

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



GOV. MSG. NO. 1286

EXECUTIVE CHAMBERS
KE KE'ENA O KE KIA'ĀINA

July 6, 2026

The Honorable Ronald D. Kouchi
President of the Senate,
and Members of the Senate
Thirty-Third State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Nadine K. Nakamura
Speaker, and Members of the
House of Representatives
Thirty-Third State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Aloha President Kouchi, Speaker Nakamura, and Members of the Legislature:

This is to inform you that on July 6, 2026, the following bill was signed into law:

S.B. NO. 2599, S.D. 2, H.D. 3,
C.D. 1

RELATING TO DEVELOPMENT.
ACT 184

Mahalo,

A handwritten signature in black ink that reads "Josh Green M.D." in a cursive style.

Josh Green, M.D.
Governor, State of Hawai'i

Approved by the Governor

on JUL 6 2026

ACT 184

THE SENATE
THIRTY-THIRD LEGISLATURE, 2026
STATE OF HAWAII

S.B. NO. 2599
S.D. 2
H.D. 3
C.D. 1

A BILL FOR AN ACT

RELATING TO DEVELOPMENT.

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

1 PART I

2 SECTION 1. The legislature finds that the stadium
3 development district was established in 2019 within the Hawaii
4 community development authority. Subsequently, in 2022, the
5 legislature created a transit-oriented development
6 infrastructure improvement program within the Hawaii community
7 development authority. In establishing this program, the
8 legislature found that the "construction, installation, and
9 improvement of certain infrastructure is necessary and desirable
10 to facilitate renewal and redevelopment of areas designated by
11 the State and the counties for transit-oriented development".

12 The legislature further finds that one area designated by
13 the city and county of Honolulu for transit-oriented development
14 is the Halawa area transit-oriented development neighborhood,
15 which surrounds the Halawa/Aloha Stadium rail station. The
16 State, through the stadium authority and department of
17 accounting and general services, is currently working with a



1 developer to construct a new Aloha Stadium in this transit-
2 oriented development neighborhood.

3 The legislature also finds that it is in the best interests
4 of the State to redesignate the stadium development district as
5 the Halawa community development district and to establish the
6 Hawaii community development authority as the zoning and
7 entitlement agency for the district, given the State's interest
8 in developing both:

9 (1) The new Aloha Stadium, including the land surrounding
10 the new stadium; and

11 (2) Infrastructure within the Halawa transit-oriented
12 development neighborhood surrounding the Halawa/Aloha
13 Stadium rail station.

14 The legislature additionally finds that it would be in the
15 best interests of the State for the Hawaii community development
16 authority's zoning and entitlement powers to supersede the
17 zoning and entitlement powers of the city and county of Honolulu
18 for the area constituting the district upon the adoption of
19 necessary plans and rules by the Hawaii community development
20 authority.



1 Through the normal process of overseeing the Halawa
2 community development district, the Hawaii community development
3 authority may assess and impose regulatory and service fees and
4 assessments upon beneficiaries of the district, including permit
5 review fees and other fees necessary to cover the Hawaii
6 community development authority's costs of maintaining,
7 regulating, and providing services to beneficiaries of and for
8 the district. As the Hawaii community development authority's
9 responsibilities and obligations for the district would be
10 ongoing, and the costs to maintain, regulate, and provide
11 services may vary from year to year, the general fund
12 appropriation process may not be sufficient to successfully
13 implement the goals of the district. Accordingly, the
14 legislature finds that the establishment of a special fund that
15 satisfies the requirements of section 37-52.3, Hawaii Revised
16 Statutes, is appropriate and necessary to ensure that the
17 district is appropriately developed and maintained.

18 Accordingly, the purpose of this part is to:

- 19 (1) Redesignate the stadium development district as the
20 Halawa community development district;



1 (2) Amend the respective responsibilities of the stadium
2 authority and Hawaii community development authority;

3 (3) Clarify the Hawaii community development authority's
4 consultation and permitting powers with respect to
5 public projects within community development
6 districts;

7 (4) Establish the Halawa community development district
8 special fund; and

9 (5) Establish requirements for the comptroller to verify
10 that invoices for the capital costs of the Halawa
11 community development district comply with applicable
12 law and the purposes for which public funds were
13 appropriated, allocated, transferred, deposited, or
14 otherwise made available.

15 SECTION 2. Chapter 206E, Hawaii Revised Statutes, is
16 amended by adding two new sections to part IX to be
17 appropriately designated and to read as follows:

18 "§206E- Halawa community development district special
19 fund. (a) There is established in the state treasury the
20 Halawa community development district special fund.
21 Notwithstanding section 206E-16 or any other law to the



1 contrary, the following shall be deposited into the special
2 fund:

3 (1) All revenues, income, and receipts of the authority
4 derived from activities within and outside the
5 district, except for revenues designated for deposit
6 into the stadium development special fund in
7 section 109-3.5;

8 (2) Moneys directed, allocated, or disbursed to the
9 district from government agencies or private
10 individuals or organizations, including grants, gifts,
11 awards, donations, and assessments of landowners for
12 costs to administer and operate the district; and

13 (3) Appropriations made by the legislature to the fund.

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

16 (c) Investment earnings credited to the assets of the fund
17 shall become part of the fund.

18 §206E- Halawa community development district;

19 certification statement. (a) Beginning July 1, 2026, and until
20 the completion of the project, the comptroller, upon the request
21 for payment by the stadium authority, Hawaii community



1 development authority, or any other designated project entity,
2 shall verify that invoices for the capital costs of the Halawa
3 community development district, including the new aloha stadium
4 entertainment district project and related district
5 infrastructure and public facilities, comply with applicable law
6 and the purposes for which public funds were appropriated,
7 allocated, transferred, deposited, or otherwise made available.

8 (b) The stadium authority, Hawaii community development
9 authority, or other designated project entity subject to this
10 section shall provide the comptroller with:

- 11 (1) The project financial plan and related systems for
12 accounting, including a budget for the project;
13 (2) Expenditures for capital costs for the project;
14 (3) Expenditures for personnel costs, lease rent, and any
15 other costs associated with the entity's management
16 and operations; and
17 (4) Any other information the comptroller may require to
18 accomplish the purpose of this section.

19 (c) After the comptroller verifies that the submitted
20 invoices for capital costs of the project are an acceptable use
21 of funds, the comptroller shall submit a certification



1 statement, including any appropriate supporting documents, to
2 the appropriate state entity for the allocation, release, or
3 payment of funds, if available. The certification statement
4 shall include, at a minimum, the total amount contained in the
5 invoices for capital costs that are verified as an appropriate
6 use of funds.

7 (d) The comptroller may adopt rules, exempt from chapter
8 91, for the purposes of this section.

9 (e) For the purposes of this section, "designated project
10 entity" means the stadium authority, Hawaii community
11 development authority, or any other public entity designated by
12 law, interagency agreement, or contract to administer, manage,
13 construct, operate, maintain, or finance the Halawa community
14 development district, including the new aloha stadium
15 entertainment district project and related district
16 infrastructure and public facilities."

17 SECTION 3. Section 109-1, Hawaii Revised Statutes, is
18 amended by amending subsection (a) to read as follows:

19 "(a) There shall be within the department of business,
20 economic development, and tourism for administrative purposes
21 only, a stadium authority whose responsibility shall be to



1 maintain, operate, and manage the stadium [~~development~~
2 ~~district.~~], facilities attached to the stadium, and real
3 property held by the stadium authority, including facilitating
4 the planning, design, development, and construction of a new
5 stadium and the area surrounding the new stadium, consistent
6 with the memorandum of agreement pursuant to section 206E-225.
7 The authority shall consist of eleven members. Eight members
8 shall be appointed by the governor in the manner prescribed by
9 section 26-34.

10 Of the eight public members:

11 (1) One member shall be designated as the Aiea community
12 representative and be a resident of one of the
13 following areas:

14 (A) Excluding Ford Island, the area beginning at the
15 intersection of the shoreline and Admiral Clarey
16 (Ford Island) Bridge and running:

17 (i) Easterly along said bridge to Salt Lake
18 boulevard;

19 (ii) Southeasterly along said boulevard to
20 Luapele drive;

21 (iii) Westerly along said drive to Fleet place;



- 1 (iv) Westerly along said place to Ulithi street;
- 2 (v) Southwesterly along said street to Luapele
- 3 road;
- 4 (vi) Westerly along said road to Ulihi road;
- 5 (vii) Westerly along said road to Makalapa drive;
- 6 (viii) Southwesterly along said drive to Halawa
- 7 drive;
- 8 (ix) Northwesterly along said drive to Kamehameha
- 9 highway;
- 10 (x) Northerly along said highway to Halawa
- 11 stream;
- 12 (xi) Westerly along said stream to the shoreline;
- 13 and
- 14 (xii) Northerly along said shoreline to its
- 15 intersection with Admiral Clarey (Ford
- 16 Island) Bridge;
- 17 (B) The area beginning at the intersection of Kaonohi
- 18 street and H-1 freeway and running:
- 19 (i) Southeasterly along said freeway to the
- 20 Moanalua freeway - Kamehameha highway
- 21 connector;



- 1 (ii) Northwesterly along said highway connector
- 2 to Kamehameha highway;
- 3 (iii) Northwesterly along said highway to Aiea
- 4 stream;
- 5 (iv) Southerly along said stream to the
- 6 shoreline;
- 7 (v) Northwesterly along said shoreline to
- 8 Kalauao stream;
- 9 (vi) Northeasterly along said stream to
- 10 Kamehameha highway;
- 11 (vii) Northwesterly along said highway to Kaonohi
- 12 street; and
- 13 (viii) Northeasterly along said street to its
- 14 intersection with H-1 freeway; or
- 15 (C) The area beginning at the intersection of Waimalu
- 16 stream and Koolau ridge and running:
- 17 (i) Southeasterly along said ridge to
- 18 Ewa-Honolulu district boundary;
- 19 (ii) Southwesterly along said boundary to Red
- 20 Hill Naval Reservation boundary;



- 1 (iii) Southwesterly along said boundary to Tampa
- 2 drive;
- 3 (iv) Westerly along said drive to the unnamed
- 4 road;
- 5 (v) Northerly along said road to Icarus way;
- 6 (vi) Westerly along said way to the unnamed road;
- 7 (vii) Southwesterly along said road to Moanalua
- 8 freeway (H-201);
- 9 (viii) Westerly along said freeway to H-1 freeway;
- 10 (ix) Northwesterly along said freeway to Kaonohi
- 11 street;
- 12 (x) Southwesterly along said street to Moanalua
- 13 road;
- 14 (xi) Westerly along said road to Kaahumanu
- 15 street;
- 16 (xii) Northerly along said street to Komo Mai
- 17 drive;
- 18 (xiii) Easterly along said drive to Punanani gulch;
- 19 (xiv) Northeasterly along said gulch to the
- 20 powerline;



- 1 (xv) Southeasterly along said powerline to
- 2 Waimalu stream;
- 3 (xvi) Northeasterly along said stream to Aiea
- 4 stream;
- 5 (xvii) Easterly along said stream to Waimalu
- 6 stream; and
- 7 (xviii) Southeasterly along said stream to its
- 8 intersection with Koolau ridge; and
- 9 (2) One member shall be designated as the west Honolulu
- 10 community representative and be a resident of the area
- 11 beginning at the intersection of H-1 freeway and
- 12 Moanalua freeway (H-201) and running:
- 13 (A) Southeasterly along said freeway to Aliamanu
- 14 Military Reservation southern boundary;
- 15 (B) Westerly along said boundary to Wanaka street;
- 16 (C) Southwesterly along said street to Likini street;
- 17 (D) Northwesterly along said street to Ukana street;
- 18 (E) Southwesterly along said street to Keaka drive;
- 19 (F) Northwesterly along said drive to Manuwa drive;
- 20 (G) Southeasterly along said drive to Pakini street;
- 21 (H) Southwesterly along said street to Keaka drive;



- 1 (I) Southerly along said drive to Puolo drive;
- 2 (J) Westerly along said drive to Likini street;
- 3 (K) Southerly along said street to Maluna street;
- 4 (L) Westerly along said street to Salt Lake
- 5 boulevard;
- 6 (M) Southeasterly along said boulevard to the former
- 7 street entrance to U.S. Naval Reservation;
- 8 (N) Southwesterly along said feature to Reeves loop;
- 9 (O) Southwesterly along said loop to Radford drive;
- 10 (P) Westerly along said drive to H-1 freeway; and
- 11 (Q) Northerly along said freeway to its intersection
- 12 with Moanalua freeway (H-201).
- 13 Each public member of the authority shall have been a citizen of
- 14 the United States and a resident of the State for at least five
- 15 years next preceding the member's appointment. The remaining
- 16 three members shall include the director of business, economic
- 17 development, and tourism or the director's designee, who shall
- 18 be an ex officio voting member, and the president of the
- 19 [~~University~~] university of Hawaii and superintendent of
- 20 education, or their designees, who shall be ex officio nonvoting
- 21 members of the authority."



1 SECTION 4. Section 109-2, Hawaii Revised Statutes, is
2 amended to read as follows:

3 "**§109-2 Stadium authority; powers and duties.** The powers
4 and duties of the stadium authority shall be as follows:

5 (1) To repair, maintain, and operate the stadium and
6 related facilities [~~and the stadium development~~
7 ~~district~~], including:

8 (A) Repairs, maintenance, operations, and demolition
9 of existing stadium facilities;

10 (B) [~~Operations and maintenance~~] Repairs,
11 maintenance, and operations of a new stadium[+] and related facilities; and
12

13 (C) Contractual payments to developers, contractors,
14 or management contractors engaged by the stadium
15 authority;

16 (2) To coordinate in planning, design, and construction
17 activities, including on-site repairs, within [~~the~~
18 ~~stadium development district,~~] real property held by
19 the stadium authority;

20 (3) To acquire and hold title to real property;



- 1 (4) To prescribe and collect rents, fees, and charges for
2 the use or enjoyment of the stadium, facilities
3 related to the stadium, and real property held by the
4 stadium authority, including entering into leases,
5 contracts, sponsorship and advertising agreements,
6 food and beverage agreements, concession agreements,
7 parking agreements, or other development and use
8 agreements that may apply; provided that leases shall
9 not exceed a term of ninety-nine years;
- 10 (5) To make and execute contracts and other instruments
11 necessary or convenient to exercise its powers under
12 this chapter and subject to any limitations in this
13 chapter, to exercise all powers necessary, incidental,
14 or convenient to carry out and effectuate the purposes
15 and provisions of this chapter;
- 16 (6) To adopt, amend, and repeal, in accordance with
17 chapter 91, rules it may deem necessary to effectuate
18 this chapter and in connection with its projects,
19 operations, and facilities;
- 20 (7) To appoint officers, agents, and employees, prescribe
21 their duties and qualifications, and fix their



1 salaries, without regard to chapters 76 and 89, to
 2 manage the stadium[, ~~the stadium development~~
 3 ~~district,~~] and related facilities, real property held
 4 by the stadium authority, and its contractors; [and]

5 (8) To plan, promote, and market the stadium and related
 6 facilities[-];

7 (9) To be the sole agency responsible for overseeing and
 8 facilitating the planning, design, development, and
 9 construction of the:

10 (A) New stadium and related facilities; and

11 (B) Area surrounding the new stadium; and

12 (10) To engage and retain experts and consultants on a
 13 contractual basis as may be necessary or convenient
 14 for the execution of its powers and duties."

15 SECTION 5. Section 109-3.5, Hawaii Revised Statutes, is
 16 amended to read as follows:

17 "[**§**109-3.5] **Stadium development special fund;**

18 **established.** (a) There is established in the state treasury
 19 the stadium development special fund, into which funds collected
 20 by the stadium authority shall be deposited, including:



- 1 (1) All revenues from [~~the stadium development district,~~
2 real property held by the stadium authority, including
3 but not limited to agreements or actions generating
4 revenue related to stadium operations, lease or rental
5 of facilities or land, concessions, food and beverage,
6 parking, sponsorship and advertising, utilities and
7 infrastructure, and development;
- 8 (2) All gifts or grants awarded in any form from any
9 public agency or any other source for purposes of the
10 stadium [~~development district,~~] authority;
- 11 (3) All proceeds from revenue bonds issued for the purpose
12 of the stadium [~~development district,~~] authority; and
- 13 (4) Appropriations made by the legislature to the fund.
- 14 (b) Moneys in the stadium development special fund shall
15 be used by the stadium authority for the payment of expenses
16 arising from any and all use, operation, repair, maintenance,
17 alteration, improvement, development, or any unforeseen or
18 unplanned repairs of the [~~stadium development district,~~] real
19 property and improvements thereon held by the stadium authority,
20 including without limitation:



- 1 (1) The development, operation, repair, and maintenance of
2 a new stadium;
- 3 (2) Food and beverage service and parking service provided
4 at the stadium facility; the sale of souvenirs, logo
5 items, or other items; any future major repair,
6 maintenance, and improvement of the stadium facility
7 as a commercial enterprise or as a world-class
8 facility for athletic events, entertainment, or public
9 events; and marketing the facility pursuant to
10 section 109-2(4) and (8); and
- 11 (3) Contractual payments to developers or contractors
12 engaged by the stadium authority for the purpose of
13 redeveloping the site and related on- and off-site
14 infrastructure that benefits the [~~stadium district and~~
15 ~~its development guidance policies.~~] real property held
16 by the stadium authority."

17 SECTION 6. Section 206E-3, Hawaii Revised Statutes, is
18 amended by amending subsection (b) to read as follows:

19 "(b) The authority shall consist of the director of
20 finance or the director's designee; the director of
21 transportation or the director's designee; the director of



1 business, economic development, and tourism or the director's
2 designee; the chairperson of the board of land and natural
3 resources; the director of planning or planning and permitting
4 of each county in which a community development district is
5 located or the director's designee; a cultural specialist; an
6 at-large member nominated by the president of the senate; an
7 at-large member nominated by the speaker of the house of
8 representatives; two representatives of the Heeia community
9 development district, comprising one resident of that district
10 or the Koolaupoko district, which consists of sections 1 through
11 9 of zone 4 of the first tax map key division, and one owner of
12 a small business or one officer or director of a nonprofit
13 organization in the Heeia community development district or
14 Koolaupoko district; two representatives of the Kalaeloa
15 community development district, comprising one resident of the
16 Ewa zone (zone 9, sections 1 through 2) or the Waianae zone
17 (zone 8, sections 1 through 9) of the first tax map key
18 division, and one owner of a small business or one officer or
19 director of a nonprofit organization in the Ewa or Waianae zone;
20 two representatives of the Kakaako community development
21 district, comprising one resident of the district and one owner



1 of a small business or one officer or director of a nonprofit
2 organization in the district; two representatives of the
3 Pulehunui community development district, consisting of one
4 resident of the island of Maui, and one owner of a small
5 business or one officer or director of a nonprofit organization
6 on the island of Maui; two representatives of the Halawa
7 community development district, consisting of one resident of
8 the district, and one owner of a small business or officer or
9 director of a nonprofit organization selected from the areas
10 represented by the following Oahu tax map key numbers, as
11 currently defined and as may be amended by the city and county
12 of Honolulu real property assessment division: 1-1-010 to 1-1-
13 011, 1-1-023 to 1-1-024, 9-8-001 to 9-8-002, 9-8-008, 9-8-011 to
14 9-8-019, 9-8-025 to 9-8-046, 9-8-053 to 9-8-054, 9-8-056 to 9-8-
15 058, 9-8-60 to 9-8-073, 9-9-002 to 9-9-012, and 9-9-014 to 9-9-
16 078; and, for the purposes of part X of this chapter only, two
17 experts on transit-oriented development, to be appointed one
18 each by the president of the senate and the speaker of the house
19 of representatives; and the following ex officio, nonvoting
20 members: the chairpersons of the respective senate and house of
21 representatives standing committees having jurisdiction over



1 transportation, and the chairpersons of the respective senate
2 and house of representatives standing committees having
3 jurisdiction over housing.

4 All members except the director of finance; director of
5 transportation; county directors of planning or planning and
6 permitting; director of business, economic development, and
7 tourism; chairperson of the board of land and natural resources;
8 the two experts on transit-oriented development appointed by the
9 president of the senate and speaker of the house of
10 representatives, respectively; the chairpersons of the
11 respective senate and house of representatives standing
12 committees having jurisdiction over transportation; the
13 chairpersons of the respective senate and house of
14 representatives standing committees having jurisdiction over
15 housing; or, where relevant, their respective designees shall be
16 appointed by the governor pursuant to section 26-34. The two
17 at-large members nominated by the president of the senate and
18 speaker of the house of representatives shall each be invited to
19 serve and appointed by the governor from a list of three
20 nominees submitted for each position by the nominating authority
21 specified in this subsection.



1 The president of the senate and the speaker of the house of
2 representatives shall each submit a list of six nominees for
3 each district to the governor to fill the two district
4 representative positions for each community development
5 district. For each community development district, the governor
6 shall appoint one member from a list of nominees submitted by
7 the president of the senate and one member from a list of
8 nominees submitted by the speaker of the house of
9 representatives, and of the two appointees, one shall meet the
10 district residency requirement and one shall meet the district
11 small business owner or nonprofit organization officer or
12 director requirement.

13 The president of the senate and the speaker of the house of
14 representatives shall each appoint a member having expertise and
15 experience in urban planning and community development to fill
16 the two positions designated for experts on transit-oriented
17 development.

18 The authority shall be organized and shall exercise
19 jurisdiction as follows:

20 (1) For matters affecting the Heeia community development
21 district, the following members shall be considered in



1 determining quorum and majority and shall be eligible
2 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 Heeia 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 Heeia community
15 development district;

16 (2) For matters affecting the Kalaeloa 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 and permitting for the
6 county in which the Kalaeloa community
7 development district is located or the director's
8 designee;
- 9 (E) The cultural specialist;
- 10 (F) The two at-large members; and
- 11 (G) The two representatives of the Kalaeloa community
12 development district;
- 13 (3) For matters affecting the Kakaako community
14 development district, the following members shall be
15 considered in determining quorum and majority and
16 shall be eligible to vote:
- 17 (A) The director of finance or the director's
18 designee;
- 19 (B) The director of transportation or the director's
20 designee;



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



1 (D) The director of planning for the county in which
2 the Pulehunui community development district is
3 located or the director's designee;

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

6 (F) The cultural specialist;

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

8 (H) The two representatives of the Pulehunui
9 community development district; [~~and~~]

10 (5) For matters affecting part X of this chapter only, the
11 following members shall be considered in determining
12 quorum and majority and shall be eligible to vote:

13 (A) The director of finance or the director's
14 designee;

15 (B) The director of transportation or the director's
16 designee;

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

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



1 (E) The director of planning for the county in which
2 the program area is located or the director's
3 designee;

4 (F) The cultural specialist;

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

6 (H) The two experts on transit-oriented development
7 appointed by the president of the senate and the
8 speaker of the house of representatives[-]; and

9 (6) For matters affecting the Halawa community development
10 district, the following members shall be considered in
11 determining quorum and majority and shall be eligible
12 to vote:

13 (A) The director of finance or the director's
14 designee;

15 (B) The director of transportation or the director's
16 designee;

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

19 (D) The director of planning and permitting for the
20 county in which the Halawa community development
21 district is located or the director's designee;



- 1 (E) The cultural specialist;
- 2 (F) The two at-large members; and
- 3 (G) The two representatives of the Halawa community
- 4 development district.

5 ~~[In the event of]~~ If a vacancy~~[,]~~ occurs, a member shall be
6 appointed to fill the vacancy in the same manner as the original
7 appointment within thirty days of the vacancy or within ten days
8 of the senate's rejection of a previous appointment, as
9 applicable.

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

1 for four years. The terms on the authority of the chairpersons
2 of the senate and house of representatives standing committees
3 having jurisdiction over housing and the chairpersons of the
4 senate and house of representatives standing committees having
5 jurisdiction over transportation shall run concurrently with
6 that respective legislator's term as the chairperson of that
7 respective committee.

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

10 Notwithstanding section 92-15, a majority of all eligible
11 voting members as specified in this subsection shall constitute
12 a quorum to do business, and the concurrence of a majority of
13 all eligible voting members as specified in this subsection
14 shall be necessary to make any action of the authority valid.
15 All members shall continue in office until their respective
16 successors have been appointed and qualified. Except as
17 [~~herein~~] provided[7] in this section, no member appointed under
18 this subsection shall be an officer or employee of the State or
19 its political subdivisions.



1 For the purposes of this section, "small business" means a
2 business that is independently owned and that is not dominant in
3 its field of operation."

4 SECTION 7. Section 206E-13, Hawaii Revised Statutes, is
5 amended to read as follows:

6 "[~~+~~]**S206E-13**[~~+~~] **Public projects.** Any project or activity
7 [~~of~~] undertaken solely by, or through an independent contractor
8 on behalf of, any county or agency of the State in a designated
9 district shall be constructed, renovated, or improved in
10 consultation with the authority. As part of the consultation
11 requirement, the authority shall provide its discretionary
12 recommendation to the county or agency of the State before the
13 project or activity proceeding; provided that the county or
14 agency of the State shall not be required to obtain permits from
15 the authority; provided further that any project or activity
16 undertaken by any county or agency of the State in a designated
17 district as a joint venture or in partnership with a private
18 party, or as otherwise provided in rules adopted by the
19 authority under chapter 91, shall be constructed, renovated, or
20 improved only after obtaining the necessary permits from the
21 authority."



1 SECTION 8. Section 206E-14, Hawaii Revised Statutes, is
2 amended by amending subsection (a) to read as follows:

3 "(a) The authority may, without recourse to public
4 auction, sell, or lease for a term not exceeding sixty-five
5 years, all or any portion of the real or personal property
6 constituting a redevelopment project to any person, upon [~~such~~
7 terms and conditions [~~as may be~~] approved by the authority, if
8 the authority finds that the sale or lease is in conformity with
9 the community development plan.

10 For the stadium development district, leases shall not
11 exceed a term of ninety-nine years."

12 SECTION 9. Chapter 206E, part IX, Hawaii Revised Statutes,
13 is amended to read as follows:

14 "[~~{~~]PART IX.[~~}~~] [~~STADIUM~~] HALAWA COMMUNITY DEVELOPMENT DISTRICT

15 §206E-221 [~~Stadium~~] Halawa community development district;
16 **purpose; findings.** The legislature finds that the aloha stadium
17 and lands [~~under the jurisdiction of~~] held by the stadium
18 authority [~~and~~], within the department of business, economic
19 development, and tourism for administrative purposes only, are
20 underutilized. The stadium facility has been in dire need of
21 significant repair and maintenance for many years. The stadium



1 authority has considered repairing, upgrading, and replacing the
2 existing facility to optimize the public's enjoyment and ensure
3 public safety. Redeveloping, renovating, or improving these
4 public lands in a manner that will provide suitable
5 recreational, residential, educational, and commercial areas,
6 where the public can live, congregate, recreate, attend schools,
7 and shop, as part of a thoughtfully integrated experience, is in
8 the best interests of the State and its people.

9 This part establishes the [~~stadium~~] Halawa community
10 development district to make optimal use of public land for the
11 economic, residential, educational, and social benefit of the
12 people of [~~Hawaii.~~] the State.

13 The legislature finds that the jurisdiction of the
14 authority shall include development within the [~~stadium~~] Halawa
15 community development district. Any development within the
16 district shall require a permit from the authority.

17 **§206E-222 Definitions.** As used in this part, unless the
18 context otherwise requires:

19 "Authority" [~~or "stadium authority"~~] means the [~~stadium~~
20 ~~authority established pursuant to section 109-1.~~] Hawaii
21 community development authority.



1 "District" means the [~~stadium~~] Halawa community development
2 district established by this part.

3 **§206E-223 District; established; boundaries.** (a) The
4 [~~stadium~~] Halawa community development district is established
5 and shall be composed of [~~all real property under the~~
6 ~~jurisdiction of the stadium authority established pursuant to~~
7 ~~section 109-1. The stadium authority shall have sole~~
8 ~~jurisdiction over the development of the stadium development~~
9 ~~district.~~] the following parcels of land, identified by Oahu tax
10 map key number: 9-9-003:055, 9-9-003:061, 9-9-003:070, and
11 9-9-003:071.

12 (b) The authority shall [~~facilitate the development of all~~
13 ~~property belonging to the State within the district,~~] prepare a
14 community development plan pursuant to section 206E-5 and
15 community development rules pursuant to section 206E-7 to
16 regulate the development of all property belonging to the State
17 within the district; provided that development [~~is carried out~~
18 ~~in accordance with~~] plans shall consider any county
19 transit-oriented development plans for lands surrounding the
20 district. In addition to any other duties that the authority



1 may have pursuant to this chapter, the authority's duties shall
2 include[+]

3 ~~(1) Coordinating with the federal government regarding the~~
4 ~~ownership and use of, or restrictions on, properties~~
5 ~~within the district that were previously owned or are~~
6 ~~currently owned by the federal government;~~

7 ~~(2) Coordinating with other state entities during the~~
8 ~~conveyance of properties and conducting remediation~~
9 ~~activities for the property belonging to the State~~
10 ~~within the district;~~

11 ~~(3) Developing] developing the infrastructure and public~~
12 ~~facilities necessary to support the development of all~~
13 ~~property belonging to the State within the district[+~~
14 ~~and~~

15 ~~(4) Providing, to the extent feasible, maximum opportunity~~
16 ~~for the reuse of property belonging to the State~~
17 ~~within the district by private enterprise or state and~~
18 ~~county government.], consistent with the memorandum of~~
19 ~~agreement pursuant to section 206E-225.~~



1 **§206E-224 Development guidance policies.** The following
2 shall be the development guidance policies generally governing
3 the authority's actions in the district:

4 (1) Development shall be in accordance with [~~stadium~~
5 ~~development district~~] community development plans
6 adopted [~~by the stadium authority~~] under section
7 206E-5 and community development rules adopted under
8 section 206E-7 for the development of the district;
9 provided that the plan [~~or plans~~] shall consider any
10 county development plan and other plans developed for
11 the district and shall allow for public input in the
12 plan's preparation and updates;

13 (2) The authority, upon the concurrence of a majority of
14 its voting members, may modify and make changes to a
15 transit-oriented development plan with respect to the
16 district to respond to changing conditions; provided
17 that before amending a transit-oriented development
18 plan, the authority shall conduct a public hearing to
19 inform the public of the proposed changes and receive
20 public input;



- 1 (3) The authority shall seek to promote economic
2 development and employment opportunities by fostering
3 diverse land uses and encouraging private sector
4 investments that use the opportunities presented by
5 the high-capacity transit corridor project consistent
6 with the needs of the public, including mixed-use
7 housing and housing in transit-oriented developments;
- 8 (4) The authority may engage in planning, design, and
9 construction activities within and outside the
10 district; provided that activities outside the
11 district shall relate to infrastructure development,
12 area-wide drainage improvements, roadway realignments
13 and improvements, business and industrial relocation,
14 and other activities the authority deems necessary to
15 carry out development of the district and implement
16 this part. The authority may undertake studies or
17 coordinate activities in conjunction with the county
18 and appropriate state agencies and may address
19 facility systems, industrial relocation, and other
20 activities;



- 1 (5) Archaeological, historic, and cultural sites shall be
2 preserved and protected in accordance with chapter 6E;
3 (6) Endangered species of flora and fauna shall be
4 preserved to the extent required by law;
5 (7) Land use and development activities within the
6 district shall be coordinated with and, to the extent
7 possible, complement existing county and state
8 policies, plans, and programs affecting the district;
9 [and]
10 (8) Public facilities within the district shall be
11 planned, located, and developed to support the
12 development policies established by this chapter for
13 the district and rules adopted pursuant to this
14 chapter[-]; and
15 (9) Development shall consider the cultural, social,
16 ecological, and environmental impacts of climate
17 change and sea level rise to inform holistically
18 resilient development in the design and siting of
19 buildings and infrastructure.

20 §206E-225 [~~Stadium~~] Halawa community development district
21 governance; memorandum of agreement. [~~Notwithstanding sections~~



1 ~~206E-3 and 206E-4.1, the stadium authority established pursuant~~
 2 ~~to section 109-1 shall have sole jurisdiction regarding matters~~
 3 ~~affecting the stadium development district; provided that the~~
 4 ~~Hawaii community development] The authority; department of~~
 5 ~~business, economic development, and tourism; and stadium~~
 6 ~~authority shall enter into a memorandum of agreement regarding~~
 7 ~~the implementation of responsibilities of the respective~~
 8 ~~agencies[-]; provided that the memorandum of agreement shall~~
 9 ~~specify that the:~~

- 10 (1) Authority's role is limited to:
- 11 (A) Regulating land use within the district through
- 12 its zoning and entitlement powers; and
- 13 (B) Financing, planning, designing, and building
- 14 infrastructure and public facilities for the
- 15 district; and
- 16 (2) Stadium authority is the sole agency responsible for
- 17 overseeing and facilitating the planning, design,
- 18 development, and construction of the:
- 19 (A) New stadium and related facilities; and
- 20 (B) Area surrounding the new stadium.



1 and public regulation. While the stadium authority holds title
2 to the district, the Hawaii community development authority is
3 mandated to facilitate the development of the district.

4 The legislature further finds that development guidance
5 policies mandate the promotion of economic development through
6 "mixed-use housing and housing in transit-oriented
7 developments[,]" and that district plans "shall consider any
8 county development plan".

9 The legislature recognizes that the district master
10 development agreement and shared infrastructure agreement,
11 whether pending or executed, will govern the district, utility
12 dedications, and the alienation of state lands for up to
13 ninety-nine years. To ensure the integrity of the State's
14 public land assets, the legislature declares that the Hawaii
15 community development authority must be legally integrated into
16 these agreements to ensure adherence to the statutory mandates
17 for mixed-use housing and transit-oriented development.

18 Accordingly, the purpose of this part is to condition the
19 increase of the expenditure ceiling for the stadium development
20 special fund upon compliance with state planning, land use, and
21 financing statutes.

1 SECTION 12. (a) Notwithstanding any other law to the
2 contrary, no moneys appropriated under this part shall be
3 allotted, encumbered, or expended until:

4 (1) The stadium authority submits a district land use and
5 project readiness report pursuant to subsection (b);

6 (2) The Hawaii community development authority submits a
7 definitive community facilities district plan pursuant
8 to subsection (c); and

9 (3) The legislature formally accepts both.

10 (b) The stadium authority shall submit a project readiness
11 report to the president of the senate and speaker of the house
12 of representatives that includes the following:

13 (1) An executed contract verifying that the stadium
14 authority has exercised its powers under section
15 109-2(7), Hawaii Revised Statutes, to retain an
16 independent qualified stadium construction expert with
17 proven stadium construction experience, not
18 procurement and design consultants; and

19 (2) A finalized organizational chart and operational
20 matrix, complete with functional descriptions,
21 identifying a clear chain of command and division of



1 responsibilities for the project. To be accepted, the
2 organizational chart shall establish that:

3 (A) The Hawaii community development authority serves
4 as the lead agency for the Halawa community
5 development district, using its statutory powers
6 under chapter 206E, Hawaii Revised Statutes, to
7 exclusively manage, finance, and execute all
8 district infrastructure and public facilities,
9 rather than serving in an advisory capacity;

10 (B) The stadium authority serves as the lead agency
11 for the stadium facility and co-leads district
12 infrastructure with the Hawaii community
13 development authority;

14 (C) The department of accounting and general
15 services' special projects branch provides
16 procurement management and independent technical
17 contract oversight over all contractor and
18 consultant contracts; and

19 (D) The independent qualified stadium construction
20 expert with proven experience, retained under
21 paragraph (1), is integrated into the finalized



1 organizational chart to serve as the State's
2 designated owner's representative to oversee the
3 stadium build, oversee schedules, and manage the
4 developer's construction performance.

5 (c) The Hawaii community development authority shall
6 submit to the president of the senate and speaker of the house
7 of representatives a definitive community facilities district
8 plan to use the revenue bond authority established by Act 252,
9 Session Laws of Hawaii 2025, including drafts of any memorandum
10 of agreement with the city and county of Honolulu. This plan
11 shall detail:

12 (A) The administration of community facilities
13 districts under section 46-80.1, Hawaii Revised
14 Statutes, including the methodology for the levy
15 and collection of special taxes or user fees to
16 secure the bonds; and

17 (B) The specific engineering standards required for
18 the dedication of district roadways, drainage,
19 and sewer infrastructure to the city and county
20 of Honolulu, ensuring compliance with the
21 Honolulu complete streets design manual.



1 SECTION 13. There is appropriated out of the general
2 revenues of the State of Hawaii the sum of \$728, 927 or so much
3 thereof as may be necessary for fiscal year 2026-2027 for the
4 establishment of three full time equivalent (3.0 FTE) positions
5 in the department of accounting and general services, including
6 one permanent special project executive, one permanent senior
7 project manager, and one permanent cost management specialist.

8 The sum appropriated shall be expended by the department of
9 accounting and general services for the purposes of this Act.

10 SECTION 14. There is appropriated out of the stadium
11 development special fund the sum of \$49,500,000 or so much
12 thereof as may be necessary for fiscal year 2026-2027 for the
13 purposes of the stadium development special fund as described in
14 section 109-3.5, Hawaii revised Statutes.

15 The sum appropriated shall be expended by the stadium
16 authority for the purposes of this part.

17 PART III

18 SECTION 15. The legislature finds that Act 252, Session
19 Laws of Hawaii 2025 (Act 252), equipped the Hawaii community
20 development authority with additional financing tools and
21 enhanced authority to advance and improve development planning



1 and projects. Act 252 also modernized the authority's
2 development model to reduce the cost of housing construction and
3 improve critical community infrastructure, public spaces, and
4 amenities that support a lower cost of living and a higher
5 quality of life.

6 The legislature further finds that the Hawaii community
7 development authority's traditional development strategy relies
8 heavily on requiring private developers to finance public
9 infrastructure through negotiation and compromise. This
10 approach frequently results in inadequate or substandard public
11 improvements that diminish community quality of life. It also
12 increases housing costs and reduces the availability of
13 affordable housing units. By contrast, modern development
14 strategies used elsewhere shift much of the responsibility for
15 financing public infrastructure away from developers and toward
16 a mix of innovative revenue sources. These approaches enable
17 the creation of complete communities with stronger public
18 infrastructure and amenities, while lowering housing and overall
19 living costs for residents.



1 The purpose of this part is to provide statutory updates to
2 provide development guidance to the Hawaii community development
3 authority to fully modernize its development strategy.

4 SECTION 16. Chapter 206E, Hawaii Revised Statutes, is
5 amended by adding a new section to be appropriately designated
6 and to read as follows:

7 "§206E- Development policy guidelines for planning of
8 community development districts. In addition to any other
9 development guidance policies existing in this chapter, whenever
10 the authority determines to undertake, or causes to be
11 undertaken, planning and development to include housing in a
12 district or community, the authority shall endeavor to plan for
13 complete communities that include, to the maximum extent
14 appropriate:

- 15 (1) Infrastructure for utilities, including sewer, water,
16 power, and similar needs;
- 17 (2) Affordable housing and related infrastructure;
- 18 (3) Public and private commercial spaces;
- 19 (4) Public spaces of meaningful scale that shall include:
20 (A) Public parks and gathering spaces;
21 (B) Public spaces for hosting markets and events;



- 1 (C) Natural areas with open green space and water for
- 2 passive relaxation;
- 3 (D) Public spaces for active recreation; and
- 4 (E) Public spaces for pets and animals;
- 5 (5) Facilities for public arts and culture that include:
- 6 (A) Public libraries;
- 7 (B) Public works of art;
- 8 (C) Spaces for public performances and events;
- 9 (D) Accessible educational and narrative exhibits on
- 10 the history, culture, and people of the area; and
- 11 (E) Flexible spaces and infrastructure for seasonal,
- 12 rotating, and evolving programming and
- 13 engagement;
- 14 (6) Public spaces for local economic development and
- 15 community empowerment; provided that the primary focus
- 16 shall be assisting local residents, entrepreneurs, and
- 17 brands, including:
- 18 (A) Community-based economic development hubs and
- 19 cooperative spaces such as public commercial
- 20 kitchens, processing facilities, or similar work



- 1 hubs available to the community and small
2 businesses;
- 3 (B) Cooperative commercial and retail locations
4 capable of supporting and aggregating products
5 and services from numerous small businesses;
- 6 (C) Spaces for hosting micro-businesses such as food
7 trucks, market stalls, and similar temporary
8 business fronts;
- 9 (D) Spaces for hosting growing small businesses in
10 permanent micro or small commercial locations or
11 rotating pop-up locations; and
- 12 (E) Spaces for hosting larger, maturing businesses in
13 regular food, retail, and commercial locations;
- 14 (7) Commuting infrastructure; provided that the
15 infrastructure shall be designed to have the capacity
16 to enable at least seventy per cent of all daily
17 commutes to, from, and within the area to be safely
18 and comfortably made by walking, biking, using
19 micro-mobility devices, or using public transit
20 between common destinations, as well as for
21 long-distance daily commuting without interruption,



1 pursuant to section 264-142 and shall include
2 amenities such as rest stops, secure bicycle and
3 micro-mobility device parking, and emergency support
4 stations with tools and other resources as may be
5 appropriate;

6 (8) Public parking hubs of meaningful capacity, including
7 charging for electric vehicles; provided that:

8 (A) Twenty-five per cent of all parking stalls
9 developed shall be electric vehicle-ready;
10 provided that this subparagraph shall not apply
11 to the Halawa community development district; and

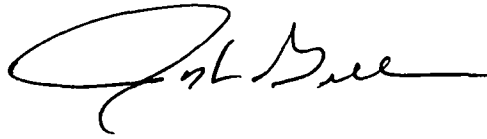
12 (B) No minimum parking requirements shall apply to
13 any development with the district or community,
14 except for parking stalls reserved for persons
15 with disabilities as defined in section 291-51;
16 and

17 (9) Where practicable, public properties, public
18 commercial facilities, and other relevant
19 infrastructure shall be planned with the capacity to
20 provide meaningful revenue generation from appropriate
21 facilities, leases, programs, or other means as may be



S.B. NO. 2599
S.D. 2
H.D. 3
C.D. 1

APPROVED this 6th day of July, 2026

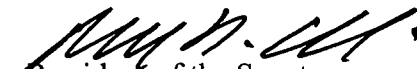
A handwritten signature in black ink, appearing to read "Josh Blue". The signature is fluid and cursive, with a large initial "J" and "B".


GOVERNOR OF THE STATE OF HAWAII

THE SENATE OF THE STATE OF HAWAI‘I

Date: May 6, 2026
Honolulu, Hawai‘i 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate of the Thirty-Third Legislature of the State of Hawai‘i, Regular Session of 2026.


President of the Senate


Clerk of the Senate

SB No. 2599, SD 2, HD 3, CD 1

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: May 6, 2026
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirty-Third Legislature of the State of Hawaii, Regular Session of 2026.



Nadine K. Nakamura
Speaker
House of Representatives



Brian L. Takeshita
Chief Clerk
House of Representatives