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A BILL FOR AN ORDINANCE

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RELATING TO SPECIAL IMPROVEMENT DISTRICTS.

BE IT ORDAINED by the People of the City and County of Honolulu:

SECTION 1. Findings and purpose.

The Council finds that special improvement districts have been beneficially established for Waikiki and Fort Street Mall to provide a higher level of maintenance and security services over the areas open to the public than would otherwise be available. The Council finds that such a district may also be beneficially established to improve, manage, and enhance transportation. The purpose of this ordinance is to allow transportation management to be provided and financed by a special improvement district.

SECTION 2. Section 36-1.5, Revised Ordinances of Honolulu 1990, is amended to read as follows:

**"Sec. 36-1.5 Types of supplemental services and improvements.**

A district may be established to provide and finance supplemental services and improvements as follows:

- (a) A district may be established to provide for and finance additional maintenance, security or other additional services required for the enjoyment and protection of the public and the promotion and enhancement of such district whether or not in conjunction with improvements authorized by this section including:
  - (1) Services to enhance the security of persons and property within the district;
  - (2) Landscaping services;
  - (3) Enhanced sanitation services;
  - (4) Services promoting and advertising activities within the district;
  - (5) Marketing education for businesses within the district; [and]
  - (6) Decorations and lighting for seasonal and holiday purposes[.]; and



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- (7) Delegable transportation management services, including traffic operations, parking control and supply development, mobility enhancements for all modes of travel, physical and operational access improvements, information displays and the installation and maintenance of related electronic devices.
- (b) A district may be established to provide and finance, to the extent permitted by law, supplemental improvements located on or within the city or the district which will restore or promote business activity in the district, including:
- (1) Construction and installation of landscaping, planting and park areas;
  - (2) Construction of lighting facilities;
  - (3) Construction of physically aesthetic and decorative safety fixtures, equipment and facilities;
  - (4) Construction of improvements to enhance security of persons and property within the district;
  - (5) Construction of pedestrian overpasses and underpasses and connections between buildings;
  - (6) Closing, opening, widening or narrowing of existing streets;
  - (7) Construction of ramps, sidewalks, plazas, and pedestrian malls;
  - (8) Rehabilitation or removal of existing structures as required;
  - (9) Removal and relocation of utilities and utility vaults as required;
  - (10) Construction of parking lot and parking garage facilities;
  - (11) Construction of fixtures, equipment, facilities and appurtenances as may enhance the movement, convenience and enjoyment of the public and be of economic benefit to district properties such as: bus stop shelters; benches and street furniture; booths, kiosks, display cases and exhibits; signs; receptacles; canopies; pedestrian shelters and fountains; and
  - (12) Construction of shoreline improvement, restoration, and protection projects.



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- (c) A district may be established to provide for the operation, maintenance, removal and replacement of any supplemental service or improvement.
- (d) Any supplemental service or improvement undertaken by a district shall conform with all applicable laws, rules and regulations.
- (e) It is the intent of the council that the level of services being provided by the city in a district as of the effective date of the ordinance establishing such district not be affected by that ordinance or the levying of the special assessments. The ordinance establishing such district shall describe such level of services."

SECTION 2. Section 36-2.9, Revised Ordinances of Honolulu 1990, is amended to read as follows:

**"Sec. 36-2.9 District association.**

- (a) There shall be a district association for each special improvement district established pursuant to the provisions of this chapter. The district association shall be a nonprofit corporation and shall have one or more classes of membership, voting or nonvoting. The purpose of the association shall be the carrying out of such activities as may be prescribed in the district plan. The articles of incorporation or bylaws of such association shall provide for voting representation of fee simple owners and lessees of land within the district and may provide that the votes of members who are owners of land be weighted in proportion to the special assessment levied or to be levied against the parcels of land within the district and that members whose properties are exempt from the special assessment are nonvoting members. Alternatively, if no special assessment is imposed upon any property under the provisions of Article 3 of this chapter, the voting representation shall be established by the district board in accordance with the provisions of the ordinance establishing the district.
- (b) The district board shall be composed of representatives of fee simple owners, lessees of land, and tenants of commercial space within the district; provided, however, that not less than a majority of the district board members shall represent fee simple owners and lessees of land; and provided further that tenants of commercial space within the district shall also be represented on the district board. The district board shall also include the following, all of whom shall serve as the incorporators of the association pursuant to the Hawaii Nonprofit Corporation Act:



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- (1) The ~~[director]~~ chief engineer of the department of ~~[facilities]~~ facility maintenance or the director's designated representative, who shall be nonvoting member;
- (2) The director of ~~[the department of]~~ budget and fiscal services or the director's designated representative, who shall be a nonvoting member;
- (3) The mayor or the mayor's designee, who shall be a voting member; and
- (4) The councilmember of the district within which the majority of the land area within which the district is located or the councilmember's designated representative, who shall be a voting member.

The district association may be incorporated prior to the effective date of any district established pursuant to this chapter. If no special assessment is imposed upon any property under the ordinance establishing the district, the voting and non-voting representation shall be established by the district board in accordance with the ordinance establishing the district.

- (c) In addition to such other powers as are conferred to it by law or this chapter, the district board shall have the power to carry out the activities prescribed in the district plan, including but not limited to:
  - (1) Determining the scope and specifications for the performance standards;
  - (2) Letting contracts for the supplemental services or for the management of operations of the district;
  - (3) Entering into contracts for the development of plans, design, construction and/or renovation of supplemental improvements; and
  - (4) Adopting the annual budget for the district."

SECTION 3. Ordinance material to be repealed is bracketed and stricken. New ordinance material is underscored. When revising, compiling, or printing this ordinance for inclusion in the Revised Ordinances of Honolulu, the Revisor of Ordinances need not include the brackets, the material that has been bracketed and stricken, or the underscoring.



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SECTION 4. This ordinance takes effect upon its approval.

INTRODUCED BY:

Trevor Ozawa

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DATE OF INTRODUCTION:

May 30, 2017

Honolulu, Hawaii

Councilmembers

APPROVED AS TO FORM AND LEGALITY:

\_\_\_\_\_  
Deputy Corporation Counsel

APPROVED this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

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KIRK CALDWELL, Mayor  
City and County of Honolulu