
A BILL FOR AN ACT

RELATING TO THE EAST HAWAII COMMUNITY DEVELOPMENT DISTRICT.

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

1 SECTION 1. Chapter 206E, Hawaii Revised Statutes, is
2 amended by adding a new part to be appropriately designated and
3 to read as follows:

4 **"PART . EAST HAWAII COMMUNITY DEVELOPMENT DISTRICT**

5 **§206E-A East Hawaii community development district;**

6 **purpose.** The legislature finds that:

7 (1) There is an area in east Hawaii that is in need of
8 renewal, renovation, or improvement to enhance the
9 economic and social value of the area to the State of
10 Hawaii;

11 (2) The Banyan drive area contains approximately
12 eighty-five per cent of the overnight visitor
13 accommodations in east Hawaii;

14 (3) The Kanoelehua industrial area of east Hawaii is in
15 need of improvement to alleviate conditions, including
16 dilapidation, deterioration, and age;



1 (4) There has been little incentive for the lessees of the
 2 properties in the area to make major investments in
 3 improvements to their infrastructure, resulting in the
 4 deterioration of the area's infrastructure and
 5 facilities; and

6 (5) The State has a responsibility to ensure that the east
 7 Hawaii area does not deteriorate and have a harmful
 8 impact on the economy of the east Hawaii community as
 9 a whole.

10 The authority, through the east Hawaii community
 11 development district board, shall plan a district where hotel
 12 and resort, industrial, commercial, residential, and public uses
 13 may coexist compatibly within the same area.

14 **§206E-B East Hawaii community development district;**
 15 **boundaries.** The East Hawaii community development district
 16 means the area beginning at the intersection of Manono street
 17 and Kamehameha avenue, extending south to Piilani street, east
 18 from Piilani street to Kalanikoa street to include Hoolulu Park,
 19 and west from the intersection of Manono street and Piilani
 20 street to tax map key 3-2-2-031-001, inclusive along the
 21 coastline to Maile street until its intersection with Kilauea



1 avenue and then to Aupuni street and beyond to include the
2 following tax map keys until intersection with Ponahawai street:
3 3-2-2-013-003, 3-2-2-012-001, 3-2-2-012-016, 3-2-2-011-001, and
4 3-2-2-007-018; extending makai to tax map key 3-2-3-002-016,
5 along the coastline and including tax map key 3-2-2-001-006
6 until intersection with Lihiwai street; those lands bounded or
7 abutting Lihiwai street, inclusive through Banyan drive until
8 its intersection with Kamehameha avenue; from Kamehameha avenue
9 at its intersection with Kalanianaole avenue and extending east
10 on Kalanianaole avenue to include those abutting lands until tax
11 map key 3-2-1-010-033 on the mauka side of the road and tax map
12 key 3-2-1-011-010 on the makai side of Kalanianaole avenue, to
13 include also any of those lands on Ocean View drive makai of
14 Kalanianaole avenue and the lands mauka on Silva street and Keaa
15 street; the lands within the Hilo airport area managed by the
16 department of land and natural resources; and the lands abutting
17 or bounded by Kanoelehua avenue extending south to Makaala
18 street, then east on Makaala street to Railroad avenue then
19 north on Railroad avenue until Leilani street and east on
20 Leilani street until tax map key 3-2-2-037-144, then west on
21 Leilani street until its intersection with Kanoelehua avenue;



1 and all those lands abutting or bounded by Pohaku street, Kukila
 2 street, Halekauila street, and Lanikaula street; on Kanoelehua
 3 avenue heading north from Makaala street those lands mauka
 4 including those lands on Makaala street, Holumua street, Pookela
 5 street, Wiwoole street, and Kawili street; then on Kanoelehua
 6 avenue north from Kawili street and Kalanikoa street from
 7 Piilani street until they intersect with Kamehameha avenue.

8 **§206E-C East Hawaii community development revolving fund.**

9 (a) There is established in the state treasury the east Hawaii
 10 community development revolving fund, into which shall be
 11 deposited:

12 (1) Notwithstanding section 206E-16, all revenues, income,
 13 and receipts for the east Hawaii community development
 14 district;

15 (2) Moneys directed, allocated, or disbursed to the east
 16 Hawaii community development district from government
 17 agencies or private individuals or organizations,
 18 including grants, gifts, awards, donations, and
 19 assessments of landowners for costs to administer and
 20 operate the district; and

21 (3) Moneys appropriated to the fund by the legislature.



1 (b) Moneys in the east Hawaii community development
2 revolving fund shall be used solely for the purposes of this
3 part.

4 (c) All interest accruing from the investment of the
5 moneys in the fund shall be credited to the east Hawaii
6 community development revolving fund."

7 SECTION 2. Section 206E-3, Hawaii Revised Statutes, is
8 amended by amending subsection (b) to read as follows:

9 "(b) The authority shall consist of the director of
10 finance or the director's designee; the director of
11 transportation or the director's designee; the director of
12 business, economic development, and tourism or the director's
13 designee; the chairperson of the board of land and natural
14 resources; the director of planning or planning and permitting
15 of each county in which a community development district is
16 located or the director's designee; a cultural specialist; an
17 at-large member nominated by the president of the senate; an
18 at-large member nominated by the speaker of the house of
19 representatives; two representatives of the Heeia community
20 development district, comprising one resident of that district
21 or the Koolaupoko district, which consists of sections 1 through



1 9 of zone 4 of the first tax map key division, and one owner of
2 a small business or one officer or director of a nonprofit
3 organization in the Heeia community development district or
4 Koolaupoko district; two representatives of the Kalaeloa
5 community development district, comprising one resident of the
6 Ewa zone (zone 9, sections 1 through 2) or the Waianae zone
7 (zone 8, sections 1 through 9) of the first tax map key
8 division, and one owner of a small business or one officer or
9 director of a nonprofit organization in the Ewa or Waianae zone;
10 two representatives of the Kakaako community development
11 district, comprising one resident of the district and one owner
12 of a small business or one officer or director of a nonprofit
13 organization in the district; ~~and~~ two representatives of the
14 Pulehunui community development district, consisting of one
15 resident of the island of Maui, and one owner of a small
16 business or one officer or director of a nonprofit organization
17 on the island of Maui[-]; and two representatives of the east
18 Hawaii community development district, who shall be residents of
19 east Hawaii, one of whom shall be a business owner or a
20 representative of a business in the district.



1 All members except the director of finance, director of
2 transportation, county directors of planning or planning and
3 permitting, director of business, economic development, and
4 tourism, chairperson of the board of land and natural resources,
5 or their respective designees shall be appointed by the governor
6 pursuant to section 26-34. The two at-large members nominated
7 by the president of the senate and speaker of the house of
8 representatives shall each be invited to serve and appointed by
9 the governor from a list of three nominees submitted for each
10 position by the nominating authority specified in this
11 subsection.

12 The president of the senate and the speaker of the house of
13 representatives shall each submit a list of six nominees for
14 each district to the governor to fill the two district
15 representative positions for each community development
16 district. For each community development district, the governor
17 shall appoint one member from a list of nominees submitted by
18 the president of the senate and one member from a list of
19 nominees submitted by the speaker of the house of
20 representatives, and of the two appointees, one shall meet the
21 district residency requirement and one shall meet the district



1 small business owner or nonprofit organization officer or
2 director requirement.

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 director of business, economic development,
14 and tourism or the director's designee;
- 15 (D) The director of planning and permitting for the
16 county in which the Heeia community development
17 district is located or the director's designee;
- 18 (E) The cultural specialist;
- 19 (F) The two at-large members; and
- 20 (G) The two representatives of the Heeia community
21 development district;



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 director of business, economic development,
10 and tourism or the director's designee;
- 11 (D) The director of planning and permitting for the
12 county in which the Kalaeloa community
13 development district is located or the director's
14 designee;
- 15 (E) The cultural specialist;
- 16 (F) The two at-large members; and
- 17 (G) The two representatives of the Kalaeloa community
18 development district;

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 director of business, economic development,
8 and tourism or the director's designee;
 - 9 (D) The director of planning and permitting for the
10 county in which the Kakaako community development
11 district is located or the director's designee;
 - 12 (E) The cultural specialist;
 - 13 (F) The two at-large members; and
 - 14 (G) The two representatives of the Kakaako community
15 development district; [~~and~~]
- 16 (4) For matters affecting the Pulehunui community
17 development district, the following members shall be
18 considered in determining quorum and majority and
19 shall be eligible to vote:
- 20 (A) The director of finance or the director's
21 designee;



- 1 (B) The director of transportation or the director's
- 2 designee;
- 3 (C) The director of business, economic development,
- 4 and tourism or the director's designee;
- 5 (D) The director of planning for the county in which
- 6 the Pulehunui community development district is
- 7 located or the director's designee;
- 8 (E) The chairperson of the board of land and natural
- 9 resources or the chairperson's designee;
- 10 (F) The cultural specialist;
- 11 (G) The two at-large members; and
- 12 (H) The two representatives of the Pulehunui
- 13 community development district[-]; and
- 14 (5) For matters affecting the east Hawaii community
- 15 development district, the following members shall be
- 16 considered in determining quorum and majority and
- 17 shall be eligible to vote:
- 18 (A) The director of finance or the director's
- 19 designee;
- 20 (B) The director of transportation or the director's
- 21 designee;



- 1 (C) The director of business, economic development,
2 and tourism or the director's designee;
- 3 (D) The director of planning for the county of Hawaii
4 or the director's designee;
- 5 (E) The chairperson of the board of land and natural
6 resources or the chairperson's designee;
- 7 (F) The cultural specialist;
- 8 (G) The two at-large members; and
- 9 (H) The two representatives of the East Hawaii
10 community development district.

11 In the event of a vacancy, a member shall be appointed to
12 fill the vacancy in the same manner as the original appointment
13 within thirty days of the vacancy or within ten days of the
14 senate's rejection of a previous appointment, as applicable.

15 The terms of the director of finance; director of
16 transportation; county directors of planning and permitting;
17 director of business, economic development, and tourism; and
18 chairperson of the board of land and natural resources; or their
19 respective designees shall run concurrently with each official's
20 term of office. The terms of the appointed voting members shall
21 be for four years, commencing on July 1 and expiring on June 30.



1 The governor shall provide for staggered terms of the initially
2 appointed voting members so that the initial terms of four
3 members selected by lot shall be for two years, the initial
4 terms of four members selected by lot shall be for three years,
5 and the initial terms of the remaining three members shall be
6 for four years.

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

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

18 For purposes of this section, "small business" means a
19 business that is independently owned and that is not dominant in
20 its field of operation."



1 SECTION 3. Chapter 171, part X, Hawaii Revised Statutes is
2 repealed.

3 SECTION 4. Act 149, Session Laws of Hawaii 2018, is
4 amended by amending section 7 to read as follows:

5 "SECTION 7. This Act shall take effect on July 1, 2018,
6 and shall be repealed on [~~June 30, 2028;~~] July 1, 2023; provided
7 that section 171-41.6, Hawaii Revised Statutes, shall be
8 reenacted in the form in which it read on June 30, 2018."

9 SECTION 5. There is appropriated out of the general
10 revenues of the State of Hawaii the sum of \$ or so
11 much thereof as may be necessary for fiscal year 2023-2024 and
12 the same sum or so much thereof as may be necessary for fiscal
13 year 2024-2025 to carry out the purposes of this Act, including
14 the hiring of necessary staff for the east Hawaii community
15 development district.

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

18 SECTION 6. To implement this Act, the department of land
19 and natural resources shall transfer to the Hawaii community
20 development authority the leases for the public lands within the
21 east Hawaii community development district.



1 SECTION 7. (a) The powers, functions, and duties of the
2 department of land and natural resources relating to the leases
3 in the east Hawaii community development district are
4 transferred to the Hawaii community development authority.

5 (b) All appropriations, records, deeds, leases, contracts,
6 loans, agreements, permits, or other documents heretofore made,
7 used, acquired, or held by the department of land and natural
8 resources pursuant to the provisions of the Hawaii Revised
9 Statutes, which are reenacted or made applicable to the east
10 Hawaii community development district by this Act shall remain
11 in full force and effect. Effective July 1, 2023, every
12 reference to the department of land and natural resources or the
13 board of land and natural resources shall be construed as a
14 reference to the Hawaii community development authority.

15 SECTION 8. In codifying the new sections added by
16 section 1 of this Act, the revisor of statutes shall substitute
17 appropriate section numbers for the letters used in designating
18 the new sections in this Act.

19 SECTION 9. Statutory material to be repealed is bracketed
20 and stricken. New statutory material is underscored.



1 SECTION 10. This Act shall take effect on June 30, 3000.



Report Title:

East Hawaii Community Development District; Established; Hawaii
Community Development Authority; DLNR; Appropriation

Description:

Establishes the east Hawaii community development district and
board. Requires the department of land and natural resources to
transfer certain leases within the district to the board.
Repeals the Hilo community economic district. Appropriates
moneys. Effective 6/30/3000. (HD1)

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not legislation or evidence of legislative intent.*

