#### HOUSE OF REPRESENTATIVES THIRTY-SECOND LEGISLATURE, 2024 STATE OF HAWAII

H.B. NO. (18)

#### A BILL FOR AN ACT

RELATING TO THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY.

#### 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 . PANAEWA COMMUNITY DEVELOPMENT DISTRICT 5 §206E-Purposes; findings. The legislature finds that public lands in Panaewa, Hawaii, are underutilized. 6 7 Redeveloping, renovating, or improving these public lands to 8 provide suitable recreational, residential, educational, 9 industrial, governmental, and commercial areas where the public 10 can live, congregate, recreate, attend schools, and shop as part 11 of a thoughtfully integrated experience is in the best interest 12 of the State. 13 \$206E-**Definitions.** As used in this part:

14 "District" means the Panaewa community development15 district.

16 "Fund" means the Panaewa community development district17 special fund.

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1	§206E-	District established; boundaries. (a) The
2	Panaewa commu	nity development district is hereby established
3	under the aut	hority.
4	(b) The	authority shall serve as the local redevelopment
5	agency for the	e district.
6	(c) The	district shall be composed of the following
7	properties:	
8	(1) TMK	(3) 2-4-049-018;
9	(2) TMK	(3) 2-4-049-017;
10	(3) TMK	(3) 2-4-049-033;
11	(4) TMK	(3) 2-4-049-016; and
12	(5) TMK	(3) 2-4-049-032.
13	\$206E-	Development policies. The following development
14	policies shall	l guide the authority in the district:
15	(1) Arch	naeological, historical, and cultural sites shall
16	be r	preserved and protected in accordance with
17	char	pter 6E;
18	(2) Enda	angered species of flora and fauna shall be
19	pres	served to the extent required by law;
20	(3) Lanc	d use and development activities within the
21	dist	trict shall be coordinated with and, to the extent

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1 possible, complement existing county and state 2 policies, plans, and programs affecting the district; 3 and 4 (4) Public facilities within the district shall be 5 planned, located, and developed to support the 6 development policies established by this section and any rules adopted pursuant to this part. 7 8 \$206E-Financial aid from the federal government; 9 contracts with the federal government. (a) The authority may 10 secure financial aid from the federal government for any 11 planning, design, development, construction, and maintenance 12 work that the authority is authorized to undertake pursuant to 13 this part. 14 In addition, and supplemental to the powers granted to (b) 15 the authority under section 206E-4, the authority may: 16 (1)Borrow moneys or accept grants from the federal 17 government in aid of or for any development project 18 the authority is authorized to undertake pursuant to 19 this part;

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1	(2)	Issue bonds or other evidence of indebtedness and
2		pledge revenues and other assets as security for
3		indebtedness incurred pursuant to this part;
4	(3)	Repay any indebtedness, including any interest
5		incurred thereon by the authority pursuant to this
6		part;
7	(4)	Procure insurance or loan guarantees from the federal
8		government for the payment of any debts or parts
9		thereof secured by mortgages made by or held by the
10		authority;
11	(5)	Execute contracts with the federal government in
12		accordance with this part; and
13	(6)	Comply with terms and conditions required by the
14		federal government in any contract or grant for
15		federal assistance.
16	(C)	It is the purpose and intent of this section to
17	authorize	the authority to do all things necessary to secure the
18	cooperatio	on of and financial aid from the federal government for
19	any plann	ing, design, development, construction, and maintenance
20	work that	the authority is authorized to undertake pursuant to
21	this part	

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1 \$206E-Panaewa community development district special 2 fund. (a) There is established in the state treasury the 3 Panaewa community development district special fund, into which 4 shall be deposited: 5 All revenues, income, and receipts of the authority (1)6 for the district: (2) Moneys directed, allocated, or disbursed to the 7 8 district from government agencies or private 9 individuals or organizations, including grants, gifts, 10 awards, donations, and assessments of landowners for 11 costs to administer and operate the district; and 12 (3) Moneys appropriated to the fund by the legislature. 13 (b) Moneys in the fund shall be used only for the purposes 14 of this part. 15 Investment earnings credited to the assets of the fund (C) 16 shall become assets of the fund. 17 \$206E-Annual comprehensive report. No later than 18 twenty days prior to the convening of each regular session, the 19 authority shall submit to the legislature an annual 20 comprehensive report on the progress of development within the 21 district."

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1 SECTION 2. Section 206E-3, Hawaii Revised Statutes, is 2 amended to read as follows: 3 "§206E-3 Hawaii community development authority; (a) There is established the Hawaii community 4 established. 5 development authority, which shall be a body corporate and a 6 public instrumentality of the State, for the purpose of 7 implementing this chapter. The authority shall be placed within 8 the department of business, economic development, and tourism 9 for administrative purposes. 10 The authority shall consist of [the]: (b) 11 The director of finance or the director's designee; (1) 12 [<del>the</del>] 13 (2) The director of transportation or the director's 14 designee; [the] 15 The director of business, economic development, and (3) 16 tourism or the director's designee; [the] (4) 17 The chairperson of the board of land and natural 18 resources; [the] 19 (5) The director of planning or planning and permitting of 20 each county in which a community development district 21 is located or the director's designee; [a]

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1	(6)	<u>One</u> cultural specialist; [ <del>an</del> ]
2	(7)	$\underline{One}$ at-large member nominated by the president of the
3		senate; [ <del>an</del> ]
4	(8)	One at-large member nominated by the speaker of the
5		house of representatives; [two]
6	(9)	$\underline{\text{Two}}$ representatives of the Heeia community development
7		district, [comprising one] consisting of:
8		(A) One resident of that district or the Koolaupoko
9		district, which consists of sections 1 through 9
10		of zone 4 of the first tax map key division[ $ au$ ];
11		and [ <del>one</del> ]
12		(B) One owner of a small business or one officer or
13		director of a nonprofit organization in the Heeia
14		community development district or Koolaupoko
15		district; [ <del>two</del> ]
16	(10)	<u>Two</u> representatives of the Kalaeloa community
17		development district, [comprising one] consisting of:
18		(A) One resident of the Ewa zone (zone 9, sections 1
19		through 2) or the Waianae zone (zone 8, sections
20		1 through 9) of the first tax map key
21		division $[\tau]$ ; and $[one]$

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1		(B) One owner of a small business or one officer or
2		director of a nonprofit organization in the Ewa
3		or Waianae zone; [ <del>two</del> ]
4	(11)	<u>Two</u> representatives of the Kakaako community
5		development district, [comprising one] consisting of:
6		(A) One resident of the district; and [one]
7		(B) One owner of a small business or one officer or
8		director of a nonprofit organization in the
9		district; [and two]
10	(12)	<u>Two</u> representatives of the Pulehunui community
11		development district, consisting of [one]:
12		(A) One resident of the island of Maui $[\tau]$ ; and $[one]$
13		(B) One owner of a small business or one officer or
14		director of a nonprofit organization on the
15		island of Maui[-]; and
16	(13)	Two representatives of the Panaewa community
17		development district, consisting of:
18		(A) One resident of the island of Hawaii; and
19		(B) One owner of a small business or one officer or
20		director of a nonprofit organization on the
21		island of Hawaii.



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(c) All members except the director of finance, director
 of transportation, county directors of planning or planning and
 permitting, director of business, economic development, and
 tourism, chairperson of the board of land and natural resources,
 or their respective designees shall be appointed by the governor
 pursuant to section 26-34.

7 The two at-large members nominated by the president of the 8 senate and speaker of the house of representatives shall each be 9 invited to serve and appointed by the governor from a list of 10 three nominees submitted for each position [nominating-authority 11 specified in this] pursuant to subsection[-] (b).

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

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1	small bus	iness	owner or nonprofit organization officer or	
2	director	requi	rement.	
3	<u>(d)</u>	The	authority shall be organized and shall exercise	
4	jurisdict	jurisdiction as follows:		
5	(1)	For	matters affecting the Heeia community development	
6		dist	rict, 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;	

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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		

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1		cons	idered in determining quorum and majority and
2		shal	l 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		deve	lopment district, the following members shall be
18		cons	idered in determining quorum and majority and
19		shal	l be eligible to vote:
20		(A)	The director of finance or the director's
21			designee;

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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 n	natters affecting the Panaewa community
15		<u>deve</u> l	opment district, the following members shall be
16		<u>consi</u>	dered in determining quorum and majority and
17		<u>shall</u>	be eligible to vote:
18		(A)	The director of finance or the director's
19			designee;
20		<u>(B)</u>	The director of transportation or the director's
21			designee;



1	<u>(C)</u>	The director of business, economic development,
2		and tourism or the director's designee;
3	(D)	The director of planning for the county in which
4		the Panaewa community development district is
5		located or the director's designee;
6	<u>(E)</u>	The chairperson of the board of land and natural
7		resources or the chairperson's designee;
8	<u>(F)</u>	The cultural specialist;
9	<u>(G)</u>	The two at-large members; and
10	<u>(H)</u>	The two representatives of the Panaewa community
11		development district.
12	<u>(e)</u> In t	he event of a vacancy, a member shall be appointed
13	to fill the va	cancy in the same manner as the original

14 appointment within thirty days of the vacancy or within ten days 15 of the senate's rejection of a previous appointment, as 16 applicable.

17 (f) The terms of the director of finance; director of 18 transportation; county directors of planning and permitting; 19 director of business, economic development, and tourism; and 20 chairperson of the board of land and natural resources; or their

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1 respective designees shall run concurrently with each official's
2 term of office.

3 The terms of the appointed voting members shall be for four 4 years, commencing on July 1 and expiring on June 30. The 5 governor shall provide for staggered terms of the initially 6 appointed voting members so that the initial terms of four 7 members selected by lot shall be for two years, the initial 8 terms of four members selected by lot shall be for three years, 9 and the initial terms of the remaining three members shall be 10 for four years.

11 The governor may remove or suspend for cause any member 12 after due notice and public hearing.

13 (g) Notwithstanding section 92-15, a majority of all 14 eligible voting members as specified in [this] subsection (d) 15 shall constitute a quorum to do business, and the concurrence of 16 a majority of all eligible voting members as specified in [this] 17 subsection (d) shall be necessary to make any action of the 18 authority valid. All members shall continue in office until 19 their respective successors have been appointed and qualified. 20 Except as herein provided, no member appointed under this

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1 [subsection] section shall be an officer or employee of the 2 State or its political subdivisions. 3 (h) For purposes of this section, "small business" means a business that is independently owned and that is not dominant in 4 5 its field of operation." SECTION 3. Statutory material to be repealed is bracketed 6 7 and stricken. New statutory material is underscored. 8 SECTION 4. This Act shall take effect upon its approval. 9

INTRODUCED BY:

JAN 18 2024

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#### Report Title:

Panaewa Community Development District; Hawaii Community Development Authority; Establishment

#### Description:

Establishes the Panaewa community development district to allow for planning, development, and maintenance of public lands in Panaewa, Hawaii. Amends membership of the Hawaii community development authority to include representatives of the Panaewa community development district.

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