
A BILL FOR AN ACT

RELATING TO THE WAIAKEA 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 . WAIAKEA PENINSULA COMMUNITY DEVELOPMENT DISTRICT**

5 **§206E- Waiakea peninsula community development**
6 **district; findings; purpose.** The legislature finds that:

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

11 (2) The close proximity of the Waiakea peninsula to the
12 cruise ship terminal and Hilo town makes the area
13 suitable for revitalization activities that foster
14 community, promote cultural activities, and support
15 economic sustainability;



(3) Regaining state control over lands in the district in the near term is essential and necessary in revitalizing the area;

(4) Through the authority, the area can be revitalized in such a way that hotel, commercial, public, and cultural uses can coexist;

(5) Conditions such as lack of a sense of safety and security in the district, the condition of the historic banyan trees, lack of landscaping, poor lighting, and poor pedestrian experience, along with other blight conditions, need to be addressed; and

(6) Facilities that support residents and visitors, including recreational, educational, and entertainment facilities, are needed.

§206E- Definitions. As used in this part:

"District" means the Waiakea peninsula community development district.

"Fund" means the Waiakea peninsula community development district special fund.

§206E- District established; boundaries. The Waiakea peninsula community development district is hereby established.



1 The district shall include all lands makai of the area as
2 follows: the western boundary is the Wailoa river; the southern
3 boundary begins at the Wailoa river and follows Kamehameha
4 avenue to its intersection with Kalanianaʻole street and then
5 follows Kalanianaʻole street to Banyan way; the eastern boundary
6 is Reeds bay. The district shall also include Moku Ola, also
7 known as Coconut island.

8 **§206E- Development guidance policies.** (a) The
9 following development guidance policies shall generally govern
10 the authority's actions in the district:

- 11 (1) Development shall seek to promote cultural activities,
12 provide community facilities, and foster sustainable
13 economic growth by encouraging diverse land uses and
14 private sector investments;
- 15 (2) Hawaiian archaeological, historic, and cultural sites
16 shall be preserved and protected;
- 17 (3) Land use and redevelopment activities within the
18 district shall be coordinated with and, to the extent
19 possible, complement existing state and county
20 policies, plans, and programs affecting the district;



(4) Public facilities within the district shall be planned, located, and developed so as to support the redevelopment policies for the district established by this chapter and plans and rules adopted pursuant to this chapter;

(5) Development shall consider the impacts of climate change, sea level rise, inundation risk, and climate-resilient development in the design and siting of buildings; and

(6) Development shall consider the inclusion of mobility solutions.

(b) As a development guidance policy for the district, the authority may engage in planning, design, and construction activities within and outside the district; provided that activities outside the district relate to infrastructure development, area-wide drainage improvements, roadway realignments and improvements, business and industrial relocation, and any other activities the authority deems necessary to carry out redevelopment of the district and implement this chapter. Studies or coordinating activities may be undertaken by the authority in conjunction with the county



1 and appropriate state agencies and may address, without
2 limitation, facility systems, industrial relocation, and other
3 activities.

4 **§206E- Financial aid from the federal government;**
5 **contracts with the federal government.** (a) The authority may
6 secure financial aid from the federal government for any
7 planning, design, development, construction, and maintenance
8 work that the authority is authorized to undertake pursuant to
9 this part.

10 (b) In addition, and supplemental to the powers granted to
11 the authority under section 206E-4, the authority may:

12 (1) Borrow moneys or accept grants from the federal
13 government in aid of or for any development project
14 the authority is authorized to undertake pursuant to
15 this part;

16 (2) Issue bonds or other evidence of indebtedness and
17 pledge revenues and other assets as security for
18 indebtedness incurred pursuant to this part;

19 (3) Repay any indebtedness, including any interest
20 incurred thereon by the authority pursuant to this
21 part;



1 (4) Procure insurance or loan guarantees from the federal
2 government for the payment of any debts or parts
3 thereof secured by mortgages made or held by the
4 authority;

5 (5) Execute contracts with the federal government in
6 accordance with this part; and

7 (6) Comply with terms and conditions required by the
8 federal government in any contract or grant for
9 federal assistance.

10 (c) It is the purpose and intent of this section to
11 authorize the authority to do all things necessary to secure the
12 cooperation of and financial aid from the federal government for
13 any planning, design, development, construction, and maintenance
14 work that the authority is authorized to undertake pursuant to
15 this part.

16 **\$206E- Additional powers.** In addition and supplemental
17 to the powers granted to the authority by law, the authority may
18 establish a district improvement and maintenance program to
19 establish a mechanism to improve and maintain the district and
20 do all things necessary to effectuate the establishment and
21 operation of the district improvement and maintenance program.



1 The authority may also adopt rules pursuant to chapter 91 to
2 implement the program.

3 **§206E- Waiakea peninsula community development district**
4 **special fund.** (a) There is established in the state treasury
5 the Waiakea peninsula community development district special
6 fund into which shall be deposited:

7 (1) All revenues, income, and receipts of the authority
8 for the district, notwithstanding any other law to the
9 contrary, including section 206E-16; provided that
10 revenues, income, and receipts derived from leases are
11 paid to the agency that owns or manages the property;

12 (2) Moneys directed, allocated, or disbursed to the
13 district from government agencies or private
14 individuals or organizations, including grants, gifts,
15 awards, donations, and assessments and fees from the
16 district improvement and maintenance program, for
17 costs to administer and operate the district; and

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

19 (b) Moneys in the fund shall be used only for the purposes
20 of this part.



1 (c) Investment earnings credited to the assets of the fund
2 shall become assets of the fund."

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

5 "(b) The authority shall consist of the director of
6 finance or the director's designee; the director of
7 transportation or the director's designee; the director of
8 business, economic development, and tourism or the director's
9 designee; the chairperson of the board of land and natural
10 resources; the director of planning or planning and permitting
11 of each county in which a community development district is
12 located or the director's designee; a cultural specialist; an
13 at-large member nominated by the president of the senate; an at-
14 large member nominated by the speaker of the house of
15 representatives; two representatives of the Heeia community
16 development district, comprising one resident of that district
17 or the Koolaupoko district, which consists of sections 1 through
18 9 of zone 4 of the first tax map key division, and one owner of
19 a small business or one officer or director of a nonprofit
20 organization in the Heeia community development district or
21 Koolaupoko district; two representatives of the Kalaeloa



1 community development district, comprising one resident of the
2 Ewa zone (zone 9, sections 1 through 2) or the Waianae zone
3 (zone 8, sections 1 through 9) of the first tax map key
4 division, and one owner of a small business or one officer or
5 director of a nonprofit organization in the Ewa or Waianae zone;
6 two representatives of the Kakaako community development
7 district, comprising one resident of the district and one owner
8 of a small business or one officer or director of a nonprofit
9 organization in the district; ~~and~~ two representatives of the
10 Pulehunui community development district, consisting of one
11 resident of the island of Maui, and one owner of a small
12 business or one officer or director of a nonprofit organization
13 on the island of Maui[-]; and two representatives of the Waiakea
14 peninsula community development district, consisting of one
15 resident of the district or the Waiakea ahupua'a (zone 2,
16 sections 1, 2, or 4 of the third tax map key division), and one
17 owner of a small business or one officer or director of a
18 nonprofit organization in the district or the town of Hilo (zone
19 2, sections 1 through 5 of the third tax map key division).

20 All members except the director of finance, director of
21 transportation, county directors of planning or planning and



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

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



1 The authority shall be organized and shall exercise
2 jurisdiction as follows:

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

7 (A) The director of finance or the director's
8 designee;

9 (B) The director of transportation or the director's
10 designee;

11 (C) The director of business, economic development,
12 and tourism or the director's designee;

13 (D) The director of planning and permitting for the
14 county in which the Heeia community development
15 district is located or the director's designee;

16 (E) The cultural specialist;

17 (F) The two at-large members; and

18 (G) The two representatives of the Heeia community
19 development district;

20 (2) For matters affecting the Kalaeloa community
21 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 Kalaeloa community
11 development district is located or the director's
12 designee;

13 (E) The cultural specialist;

14 (F) The two at-large members; and

15 (G) The two representatives of the Kalaeloa community
16 development district;

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

6 (E) The chairperson of the board of land and natural
7 resources or the chairperson's designee;

8 (F) The cultural specialist;

9 (G) The two at-large members; and

10 (H) The two representatives of the Pulehunui
11 community development district[-]; and

12 (5) For matters affecting the Waiakea peninsula community
13 development district, the following members shall be
14 considered in determining quorum and majority and
15 shall be eligible to vote:

16 (A) The director of business, economic development,
17 and tourism or the director's designee;

18 (B) The director of finance or the director's
19 designee;

20 (C) The chairperson of the board of land and natural
21 resources or the chairperson's designee;



- 1 (D) The director of transportation or the director's
2 designee;
- 3 (E) The director of planning for the county in which
4 the Waiakea peninsula community development
5 district is located or the director's designee;
- 6 (F) The cultural specialist;
- 7 (G) The two at-large members; and
- 8 (H) The two representatives of the Waiakea peninsula
9 community development district.

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

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



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

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

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

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

20 SECTION 3. This Act shall be liberally construed in order
21 to accomplish the purposes set forth herein. If any provision



1 of this Act, or the application thereof to any person or
2 circumstance is held invalid, the invalidity does not affect
3 other provisions or applications of the Act that can be given
4 effect without the invalid provision or application, and to this
5 end the provisions of this Act are severable.

6 SECTION 4. Statutory material to be repealed is bracketed
7 and stricken. New statutory material is underscored.

8 SECTION 5. This Act shall take effect on July 1, 3000.



Report Title:

Waiakea Peninsula Community Development District; Establishment;
Hawaii Community Development Authority; Department of Land and
Natural Resources; Special Fund

Description:

Establishes the Waiakea Peninsula Community Development District
and the Waiakea Peninsula Community Development District Special
Fund. Specifies the powers and duties of the Hawaii Community
Development Authority as it relates to the new development
district. Effective 7/1/3000. (HD2)

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