of Hawaii as a redevelopment district
8 and establish:

9 (1) Policies for the management of lands in the
10 redemption district;

11 (2) A plan for the district, including district-wide
12 improvements, that is coordinated with state and
13 county land use and planning policies; and

14 (3) Asset and property management concepts that will
15 optimize income from the properties and evolve in
16 response to changing principles of property
17 administration.



1 SECTION 2. Chapter 171, Hawaii Revised Statutes, is
2 amended by adding a new part to be appropriately designated and
3 to read as follows:

4 **"PART . WAIAKEA PENINSULA PUBLIC LANDS REDEVELOPMENT**

5 **§171-A Definitions.** As used in this part, unless the
6 context requires otherwise:

7 "Premises" means the property that is being leased or
8 rented in the Waiakea peninsula redevelopment district.

9 "Public facilities" includes streets and highways, storm
10 drainage systems, water systems, street lighting systems, off-
11 street parking facilities, and sanitary sewerage systems.

12 "Waiakea peninsula redevelopment district" means the area
13 of public lands designated for redevelopment pursuant to section
14 171-B.

15 "Waiakea planning committee" or "committee" means the
16 policy-making committee established for the Waiakea peninsula
17 redevelopment district pursuant to section 171-C.

18 **§171-B Waiakea peninsula redevelopment district;**
19 **boundaries; transfer to the committee.** (a) The legislature
20 designates the public lands on the Waiakea peninsula on the
21 island of Hawaii classified as commercial and industrial; hotel,



1 apartment, and motel; or resort use pursuant to section 171-10
2 as the Waiakea peninsula redevelopment district.

3 (b) The Waiakea peninsula redevelopment district shall
4 include the area bounded by the shoreline from the intersection
5 of Lihikai street and Kamehameha avenue; Kamehameha avenue to
6 its intersection with Kalaniana'ole avenue; Kalaniana'ole avenue
7 to its intersection with Banyan way; Banyan way from its
8 intersection with Kalaniana'ole avenue to its intersection with
9 Banyan drive; from the intersection of Banyan way and Banyan
10 drive to the shoreline; the shoreline around the Waiakea
11 peninsula, including Mokuola island, to the intersection of
12 Lihikai street and Kamehameha avenue.

13 (c) The management of the public lands within the Waiakea
14 peninsula redevelopment district shall be transferred to the
15 Waiakea planning committee; provided that any lessee or
16 permittee within the Waiakea peninsula redevelopment district
17 shall perform in full compliance with the existing lease or
18 permit.

19 (d) All rules, policies, procedures, guidelines, leases,
20 contracts, loans, agreements, permits, and other materials and
21 documents adopted or developed by the department to implement



1 applicable state laws shall remain in full force and effect
2 until amended or repealed by the committee.

3 **§171-C Waiakea planning committee; members; district**
4 **administrator; repeal.** (a) A planning committee for the
5 Waiakea peninsula redevelopment district shall be established
6 within the department for administrative purposes.

7 (b) The committee shall be an executive committee for the
8 Waiakea peninsula redevelopment district and shall consist of
9 nine voting members. The committee shall consist of:

10 (1) The chairperson of the board of land and natural
11 resources and the director of planning of the county
12 of Hawaii, or their designated representatives, who
13 shall be ex officio, voting members; and

14 (2) Seven members of the public appointed by the governor
15 pursuant to section 26-34; provided that of the
16 members appointed pursuant to this paragraph:

17 (A) Two members shall be selected from a list of
18 three names for each nomination submitted by the
19 president of the senate, and two members shall be
20 selected from a list of three names for each
21 nomination submitted by the speaker of the house



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1 of representatives, in collaboration with the
2 legislators from the county of Hawaii; provided
3 further that the governor shall select a name no
4 later than days after receipt of each list;

5 (B) Three members appointed by the governor pursuant
6 to section 26-34; provided that:

7 (i) One member shall represent the business
8 sector of the county of Hawaii;

9 (ii) One member shall have experience and
10 expertise in the area of Hawaiian cultural
11 practices; and

12 (iii) One member shall be a resident of the county
13 of Hawaii;

14 provided further that the governor shall appoint
15 these members no later than days after
16 designation of the redevelopment district; and

17 (C) The seven members of the public shall be selected
18 on the basis of their knowledge, experience, and
19 expertise in one of the following areas:

20 (i) Management of small or large businesses;

21 (ii) Economics, banking, investment, or finance;



1 (iii) Real estate development;
2 (iv) Marketing;
3 (v) Regenerative tourism practices;
4 (vi) Hawaiian cultural practices; or
5 (vii) Hotel and resort management;
6 provided further that of the seven members of the
7 public, three members shall be residents of the county
8 of Hawaii and all members shall be residents of the
9 State.

10 (c) The committee shall elect its chairperson from among
11 its members of the public.

12 (d) The members of the committee shall serve without
13 compensation but shall be reimbursed for reasonable expenses,
14 including travel expenses, incurred in the performance of their
15 duties. This subsection shall not be construed to prohibit the
16 ex officio members of the committee from receiving their
17 salaries and wages for their work as public officials.

18 (e) The committee shall appoint a district administrator,
19 who shall be the chief executive officer for the Waiakea
20 peninsula redevelopment district. The district administrator
21 shall have expertise in engineering, planning, architecture,



1 real estate, or law. The committee shall set the district
2 administrator's duties, responsibilities, holidays, vacations,
3 leaves, hours of work, and working conditions. The committee
4 shall set the salary of the district administrator, who shall
5 serve at the pleasure of the committee and shall be exempt from
6 chapter 76.

7 (f) The committee shall be dissolved upon the completion
8 of the redevelopment project.

9 **§171-D Powers and duties; generally; exemption from**
10 **administrative supervision of boards and commissions.** (a) The
11 committee shall have the following powers and duties:

12 (1) Through its district administrator, appoint staff and
13 employees, prescribe their duties and qualifications,
14 and fix their salaries, without regard to chapter 76;

15 (2) Through its district administrator:

16 (A) Allocate space or spaces that are to be occupied
17 by the committee and appropriate staff; and

18 (B) Purchase necessary supplies, equipment, or
19 furniture;

20 (3) Prepare a redevelopment plan for the Waiakea peninsula
21 redevelopment district;



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- 1 (4) Notwithstanding any other law to the contrary, lease
2 public lands in the Waiakea peninsula redevelopment
3 district and renew or renegotiate any lease in
4 connection with any project contained in the
5 redevelopment plan for the Waiakea peninsula
6 redevelopment district, on terms and conditions
7 pursuant to section 171-E and consistent with the
8 redevelopment plan;
- 9 (5) Prepare or cause to be prepared plans, design
10 criteria, landscaping, and estimates of costs for the
11 construction, rehabilitation, repair, or destruction
12 of any project contained in the redevelopment plan,
13 and from time to time to modify the plans or
14 estimates;
- 15 (6) Conduct studies in conjunction with county and state
16 agencies necessary to determine the appropriate
17 activities for redevelopment in the Waiakea peninsula
18 redevelopment district;
- 19 (7) Reduce or waive the lease rental on any lease of
20 public land for any project in the Waiakea peninsula
21 redevelopment district that requires substantial



1 improvements; provided that the duration of the
2 reduction or waiver shall not exceed one year;

3 (8) Make and execute all contracts and instruments
4 necessary for the exercise of its powers and functions
5 relating to the Waiakea peninsula redevelopment
6 district, including engaging the services of
7 consultants for rendering of professional and
8 technical assistance and advice;

9 (9) Enter into a development agreement with a developer or
10 developers for any project contained in the
11 redevelopment plan; provided that the development
12 agreement shall contain:

13 (A) A description of the location, area, and size of
14 the parcel to be developed;

15 (B) The use or uses to which the parcel shall be put
16 in conformance with the redevelopment plan and
17 with applicable state and county laws and
18 ordinances;

19 (C) The period of time for the construction and
20 completion of the redevelopment; and



1 (D) Other terms and conditions that the committee
2 deems necessary;

3 (10) Work closely and communicate with the county to
4 coordinate the execution of the Waiakea peninsula
5 redevelopment district's planning, incremental
6 projects, work schedules, public works, and budget;

7 (11) Sue or be sued;

8 (12) Adopt a seal and alter the same at its pleasure; and

9 (13) Do any and all things necessary to carry out its
10 purposes and exercise the powers given and granted in
11 this part.

12 (b) Notwithstanding any law to the contrary, the committee
13 shall be exempt from section 26-35(a)(1), (4), (5), and (6).

14 **§171-E District redevelopment plan.** (a) The committee
15 shall prepare a redevelopment plan for the Waiakea peninsula
16 redevelopment district, including district development policies,
17 the district improvement program, necessary public facilities,
18 and the development guidelines and rules for the Waiakea
19 peninsula redevelopment district. In carrying out its planning
20 activities, the committee shall comply with chapter 205A and
21 applicable county building and zoning ordinances.



1 (b) In preparing a redevelopment plan for the Waiakea
2 peninsula redevelopment district, the following guidelines shall
3 govern the committee's actions:

4 (1) Development of a community according to design
5 policies that promote the appropriate mixture of uses
6 that respond to the social, economic, and physical
7 needs of the residents of the county of Hawaii and the
8 district's businesses; and

9 (2) Recognition of the visitor industry as the primary
10 commercial use of the district and promotion of
11 development and design concepts that preserve
12 environmental elements such as view planes, enhance
13 historical and cultural assets, and are sensitive to
14 the impact on adjacent residential, commercial,
15 industrial, and other uses.

16 (c) The committee shall prepare a redevelopment plan for
17 the Waiakea peninsula redevelopment district that:

18 (1) Establishes, if applicable, areas principally for:
19 (A) Commercial activities;



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- 1 (B) Processing, construction, deconstruction,
2 manufacturing, transportation, wholesaling,
3 storage, and similar industrial activities;
- 4 (C) Resort and hotel activities, including uses that
5 provide facilities and services for visitors; and
- 6 (D) Public facilities and recreational facilities,
7 with detailed standards for height, bulk, size,
8 and location of buildings;
- 9 (2) Includes a district-wide improvement program for
10 necessary district-wide public facilities within the
11 Waiakea peninsula redevelopment district;
- 12 (3) Includes plans, specifications, and estimates of the
13 costs for the development, construction,
14 deconstruction, reconstruction, or improvement of any
15 project in the Waiakea peninsula redevelopment
16 district, and from time to time modify the plans,
17 specifications, or estimates;
- 18 (4) If possible, identifies specific uses for areas in the
19 Waiakea peninsula redevelopment district and the
20 required parceling of land into minimum size areas
21 related to the specific uses;



- 1 (5) Determines the lease rental that should be established
2 for the specific uses and the terms and conditions of
3 the leases;
- 4 (6) Establishes interim development controls to be
5 implemented during the transition to the execution of
6 the provisions of the redevelopment plan, such as
7 recommending the holdover of a lessee pursuant to
8 section 171-40 or issuance of permits pursuant to
9 section 171-55 to existing lessees upon the expiration
10 of their lease terms; and
- 11 (7) Allows the use of land or any building existing on the
12 date the redevelopment plan is adopted to continue as
13 a nonconforming use; provided that the nonconforming
14 building shall not be replaced, expanded, or changed
15 to another nonconforming use.
- 16 (d) The district redevelopment plan may provide for the
17 withdrawal or taking for public purposes of public land or
18 portion of public land under a lease. The rental shall be
19 reduced in proportion to the value of the portion of the
20 premises condemned, and the lessee shall be entitled to receive
21 the proportionate value of the permanent improvements legally



1 made to or constructed upon the land by the lessee taken in the
2 proportion that it bears to the unexpired term of the lease.

3 (e) Prior to adoption, the committee shall hold a public
4 hearing on a proposed redevelopment plan for the Waiakea
5 peninsula redevelopment district and shall consider the comments
6 received and incorporate any revisions to the plan that may be
7 necessary.

8 (f) Beginning _____ years after the date the Waiakea
9 peninsula redevelopment district is established, the committee
10 shall submit a report to the board of the redevelopment plan
11 adopted by the committee with its recommendations for
12 appropriations by the legislature or the authorization of bonds,
13 or both, to implement the redevelopment plan in a timely manner.
14 The board shall review the redevelopment plan to approve,
15 disapprove, or modify and provide such recommendation in its
16 report and submit the report to the governor and the legislature
17 with a request for any necessary appropriations or bond
18 authorizations.

19 **§171-F Leases.** All leases issued by the committee may
20 contain:



- 1 (1) The lessee's name, telephone number, address, and
2 electronic mail address;
- 3 (2) A description of the premises being leased;
- 4 (3) The specific use or uses to which the premises shall
5 be limited; provided that no other uses shall be
6 permitted without the prior written consent of the
7 committee;
- 8 (4) The exact commencement and termination dates of the
9 lease, and the specific term and type of notice
10 required to exercise any renewal option;
- 11 (5) The rent payable not more than one year in advance or
12 in installments in monthly, quarterly, semiannual, or
13 annual payments;
- 14 (6) When rent is based on a percentage of sales, the rent
15 shall be a percentage of the gross sales sold from the
16 premises; or a minimum or base rent, plus a percentage
17 of sales over an amount established by negotiation;
- 18 (7) A rent adjustment clause tied to an inflation-based
19 index, such as the consumer price index, to allow an
20 annual rent adjustment, downward or upward, based on
21 the index;



- 1 (8) The repairs and maintenance that are the
2 responsibility of the lessee and the systems and
3 components that are the responsibility of the
4 committee; provided that all modifications and
5 improvements shall be done in compliance with
6 applicable building codes and zoning ordinance;
- 7 (9) Insurance coverage, at a minimum, for fire, liability,
8 and property damage;
- 9 (10) Prohibition of assignment or subletting of the lease
10 without the written consent of the committee;
- 11 (11) Criteria for lessee default, including:
- 12 (A) Failure to pay any installment of rent or other
13 payment within an agreed to number of days after
14 the due date;
- 15 (B) Failure to perform or observe any covenant, term,
16 or condition under the lease; or
- 17 (C) Failure to continue a business, vacating, or
18 abandoning the premises; and
- 19 (12) Remedies for lessee default, including:
- 20 (A) Failure to perform as required by the lease;



1 (B) Termination of the lease and suing for damages;
2 and

3 (C) Dispossessing the lessee and suing for damages.

4 **§171-G Waiakea peninsula redevelopment district revolving**
5 **fund.** (a) There is established the Waiakea peninsula
6 redevelopment district revolving fund into which shall be
7 deposited:

8 (1) The revenues, income, and receipts from the public
9 lands in the Waiakea peninsula redevelopment district;

10 (2) Moneys appropriated by the legislature to the
11 revolving fund; and

12 (3) Any gifts, grants, and other funds accepted by the
13 committee.

14 (b) Moneys in the revolving fund shall be expended by the
15 committee and used in the Waiakea peninsula redevelopment
16 district for the purposes of this part; provided that no
17 expenditure shall be made from the fund and no obligation shall
18 be incurred against the fund in excess of the amount standing to
19 the credit of the fund.

20 (c) After the committee is dissolved, the unencumbered
21 balance remaining in the revolving fund shall be transferred to



1 the special land and development fund established pursuant to
2 section 171-19."

3 SECTION 3. (a) All deeds, leases, contract, loans,
4 agreements, permits, or other documents executed or entered into
5 by or on behalf of the department of land and natural resources,
6 pursuant to the provisions of the Hawaii Revised Statutes that
7 are enacted, transferred, or made applicable to the Waiakea
8 peninsula redevelopment district planning committee by this Act
9 shall remain in full force and effect.

10 (b) Effective July 1, , every reference to the
11 department of land and natural resources or the chairperson of
12 the board of land and natural resources to all deeds, leases,
13 contract, loans, agreements, permits, or other documents
14 enacted, transferred, or made applicable to the Waiakea
15 peninsula redevelopment district planning committee pursuant to
16 subsection (a) shall be construed as reference to the Waiakea
17 peninsula redevelopment district planning committee or the
18 district administrator, as appropriate.

19 SECTION 4. Upon repeal of this Act, all leases, contract,
20 agreements, permits, or other documents executed or entered into
21 by or on behalf of the Waiakea peninsula redevelopment district



1 planning committee shall remain in full force and effect and
2 shall be administered by the department of land and natural
3 resources.

4 SECTION 5. Upon repeal of this Act, all appropriations,
5 records, equipment, machines, files, supplies, contracts, books,
6 papers, documents, maps, and other personal property held by the
7 Waiakea peninsula redevelopment district planning committee
8 shall be transferred to the department of land and natural
9 resources.

10 SECTION 6. There is appropriated out of the general
11 revenues of the State of Hawaii the sum of \$ or so
12 much thereof as may be necessary for fiscal year 2022-2023 to be
13 deposited into the Waiakea peninsula redevelopment district
14 revolving fund.

15 SECTION 7. There is appropriated out of the Waiakea
16 peninsula redevelopment district revolving fund the sum of
17 \$ or so much thereof as may be necessary for fiscal
18 year 2022-2023 for the purposes of this Act.

19 The sum appropriated shall be expended by the department of
20 land and natural resources for the purposes of this Act.



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1 SECTION 8. In codifying the new sections added by section
2 2 of this Act, the revisor of statutes shall substitute
3 appropriate section numbers for the letters used in designating
4 the new sections in this Act.

5 SECTION 9. This Act does not affect rights and duties that
6 matured, penalties that were incurred, and proceedings that were
7 begun before its effective date.

8 SECTION 10. If any provision of this Act, or the
9 application thereof to any person or circumstance, is held
10 invalid, the invalidity does not affect other provisions or
11 applications of the Act that can be given effect without the
12 invalid provision or application, and to this end the provisions
13 of this Act are severable.

14 SECTION 11. This Act shall take effect on July 1, 2022,
15 and shall be repealed on June 30, 2032.

16

INTRODUCED BY:



JAN 21 2022



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Report Title:

Waiakea Peninsula; Redevelopment; Revolving Fund; Appropriation

Description:

Establishes the Waiakea peninsula redevelopment district and planning committee for the redevelopment of public lands on the Waiakea peninsula. Establishes the Waiakea peninsula redevelopment district revolving fund. Makes an appropriation. Sunsets June 30, 2032.

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