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 State has a
- 2 fiduciary duty to manage state lands in the best interests of
- 3 the public by enhancing state revenues and promoting social,
- 4 environmental, and economic well-being of Hawaii's people. East
- 5 Hawaii, including the notable Banyan drive area, remains as the
- 6 center of tourism for the island of Hawaii, and many
- 7 improvements to infrastructure and key resources are necessary
- 8 to revitalize the region as an economic hub. While the Banyan
- 9 drive area includes several hotels, condominiums, restaurants,
- 10 and retail buildings that comprise the economic district, some
- 11 establishments have faced recent financial distress and
- 12 closures, leading to the decline in economic activities and
- 13 opportunities in that economic hub.
- 14 The legislature further finds that the deterioration and
- 15 decline of key areas for economic growth and tourism impacts the
- 16 economic, social, and community opportunities of the entire
- 17 State. The rejuvenation of public lands located on the Waiakea

- 1 peninsula on the island of Hawaii is in the best interest of the
- 2 general public and constitutes a valid public purpose.
- 3 Therefore, the purpose of this Act is to establish the
- 4 Waiakea peninsula on the island of Hawaii as a redevelopment
- 5 district and establish:
- 6 (1) Policies for the management of lands in the
- 7 redevelopment district;
- 8 (2) A plan for the district, including district-wide
- 9 improvements, that is coordinated with state and
- 10 county land use and planning policies; and
- 11 (3) Asset and property management concepts that will
- optimize income from the properties and evolve in
- response to changing principles of property
- 14 administration.
- 15 SECTION 2. Chapter 171, Hawaii Revised Statutes, is
- 16 amended by adding a new part to be appropriately designated and
- 17 to read as follows:
- 18 "PART . WAIAKEA PENINSULA PUBLIC LANDS REDEVELOPMENT
- 19 §171-A Definitions. As used in this part, unless the
- 20 context requires otherwise:
- 21 "Board" means the board of land and natural resources.

- 1 "Department" means the department of land and natural
- 2 resources.
- 3 "Premises" means the property that is being leased or
- 4 rented in the Waiakea peninsula redevelopment district.
- 5 "Public facilities" includes streets and highways, storm
- 6 drainage systems, water systems, street lighting systems, off-
- 7 street parking facilities, and sanitary sewerage systems.
- 8 "Waiakea peninsula redevelopment district" means the area
- 9 of public lands designated for redevelopment pursuant to section
- 10 171-B.
- "Waiakea redevelopment planning committee" or "committee"
- 12 means the planning committee established for the Waiakea
- 13 peninsula redevelopment district pursuant to section 171-C.
- 14 §171-B Waiakea peninsula redevelopment district;
- 15 boundaries. (a) The legislature designates the public lands on
- 16 the Waiakea peninsula on the island of Hawaii classified as
- 17 commercial and industrial; hotel, apartment, and motel; or
- 18 resort use pursuant to section 171-10 as the Waiakea peninsula
- 19 redevelopment district.
- 20 (b) The Waiakea peninsula redevelopment district shall
- 21 include the area bounded by the shoreline from the intersection

- 1 of Lihiwai street and Kamehameha avenue; Kamehameha avenue to
- 2 its intersection with Kalanianaole avenue; Kalanianaole avenue
- 3 to its intersection with Banyan way; Banyan way from its
- 4 intersection with Kalanianaole avenue to its intersection with
- 5 Banyan drive; from the intersection of Banyan way and Banyan
- 6 drive to the shoreline; the shoreline around the Waiakea
- 7 peninsula, including Mokuola island, to the intersection of
- 8 Lihiwai street and Kamehameha avenue.
- 9 §171-C Waiakea redevelopment planning committee; members;
- 10 district administrator; repeal. (a) A redevelopment planning
- 11 committee for the Waiakea peninsula redevelopment district shall
- 12 be established within the department for administrative
- 13 purposes.
- 14 (b) The committee shall be an advisory committee for the
- 15 Waiakea peninsula redevelopment district and shall consist of
- 16 the following nine voting members:
- 17 (1) The chairperson of the board of land and natural
- resources;
- 19 (2) The director of planning of the county of Hawaii, or
- their designated representatives, who shall be ex
- officio, voting members; and

1	(3)	Seven members of the public appointed by the governor
2		pursuant to section 26-34; provided that of the
3		members appointed pursuant to this paragraph:
4		(A) Two members shall be selected from a list of
5		three names for each nomination submitted by the
6		president of the senate, and two members shall be
7		selected from a list of three names for each
8		nomination submitted by the speaker of the house
9		of representatives, in collaboration with the
10		legislators from the county of Hawaii; provided
11		further that the governor shall select a name no
12		later than days after receipt of each list;
13		(B) One member shall represent the business sector of
14		the county of Hawaii;
15		(C) One member shall have experience and expertise in
16		the area of Hawaiian cultural practices; and
17		(D) One member shall be a resident of the county of
18		Hawaii;
19		provided further that the governor shall appoint the
20		members in subparagraphs (B) to (D) no later than

1		days after designation of the redevelopment
2		district; and
3	(4)	The seven members of the public shall be selected on
4		the basis of their knowledge, experience, and
5		expertise in one of the following areas:
6		(A) Management of small or large businesses;
7		(B) Economics, banking, investment, or finance;
8		(C) Real estate development;
9		(D) Marketing;
10		(E) Regenerative tourism practices;
11		(F) Hawaiian cultural practices; or
12		(G) Hotel and resort management;
13		provided further that of the seven members of the
14		public, at least three members shall be residents of
15		the county of Hawaii and all members shall be
16		residents of the State.
17	(c)	The committee shall elect its chairperson from among
18	its membe	rs of the public.
19	(d)	The members of the committee shall serve without
20	compensat	ion but shall be reimbursed for reasonable expenses,
21	including	travel expenses, incurred in the performance of their

- 1 duties. This subsection shall not be construed to prohibit the
- 2 ex officio members of the committee from receiving their
- 3 salaries and wages for their work as public officials.
- 4 (e) The committee shall appoint a district administrator,
- 5 who shall be the chief executive officer for the Waiakea
- 6 peninsula redevelopment district. The district administrator
- 7 shall have expertise in engineering, planning, architecture,
- 8 real estate, or law. The committee shall set the district
- 9 administrator's duties, responsibilities, holidays, vacations,
- 10 leaves, hours of work, and working conditions. The committee
- 11 shall set the salary of the district administrator, who shall
- 12 serve at the pleasure of the committee and shall be exempt from
- 13 chapter 76.
- 14 (f) The committee shall be dissolved upon the completion
- 15 of the redevelopment project. Upon dissolution, all
- 16 appropriations, records, equipment, machines, files, supplies,
- 17 contracts, books, papers, documents, maps, and other personal
- 18 property held by the Waiakea redevelopment planning committee
- 19 shall be transferred to the department.

1	§171	-D Powers and duties; generally; exemption from
2	administr	ative supervision of boards and commissions. The
3	committee	shall have the following powers and duties:
4	(1)	Through its district administrator, appoint staff and
5		employees, prescribe their duties and qualifications,
6		and fix their salaries, without regard to chapter 76;
7	(2)	Through its district administrator:
8		(A) Allocate space or spaces that are to be occupied
9		by the committee and appropriate staff; and
10		(B) Purchase necessary supplies, equipment, or
11		furniture;
12	(3)	Prepare a redevelopment plan for the Waiakea peninsula
13		redevelopment district;
14	(4)	Prepare or cause to be prepared plans, design
15		criteria, landscaping, and estimates of costs for the
16		construction, rehabilitation, repair, or destruction
17		of any project contained in the redevelopment plan,
18		and from time to time to modify the plans or
19		estimates;
20	(5)	Conduct studies in conjunction with county and state
21		agencies necessary to determine the appropriate

1		activities for redevelopment in the warakea peninsura	
2		redevelopment district;	
3	(6)	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	(7)	Sue or be sued;	
8	(8)	Adopt a seal and alter the same at its pleasure; and	
9	(9)	Do any and all things necessary to carry out its	
10		purposes and exercise the powers given and granted in	
11		this part.	
12	§171	-E District redevelopment plan. (a) The committee	
13	shall pre	pare a redevelopment plan for the Waiakea peninsula	
14	redevelopment district, including district development policies		
15	the distr	ict improvement program, necessary public facilities,	
16	and the de	evelopment guidelines and proposed rules for the	
17	Waiakea p	eninsula redevelopment district. In carrying out its	
18	planning activities, the committee shall comply with chapter		
19	205A and	applicable county building and zoning ordinances.	

1	(d)	In preparing a redevelopment plan for the Waiakea
2	peninsula	redevelopment district, the following guidelines shall
3	govern the	e 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 Waiake	ea peninsula redevelopment district that:
18	(1)	Establishes, if applicable, areas principally for:

19

(A) Commercial activities;

1		(B) Processing, constructi	on, deconstruction,
2		manufacturing, transpo	ortation, wholesaling,
3		storage, and similar i	ndustrial activities;
4		(C) Resort and hotel activ	rities, including uses that
5		provide facilities and	services for visitors; and
6		(D) Public facilities and	recreational facilities,
7		with detailed standard	s for height, bulk, size,
8		and location of buildi	ngs;
9	(2)	Includes a district-wide im	provement program for
10		necessary district-wide pub	lic facilities within the
11		Waiakea peninsula redevelop	ment district;
12	(3)	Includes plans, specificati	ons, and estimates of the
13		costs for the development,	construction,
14		deconstruction, reconstruct	ion, or improvement of any
15		project in the Waiakea peni	nsula redevelopment
16		district, and from time to	time modify the plans,
17		specifications, or estimate	es;
18	(4)	If possible, identifies spe	cific uses for areas in the
19		Waiakea peninsula redevelop	ment district and the
20		required parceling of land	into minimum size areas
21		related to the specific use	es;

1	(5)	Determines the lease rental that should be established
2		for the specific uses and the terms and conditions of
3		the leases;

- (6) Establishes interim development controls to be implemented during the transition to the execution of the provisions of the redevelopment plan, such as recommending the holdover of a lessee pursuant to section 171-40 or issuance of permits pursuant to section 171-55 to existing lessees upon the expiration of their lease terms; and
- (7) Allows the use of land or any building existing on the date the redevelopment plan is adopted to continue as a nonconforming use; provided that the nonconforming building shall not be replaced, expanded, or changed to another nonconforming use.
- (d) The redevelopment plan may provide for the withdrawal or taking for public purposes of public land or portion of public land under a lease.
- 19 (e) The committee shall submit the redevelopment plan to
 20 the board for approval. The board shall review the
 21 redevelopment plan to approve, disapprove, or modify. Upon

- 1 approval by the board, the board shall act to implement the
- 2 redevelopment plan in a timely manner.
- 3 (f) Prior to submission to the board for adoption, the
- 4 committee shall hold a public hearing on a proposed
- 5 redevelopment plan for the Waiakea peninsula redevelopment
- 6 district and shall consider the comments received and
- 7 incorporate any revisions to the plan that may be necessary.
- 8 (g) Effective upon adoption of the redevelopment plan, any
- 9 proposal, including leases, submitted to the board in
- 10 furtherance of the execution of the redevelopment plan not acted
- 11 upon within one year of the submission date shall be deemed
- 12 approved.
- 13 (h) Beginning years after the date the Waiakea
- 14 peninsula redevelopment district is established, the board shall
- 15 submit a report of its findings and recommendations, including
- 16 any proposed legislation, to the legislature no later than
- 17 twenty days prior to the convening of the regular session
- 18 of ."
- 19 SECTION 3. There is appropriated out of the general
- 20 revenues of the State of Hawaii the sum of \$ or so
- 21 much thereof as may be necessary for fiscal year 2022-2023 for

- 1 the establishment and operations of the Waiakea redevelopment
- 2 planning committee, including hiring of staff.
- 3 The sum appropriated shall be expended by the department of
- 4 land and natural resources for the purposes of this Act.
- 5 SECTION 4. In codifying the new sections added by section
- 6 2 of this Act, the revisor of statutes shall substitute
- 7 appropriate section numbers for the letters used in designating
- 8 the new sections in this Act.
- 9 SECTION 5. This Act does not affect rights and duties that
- 10 matured, penalties that were incurred, and proceedings that were
- 11 begun before its effective date.
- 12 SECTION 6. If any provision of this Act, or the
- 13 application thereof to any person or circumstance, is held
- 14 invalid, the invalidity does not affect other provisions or
- 15 applications of the Act that can be given effect without the
- 16 invalid provision or application, and to this end the provisions
- 17 of this Act are severable.
- 18 SECTION 7. This Act shall take effect on July 1, 2050.

Report Title:

Waiakea Peninsula; Redevelopment; Revolving Fund; Appropriation

Description:

Establishes the Waiakea Peninsula Redevelopment District and Waiakea Redevelopment Planning Committee for the redevelopment of public lands on the Waiakea Peninsula. Makes an appropriation. Takes effect 7/1/2050. (SD1)

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