

JAN 18 2019

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# A BILL FOR AN ACT

RELATING TO LAND EXCHANGE.

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

1           SECTION 1. The legislature finds that pursuant to article  
2 XI, section 3 of the Hawaii State Constitution, it is the  
3 State's responsibility to conserve and protect agricultural  
4 lands, promote diversified agriculture, increase agricultural  
5 self-sufficiency, and assure the availability of agriculturally  
6 suitable lands. Hawaii's agricultural production is  
7 insufficient to meet the State's food consumption needs, and the  
8 State's overreliance on imported food creates critical health,  
9 safety, and security issues for Hawaii and its sustainable  
10 future.

11           The legislature further finds that Act 55, Session Laws of  
12 Hawaii 2013, amends the Hawaii State Planning Act to promote  
13 economically competitive activities that expand Hawaii's  
14 agricultural self-sufficiency, including the increased purchase  
15 and use of Hawaii-grown food and food products by residents,  
16 businesses, and governmental bodies.



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1           The legislature also finds that the State is facing a  
2 critical shortage of safe and sanitary housing inventory for  
3 Hawaii residents, including affordable housing and workforce  
4 housing. The lack of suitable entitled lands for development of  
5 appropriate housing is a major contributing factor to the  
6 housing crisis, and substantial obstacles and delays in  
7 entitling lands result in delayed development, low housing  
8 inventory, and increased housing prices.

9           The exchange of state lands for privately owned lands can  
10 help address the challenges of increasing Hawaii's agricultural  
11 self-sufficiency while also ameliorating the State's housing  
12 crisis. Land exchanges are an opportunity for the State to  
13 negotiate the mutually beneficial exchange of developable state  
14 lands for housing with privately owned agricultural lands for  
15 farming.

16           The purpose of this Act is to:

- 17           (1) Allow the governor to negotiate land exchanges  
18                 consistent with and in furtherance of the foregoing  
19                 agricultural and housing needs and purposes; and



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1           (2) Require the governor to submit a report to the  
2           legislature of any potential or negotiated land  
3           exchanges for final approval.

4           SECTION 2. (a) The governor may negotiate land exchanges  
5 in accordance with chapter 171, Hawaii Revised Statutes, for the  
6 purpose of acquiring private lands that are suitable for long-  
7 term diversified agricultural production by the State or its  
8 lessees, in exchange for state lands to be acquired by private  
9 parties for development of affordable, workforce, and other  
10 housing for Hawaii residents.

11           (b) The governor may coordinate with the agribusiness  
12 development corporation, the department of land and natural  
13 resources, and any other department or agency of the State that  
14 holds title to or an assignment of state land that may be  
15 appropriate for exchange under subsection (a).

16           (c) It is the intent of this Act that the exchanges  
17 negotiated pursuant to this Act will result in exchanges that  
18 address both the State's agricultural and housing crises by:

19           (1) Obtaining large tracts of suitable agricultural lands  
20           for the State to lease to farmers for diversified  
21           agriculture; and



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1           (2) Providing suitable urban lands to private parties for  
2           expeditious development of affordable housing,  
3           workforce housing, and other housing inventory for  
4           Hawaii residents, and mixed-use commercial and  
5           accessory uses within areas designated for transit-  
6           oriented development and other appropriate urbanized  
7           areas.

8           (d) To facilitate successful negotiation of land  
9           exchanges, including the enhancement of optimal agricultural  
10          lands acquired by the State in exchange for urbanized lands and  
11          the expedient execution of these exchanges, the governor,  
12          pursuant to subsection (e) (3), may reclassify and rezone lands  
13          intended for exchange under this Act and transfer authorized  
14          state lands to private parties for development of housing and  
15          other mixed-uses within the state urban land use district, with  
16          appropriate county residential or mixed-use zoning, provided  
17          that:

18           (1) The lands shall be within a one-half mile radius of  
19           any rail transit station approved by the Federal  
20           Transportation Administration within a county with a  
21           population greater than five hundred thousand; and



1           (2) Any development on the lands to be transferred to  
2           private parties shall be in compliance with all state  
3           and county laws, rules, and regulations regarding  
4           health and safety and building permit requirements for  
5           housing or mixed-use developments on private lands,  
6           and not subject to laws, rules, and regulations  
7           applicable to state lands.

8           (e) To promote exchanges that address the objectives of  
9           the State in acquiring more lands for diversified agriculture  
10          and to encourage private parties to develop more affordable,  
11          workforce, and other housing:

12          (1) Appraisals of state lands for purposes of exchange  
13          with the urban, residential, or mixed-use land shall  
14          be performed in compliance with section 171-50, Hawaii  
15          Revised Statutes, provided that appraisals shall  
16          reflect any land use and zoning classifications  
17          adopted pursuant to this Act;

18          (2) The development of housing on private lands pursuant  
19          to this Act shall be subject to chapters 6E and 343,  
20          Hawaii Revised Statutes, as applicable to private  
21          housing on private lands; notwithstanding the prior



1 state ownership of the land or the use of state or  
2 county housing assistance programs;

3 (3) The governor, as necessary for purposes of this Act,  
4 may submit notifications and supporting information  
5 to:

6 (A) The land use commission; and

7 (B) The planning director of the appropriate county,  
8 for any necessary reclassification and rezoning of  
9 land; provided that the reclassification and rezoning  
10 shall be adopted within thirty days of receipt of the  
11 governor's notification;

12 (4) Private development of housing or mixed-uses on  
13 private lands initiated pursuant to this Act shall be  
14 exempt from all applicable state and county  
15 procurement requirements, impact fees, and other  
16 exactions; and

17 (5) The governor and all related state and county agencies  
18 shall take further actions as may be necessary to  
19 effectuate the purposes of this Act.



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1 SECTION 3. (a) The governor shall submit a report to the  
 2 legislature no later than twenty days prior to the convening of  
 3 the regular session of 2020 on:

4 (1) The feasibility of any land exchanges negotiated by  
 5 the governor pursuant to this Act, a list of lands  
 6 suitable for exchange, and a description and the  
 7 market value of the parcels; and



8 (2) Any appropriations, proposed legislation, or  
 9 administrative action necessary to accomplish the  
 10 goals of this Act.

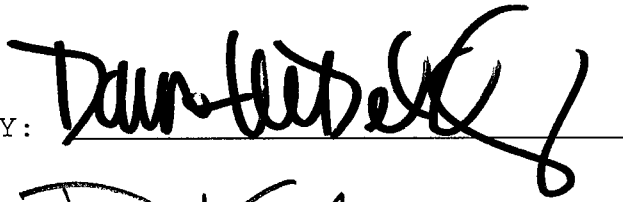
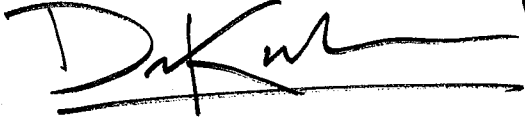
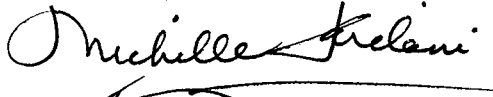

11 (b) After receipt of the governor's report, the  
 12 legislature, if needed, may convene a special session pursuant  
 13 to article III, section 10 of the Hawaii State Constitution to  
 14 act on land exchanges proposed pursuant to this Act.

15 SECTION 4. This Act shall take effect upon its approval.

16

INTRODUCED BY:



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**Report Title:**

Land Exchange; Diversified Agricultural Production

**Description:**

Allows the governor to negotiate land exchanges to acquire lands that are suitable for long-term diversified agricultural production. Requires a report to the legislature.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

