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 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. Hawaii's agricultural production is insufficient to meet the State's food consumption needs, and the State's overreliance on imported food creates critical health, safety, and security issues for Hawaii and its sustainable future.

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 Hawaii's agricultural self-sufficiency, including the increased purchase and use of Hawaii-grown food and food products by residents, businesses, and governmental bodies.
The legislature also finds that the State is facing a critical shortage of safe and sanitary housing inventory for Hawaii residents, including affordable housing and workforce housing. The lack of suitable entitled lands for development of appropriate housing is a major contributing factor to the housing crisis, and substantial obstacles and delays in entitling lands result in delayed development, low housing inventory, and increased housing prices.

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

The purpose of this Act is to:

(1) Allow the governor to negotiate land exchanges consistent with and in furtherance of the foregoing agricultural and housing needs and purposes; and
(2) Require the governor to submit a report to the legislature of any potential or negotiated land exchanges for final 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 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 department or agency of the State 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 crises 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 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 a one-half mile radius of any rail transit station approved by the Federal Transportation 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 the 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 state or
county housing assistance programs;

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

(A) The land use commission; and

(B) The planning director of 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 2020 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 action necessary to accomplish the goals of this Act.

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

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