

ACT 210

H.B. NO. 389

A Bill for an Act Relating to Land Use.

*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. The legislature finds that there is an area in the Heeia ahupua'a, which is located in Koolaupoko, Oahu, in close proximity to the Heeia fishpond that is commonly known as the "Heeia wetlands". The Heeia wetlands, consisting of approximately four hundred five acres, were acquired by the Hawaii community development authority on July 2, 1991, by assuming the buyer's position in an existing purchase agreement and folding it into an exchange agreement with Kamehameha Schools. This transaction provided Kamehameha Schools with what is now the makai gateway park and the parcel of land commonly known as the "Honolulu Ford parcel" in addition to \$11,667,917 in public facility credits in exchange for the Heeia wetlands.

Approximately eighty acres adjacent to the Heeia wetlands were added into the acquisition and subsequently reconveyed to Kamehameha Schools in 1994, in accordance with the terms of the original exchange agreement, when the Hawaii housing finance and development corporation declined to use it for the development of affordable housing. This eighty-acre parcel is not included in the new Heeia community development district. Kakoo Oihi, a Hawaii non-

profit corporation, approached the Hawaii community development authority to request a long-term lease to restore the wetlands, eliminate invasive species, and establish an agricultural and educational center that will contribute to the community at large. A thirty-eight year lease was granted to Kakoo Oihi in March 2010 for these purposes.

The purpose of this Act is to establish the Heeie community development district to develop culturally appropriate agriculture, education, and natural-resource restoration and management of the Heeie wetlands.

SECTION 2. Chapter 206E, Hawaii Revised Statutes, is amended by adding a new part to be appropriately designated and to read as follows:

**“PART . HEEIE COMMUNITY DEVELOPMENT DISTRICT**

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

“District” means the Heeie community development district.

“Fund” means the Heeie community development revolving fund.

**§206E- District established; boundaries.** (a) The Heeie community development district is hereby established. The district shall include that area within the boundaries described as follows: the southern boundary begins at the southern property line of tax map key number (1) 4-6-16:001 and runs west to Kahekili highway and east to Kamehameha highway. The northern boundary begins at the northern property line of tax map key number (1) 4-6-16:001 and runs west to Kahekili highway and east to Kamehameha highway. The tax map key numbers are (1) 4-6-16:001 and (1) 4-6-16:002 (owned by the authority), and (1) 4-6-16:004, :011, :012, and :017 (owned by various owners of kuleana parcels).

(b) The authority shall serve as the local redevelopment authority of the district to facilitate culturally appropriate agriculture, education, and natural-resource restoration and management of the Heeie wetlands, in alignment with the Honolulu board of water supply’s most current “Koolau Poko Watershed Management Plan” and the city and county of Honolulu’s most current “Koolaupoko Sustainable Communities Plan”. In addition to any other of its duties under this chapter, the authority shall:

- (1) Consult with the following persons and entities:
  - (A) Recorded landowners in the district;
  - (B) Recorded landowners in section 6 of zone 4 of the first tax map key division;
  - (C) Koolaupoko Hawaiian Civic Club;
  - (D) Kailua neighborhood board;
  - (E) Kahaluu neighborhood board; and
  - (F) Kaneohe neighborhood board,
 to implement activities related to and supportive of cultural practices, agriculture, education, and natural-resource restoration and management;
- (2) Assist land users to manage their properties and implement activities related to and supportive of cultural practices, agriculture, education, and natural-resource restoration and management;
- (3) Work with federal, state, county, and other agencies to ensure that infrastructural support is provided for the district;
- (4) Develop the infrastructure necessary to support the implementation of the Heeie community development district master plan; and

- (5) Provide, to the extent feasible, maximum opportunity for the restoration and implementation of sustainable, culturally appropriate, biologically responsible, or agriculturally beneficial enterprises.
- (c) Three additional voting members shall, except as otherwise provided in this subsection, be appointed to the authority by the governor pursuant to section 26-34 to represent the district. These three members shall be considered in determining quorum and majority only on issues relating to the district and may vote only on issues related to the district. The three members shall be residents of the district or the Koolaupoko district which consists of sections 1 through 9 of zone 4 of the first tax map key division.

**§206E- Heeia community development district; policies to guide development.** The following general policies to guide development shall govern the authority's actions in the district:

- (1) Development shall be in accordance with the Heeia master plan, except as it conflicts with the Hawaii State Constitution and the Hawaii Revised Statutes;
- (2) With the approval of the governor, and in accordance with law, the authority, upon the concurrence of a majority of its voting members, may modify and make changes to the Heeia master plan to respond to changing conditions; provided that prior to amending the Heeia master plan, the authority shall conduct a public meeting pursuant to chapter 92 to inform the public of the proposed changes and receive public input;
- (3) The authority shall provide, to the extent feasible, maximum opportunity for the restoration and implementation of sustainable, culturally appropriate, biologically responsible, or agriculturally beneficial enterprises;
- (4) The authority may engage in planning, design, and construction activities within and outside the district; provided that activities outside the district shall relate to infrastructural development, area-wide drainage improvements and sediment transport mitigation, roadway realignments and improvements, and other activities the authority deems necessary to carry out redevelopment of the district and implement this part. Studies or coordinating activities may be undertaken by the authority in conjunction with the county and appropriate federal and state agencies and may address infrastructural systems, natural-resource systems, and other activities;
- (5) Planning, replanning, rehabilitation, development, redevelopment, and other preparations for the restoration of cultural practices, education, natural resources, and agriculture related activities shall be pursued;
- (6) Hawaiian archaeological, historic, and cultural sites shall be preserved and protected to the extent feasible while allowing for continued use of the property for cultural activities, education, agricultural and economic pursuits, and natural-resource restoration;
- (7) Endangered species of flora and fauna shall be preserved and protected to the extent feasible;
- (8) Land use and redevelopment activities within the district shall be coordinated with and, to the extent possible, complement existing county and state policies, plans, and programs affecting the district;
- (9) Public facilities within the district shall be planned, located, and developed to support the redevelopment policies established by this

part for the district, the master plan approved by the governor, and rules adopted pursuant to this chapter; and

- (10) Special management area permit administration for the district shall continue to be under the authority of the city and county of Honolulu.

**§206E- Heeia community development revolving fund.** (a) There is established in the state treasury the Heeia community development revolving fund, into which shall be deposited:

- (1) All revenues, income, and receipts of the authority for the district, notwithstanding any other law to the contrary, including section 206E-16;
  - (2) Moneys directed, allocated, or disbursed to the district from government agencies or private individuals or organizations, including grants, gifts, awards, donations, and assessments of landowners for costs to administer and operate the district; and
  - (3) Moneys appropriated to the fund by the legislature.
- (b) Moneys in the fund shall be used only for the purposes of this part.

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

**§206E- Rules; adoption.** The authority shall adopt rules in accordance with chapter 91 to carry out the purposes of this part.”

SECTION 3. This Act shall take effect upon its approval.

(Approved July 8, 2011.)