

STAND. COM. REP. NO. 2961

Honolulu, Hawaii

MAR 06 2026

RE: S.B. No. 2001
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Sir:

Your Committees on Water, Land, Culture and the Arts and Ways and Means, to which was referred S.B. No. 2001 entitled:

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

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Establish the Banyan Drive Community Development District;
- (2) Establish the Banyan Drive 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 Community Development District.

Your Committees received testimony in support of this measure from the Department of Land and Natural Resources, Hawaii Community Development Authority, Office of the Mayor of the County of Hawai'i, Department of Research and Development of the County of Hawai'i, Hawai'i Lodging & Tourism Association, Hawai'i Island Chamber of Commerce, and two individuals.



Your Committees received testimony in opposition to this measure from the Kupuna for the Mo'opuna and thirteen individuals.

Your Committees received comments on this measure from the Office of Hawaiian Affairs and Banyan Drive Hawai'i Redevelopment Agency.

Your Committees find that the Waiakea Peninsula, including Banyan Drive, is an underutilized area in Hilo that lacks appropriate landscaping and tree care, sufficient electrical lighting, and basic public facilities to support the leisure and welfare of residents and visitors. Nonetheless, your Committees believe that the area has exceptional potential for revitalization due to its close proximity to Hilo's downtown, cruise ship terminal, and festival sites. This measure will revitalize the Waiakea Peninsula, promote compatible economic and cultural uses of the area, and deliver lasting value for the island of Hawaii and the State.

Your Committees acknowledge the recommendations offered in testimony by the Hawaii Community Development Authority that:

- (1) The name of the proposed community development district should reflect its geographic location while strengthening the community's sense of place, and giving the district a name in Olelo Hawaii would align with other community development districts managed by the Hawaii Community Development Authority;
- (2) The proposed establishment of a separate Banyan Drive Redevelopment Agency is unnecessary and conflicts with existing provisions that limit the voting membership of each community development district to a subset of the Hawaii Community Development Authority that includes the designated resident and small business representatives of that community;
- (3) The Chairperson of the Banyan Drive Hawaii Redevelopment Agency or the Chairperson's designee should have an ex-officio position on the Hawaii Community Development Authority and be eligible to vote on matters affecting the proposed district; and



- (4) The Hawaii Community Development Authority should establish a community advisory council with at least one lineal or cultural descendant with ties to the Waiakea ahupuaa to enable citizen guidance and participation in the redevelopment of the proposed district.

Amendments to this measure are therefore necessary to address these concerns.

Accordingly, your Committees have amended this measure by:

- (1) Renaming the Banyan Drive Community Development District as the Waiakea Community Development District;
- (2) Renaming the Banyan Drive Community Development District Special Fund as the Waiakea Community Development District Special Fund;
- (3) Deleting language that would have established the Banyan Drive Redevelopment Agency and Chairperson and required the Agency to be an entity of the Hawaii Community Development Authority and responsible for implementing the language proposed by the measure;
- (4) Inserting language that requires the Hawaii Community Development Authority to establish a community advisory council to provide guidance and ensure effective citizen participation in the redevelopment of the Waiakea Community Development District and requires the council to consist of community stakeholders that are selected by the Authority and include at least one lineal or cultural descendant with ties to the Waiakea ahupuaa that is selected in consultation with the Office of Hawaiian Affairs;
- (5) Replacing the phrase "the chairperson of the Banyan Drive redevelopment agency" with the phrase "the chairperson of the Banyan Drive Hawaii redevelopment agency, county of Hawaii or the chairperson's designee" throughout the measure;
- (6) Deleting language that would have required that, for all matters involving the appointment or termination of the



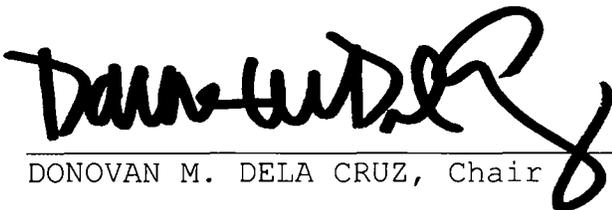
Chairperson of the Banyan Drive Redevelopment Agency, the Chairperson not be considered a member of the Hawaii Community Development Authority when determining quorum and majority for, or when voting on, matters affecting the Banyan Drive Community Development District;

- (7) Inserting an effective date of July 1, 2050, to encourage further discussion; and
- (8) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committees note the continuing desire for community engagement from lineal or cultural descendants with ties to the Waiakea ahupuaa and respectfully request that subsequent Committees to which this measure is referred consider this issue.

As affirmed by the records of votes of the members of your Committees on Water, Land, Culture and the Arts and Ways and Means that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 2001, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 2001, S.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on
behalf of the members of the
Committees on Water, Land,
Culture and the Arts and Ways
and Means,



DONOVAN M. DELA CRUZ, Chair



CHRIS LEE, Chair



