
A BILL FOR AN ACT

RELATING TO HOUSING.

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

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

4 "§201H- Community land trust. (a) The corporation may
5 establish a community land trust for the purpose of selling
6 homes to low- and moderate-income homebuyers.

7 (b) The community land trust may hold title to land and
8 lease land to members of low- or moderate-income households;
9 provided that:

10 (1) The lease shall be designed to preserve long-term
11 affordable housing on the land;

12 (2) The terms of the lease shall give the community land
13 trust the first option to purchase any structural
14 improvement placed on the land; and

15 (3) The lease may have an initial term of not more than
16 ninety-nine years.

17 (c) The community land trust shall be a member-based
18 organization and reserve core mission decisions for the members.



- 1 (d) The community land trust may:
- 2 (1) Adopt, amend, and repeal bylaws governing the conduct
- 3 of its business;
- 4 (2) Execute, in accordance with its bylaws, all
- 5 instruments necessary or appropriate in the exercise
- 6 of its powers;
- 7 (3) Acquire property for future development pursuant to
- 8 this section;
- 9 (4) Buy and sell homes and related structures pursuant to
- 10 this section; and
- 11 (5) Receive moneys from donations, membership fees, the
- 12 State, the counties, or the federal government.
- 13 (e) For purposes of this section, "community land trust"
- 14 means a nonprofit organization that:
- 15 (1) Acquires parcels of land, held in perpetuity,
- 16 primarily for conveyance under long-term ground
- 17 leases;
- 18 (2) Transfers ownership of any structural improvements
- 19 located on leased parcels to the lessees;



- 1 (3) Has its corporate membership open to any adult
- 2 resident of a particular geographic area specified in
- 3 the organization's bylaws;
- 4 (4) Retains a first option to purchase any structural
- 5 improvement at a price determined by formula that is
- 6 designed to ensure that the improvement remains
- 7 affordable to low- and moderate-income households; and
- 8 (5) Is governed by a board of directors that:
- 9 (A) Includes a majority of members who are elected by
- 10 the corporate membership; and
- 11 (B) Is composed of equal numbers of lessees,
- 12 corporate members who are not lessees, and any
- 13 other category of persons described in the bylaws
- 14 of the organization."

15 SECTION 2. New statutory material is underscored.

16 SECTION 3. This Act shall take effect upon its approval.



Report Title:

HHFDC; Community Land Trust; Affordable Housing

Description:

Allows HHFDC to establish a community land trust for the purpose of selling homes to low- and moderate-income homebuyers. (SD1)

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

