A BILL FOR AN ACT

RELATING TO LAND EXCHANGE.

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

SECTION 1. The legislature finds that Hawaii's agricultural production is insufficient to meet the State's food consumption needs. The State's overreliance on imported food raises critical concerns about the State's safety, security, and sustainable future. The legislature recognizes that pursuant to article XI, section 3, of the Hawaii State Constitution, it is the State's responsibility to "conserve and protect agricultural lands, promote diversified agriculture, increase agricultural self-sufficiency and assure the availability of agriculturally suitable lands."

The legislature further finds that Act 55, Session Laws of Hawaii 2013, amends the Hawaii State Planning Act to promote economically competitive activities that expand the State's agricultural self-sufficiency and local food production.

The legislature recognizes that the State is facing a critical shortage of safe and sanitary housing inventory for Hawaii residents, including affordable and workforce housing.
The lack of suitable entitled lands for the development of appropriate housing is a major contributing factor to the housing crisis. Substantial obstacles and delays in entitling lands result in slower development, lower inventory, and higher housing prices.

The legislature finds that the exchange of state lands for privately owned lands can help address both the challenges of agricultural self-sufficiency and the State's housing crisis. Land exchanges are an opportunity for the State to negotiate the mutually beneficial exchange of state lands suitable for housing development and privately-owned agricultural land suitable for farming.

Accordingly, the purpose of this Act is to:

(1) Allow the governor to negotiate land exchanges to acquire lands suitable for long-term diversified agricultural production in return for state lands to be developed for affordable, workforce, and other housing; and

(2) Require the governor to submit a report to the legislature of any potential or negotiated land exchanges for final legislative approval.
SECTION 2. (a) The governor may negotiate land exchanges in accordance with chapter 171, Hawaii Revised Statutes, for the purpose of acquiring private lands that are suitable for long-term diversified agricultural production by the State or its lessees, in exchange for state lands to be acquired by private parties for the development of affordable, workforce, and other housing for Hawaii residents.

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

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

1. Obtaining large tracts of suitable agricultural lands for the State to lease to farmers for diversified agriculture; and
2. Providing suitable urban lands to private parties for expeditious development of affordable housing, workforce housing, and other housing inventory for
Hawaii residents, and mixed-use commercial and accessory uses within areas designated for transit-oriented development and other appropriate urbanized areas.

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

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

(2) Any development on the lands to be transferred to private parties shall be in compliance with all state and county laws, rules, and regulations regarding
health and safety and building permit requirements for
housing or mixed-use developments on private lands,
and not subject to laws, rules, and regulations
applicable to state lands.
(e) To promote exchanges that address the objectives of
the State in acquiring more lands for diversified agriculture
and to encourage private parties to develop more affordable
workforce and other housing:
(1) Appraisals of state lands for purposes of exchange
with urban, residential, or mixed-use land shall be
performed in compliance with section 171-50, Hawaii
Revised Statutes; provided that appraisals shall
reflect any land use and zoning classifications
adopted pursuant to this Act;
(2) The development of housing on private lands pursuant
to this Act shall be subject to chapters 6E and 343,
Hawaii Revised Statutes, as applicable to private
housing on private lands; notwithstanding the prior
state ownership of the land or the use of the state or
county housing assistance programs;
(3) The governor may submit notifications and supporting information, as necessary for the purposes of this Act, to the land use commission and the planning director for the appropriate county for any necessary reclassification and rezoning of land; provided that the reclassification and rezoning shall be adopted within thirty days of receipt of the governor's notification;

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

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

SECTION 3. (a) The governor shall submit a report to the legislature no later than twenty days prior to the convening of the regular session of 2022 on:

(1) The feasibility of any land exchanges negotiated by the governor pursuant to this Act, a list of lands
suitable for exchange, and a description and the
market value of the parcels; and
(2) Any appropriations, proposed legislation, or
administrative actions necessary to accomplish the
goals of this Act.

(b) After receipt of the governor's report, the
department, if needed, may convene a special session pursuant
to article II, section 10, of the Hawaii State Constitution to
consider for final approval any land exchanges proposed pursuant
to this Act.

SECTION 4. This Act shall take effect on December 31,
2020.
Report Title:
Land Exchange; Diversified Agricultural Production; Housing

Description:
Allows the governor to negotiate land exchanges to acquire lands suitable for long-term diversified agricultural production in return for state lands to be developed for affordable, workforce, and other housing. Provides that all land exchanges are subject to legislative approval. 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.