A BILL FOR AN ACT

RELATING TO LEASEHOLD CONDOMINIUMS ON LANDS CONTROLLED BY THE STATE.

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

SECTION 1. Chapter 201H, Hawaii Revised Statutes, is amended by adding a new section to part II to be appropriately designated and to read as follows:

"§201H- Leasehold condominiums on state land. (a) The corporation may sell leasehold units in condominiums created pursuant to chapter 514B and developed under this part on state land to a "qualified resident" as defined in section 201H-32.

(b) The term of the lease may be for seventy-five years, and the corporation may extend or modify the fixed rental period of the lease or extend the term of the lease.

(c) The sale of leasehold units shall be subject to sections 201H-47, 201H-49, and 201H-50, except for units sold at fair market value.

(d) State land set aside by the governor to the corporation and lands leased to the corporation by any department or agency of the State for a condominium described in
this section shall be exempt from the definition of "public
land" under section 171-2.

(e) The powers conferred upon the corporation by this
section shall be in addition and supplemental to the powers
conferred by any other law, and nothing in this section shall be
construed as limiting any powers, rights, privileges, or
immunities so conferred."

SECTION 2. Section 171-2, Hawaii Revised Statutes, is
amended to read as follows:

"§171-2 Definition of public lands. "Public lands" means
all lands or interest therein in the State classed as government
or crown lands previous to August 15, 1895, or acquired or
reserved by the government upon or subsequent to that date by
purchase, exchange, escheat, or the exercise of the right of
eminent domain, or in any other manner; including lands accreted
after May 20, 2003, and not otherwise awarded, submerged lands,
and lands beneath tidal waters that are suitable for
reclamation, together with reclaimed lands that have been given
the status of public lands under this chapter, except:

(1) Lands designated in section 203 of the Hawaiian Homes
Commission Act, 1920, as amended;
(2) Lands set aside pursuant to law for the use of the United States;

(3) Lands being used for roads and streets;

(4) Lands to which the United States relinquished the absolute fee and ownership under section 91 of the Hawaiian Organic Act prior to the admission of Hawaii as a state of the United States unless subsequently placed under the control of the board of land and natural resources and given the status of public lands in accordance with the state constitution, the Hawaiian Homes Commission Act, 1920, as amended, or other laws;

(5) Lands to which the University of Hawaii holds title;

(6) Lands to which the Hawaii housing finance and development corporation in its corporate capacity holds title[+] and state lands set aside by the governor to the Hawaii housing finance and development corporation or lands leased to the Hawaii housing finance and development corporation by any department or agency of the State for a condominium described in section 201H-1;
(7) Lands to which the Hawaii community development authority in its corporate capacity holds title;

(8) Lands to which the department of agriculture holds title by way of foreclosure, voluntary surrender, or otherwise, to recover moneys loaned or to recover debts otherwise owed the department under chapter 167;

(9) Lands that are set aside by the governor to the Aloha Tower development corporation; lands leased to the Aloha Tower development corporation by any department or agency of the State; or lands to which the Aloha Tower development corporation holds title in its corporate capacity;

(10) Lands that are set aside by the governor to the agribusiness development corporation; lands leased to the agribusiness development corporation by any department or agency of the State; or lands to which the agribusiness development corporation in its corporate capacity holds title;

(11) Lands to which the Hawaii technology development corporation in its corporate capacity holds title; and
(12) Lands to which the department of education holds title;

provided that, except as otherwise limited under federal law and except for state land used as an airport as defined in section 262-1, public lands shall include the air rights over any portion of state land upon which a county mass transit project is developed after July 11, 2005."

SECTION 3. Section 171-64.7, Hawaii Revised Statutes, is amended by amending subsection (a) to read as follows:

"(a) This section applies to all lands or interest therein owned or under the control of state departments and agencies classed as government or crown lands previous to August 15, 1895, or acquired or reserved by the government upon or subsequent to that date by purchase, exchange, escheat, or the exercise of the right of eminent domain, or any other manner, including accreted lands not otherwise awarded, submerged lands, and lands beneath tidal waters that are suitable for reclamation, together with reclaimed lands that have been given the status of public lands under this chapter, including:

(1) Land set aside pursuant to law for the use of the United States;
(2) Land to which the United States relinquished the absolute fee and ownership under section 91 of the Organic Act prior to the admission of Hawaii as a state of the United States;

(3) Land to which the University of Hawaii holds title;

(4) Land to which the Hawaii housing finance and development corporation in its corporate capacity holds title[+) and state land set aside by the governor to the Hawaii housing finance and development corporation or land leased to the Hawaii housing finance and development corporation by any department or agency of the State for a condominium described in section 201H-__;

(5) Land to which the department of agriculture holds title by way of foreclosure, voluntary surrender, or otherwise, to recover moneys loaned or to recover debts otherwise owed the department under chapter 167;

(6) Land that is set aside by the governor to the Aloha Tower development corporation; or land to which the Aloha Tower development corporation holds title in its corporate capacity;
(7) Land that is set aside by the governor to the agribusiness development corporation; or land to which the agribusiness development corporation in its corporate capacity holds title;

(8) Land to which the Hawaii technology development corporation in its corporate capacity holds title; and

(9) Land to which the department of education holds title."

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect on July 1, 2050.
Report Title:
Leases; HHFDC; Leasehold Condominiums on Lands Controlled by the State

Description:
Authorizes the Hawaii Housing Finance and Development Corporation (HHFDC) to enter into 75-year leases of units in residential condominiums located on state lands. Subjects lands set aside by the governor or lands leased to HHFDC by any agency or department of the State to the legislative approval requirement prior to the sale or gift of the lands. Effective 7/1/2050. (SD2)

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