

Honolulu, Hawaii
, 2026

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RE: H.B. No. 2616
H.D. 1

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Madame:

Your Committee on Water & Land, to which was referred H.B.
No. 2616 entitled:

"A BILL FOR AN ACT RELATING TO THE BANYAN DRIVE-MAKAOKŪ
COMMUNITY DEVELOPMENT DISTRICT,"

begs leave to report as follows:

The purpose of this measure is to:

- (1) Establish the Banyan Drive-Makaokū Community Development District and Banyan Drive-Makaokū Redevelopment Agency as an entity within the Hawaii Community Development Authority;
- (2) Establish the Banyan Drive-Makaokū Community Development District Special Fund; and
- (3) Specify the powers and duties of the Hawaii Community Development Authority as it relates to the Banyan Drive-Makaokū Community Development District and amend the composition of the Hawaii Community Development Authority to include representatives of the Banyan Drive-Makaokū Community Development District.

Your Committee received testimony in support of this measure from the Department of Land and Natural Resources; Office of the



Mayor of the County of Hawai'i; Department of Research and Development of the County of Hawai'i; Hawai'i Island Chamber of Commerce; Pacific Resource Partnership; Captain Kimo's Hawaiian Adventures; McCully Works; Na Wai Ho'ola Nui La'au Lapa'au Foundation; Wai Pacific; numerous individuals; and a petition with numerous individuals. Your Committee received comments on this measure from the Office of Hawaiian Affairs; Hawaii Community Development Authority; Ka Lāhui Hawai'i; and one individual.

Your Committee finds that the Waiakea peninsula, which includes Banyan Drive and was historically known as Makaokū, holds historic and cultural significance to the island of Hawaii. Your Committee also finds, however, that this area requires focused revitalization to address existing conditions of blight, which have hindered the area's potential and diminished its value to the community. Your Committee further finds that this measure seeks to regain state control over lands within the district and provide continuing oversight and maintenance of the district, which are essential for the successful renewal and transformation of this important area.

Your Committee has amended this measure by:

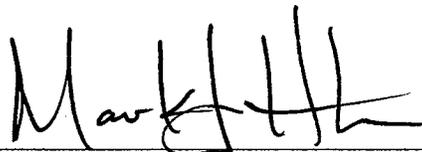
- (1) Changing the name of the Banyan Drive-Makaokū Community Development District to the Waiakea Community Development District;
- (2) Changing the name of the Banyan Drive-Makaokū Community Development District Special Fund to the Waiakea Community Development District Special Fund;
- (3) Clarifying the boundaries of the Waiakea Community Development District;
- (4) Deleting the proposed Banyan Drive-Makaokū Redevelopment Agency;
- (5) Including the Chairperson of the Banyan Drive Hawaii Redevelopment Agency of the County of Hawaii, or a designee as a member of the Hawaii Community Development Authority, including as a voting member of the Authority for matters affecting the Waiakea Community Development District;



- (6) Removing a lineal descendant of the Makaokū area as a voting member of the Hawaii Community Development Authority for matters affecting the Waiakea Community Development District;
- (7) Requiring the Hawaii Community Development Authority to establish a Community Advisory Council, to consist of community stakeholders who are selected by the Authority and include at least one lineal or cultural descendant with ties to the Waiakea ahupuaa, who shall be selected with input from the Office of Hawaiian Affairs, to provide guidance and ensure effective citizen participation in the redevelopment of the Waiakea Community Development District;
- (8) Changing its effective date to July 1, 3000, to encourage further discussion; and
- (9) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Water & Land that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2616, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2616, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Water & Land,



MARK J. HASHEM, Chair



