

JAN 17 2020

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

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 the State's
14 agricultural self-sufficiency and local food production.

15 The legislature recognizes that the State is facing a
16 critical shortage of safe and sanitary housing inventory for
17 Hawaii residents, including affordable and workforce housing.



S.B. NO. 2299

1 The lack of suitable entitled lands for the development of
2 appropriate housing is a major contributing factor to the
3 housing crisis. Substantial obstacles and delays in entitling
4 lands result in slower development, lower inventory, and higher
5 housing prices.

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

13 Accordingly, the purpose of this Act is to:

- 14 (1) Allow the governor to negotiate land exchanges to
15 acquire lands suitable for long-term diversified
16 agricultural production in return for state lands to
17 be developed for affordable, workforce, and other
18 housing; and
- 19 (2) Require the governor to submit a report to the
20 legislature of any potential or negotiated land
21 exchanges for final legislative approval.



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

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

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

16 (1) Obtaining large tracts of suitable agricultural lands
17 for the State to lease to farmers for diversified
18 agriculture; and

19 (2) Providing suitable urban lands to private parties for
20 expeditious development of affordable housing,
21 workforce housing, and other housing inventory for



1 Hawaii residents, and mixed-use commercial and
2 accessory uses within areas designated for transit-
3 oriented development and other appropriate urbanized
4 areas.

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

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

19 (2) Any development on the lands to be transferred to
20 private parties shall be in compliance with all state
21 and county laws, rules, and regulations regarding



1 health and safety and building permit requirements for
2 housing or mixed-use developments on private lands,
3 and not subject to laws, rules, and regulations
4 applicable to state lands.

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

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

15 (2) The development of housing on private lands pursuant
16 to this Act shall be subject to chapters 6E and 343,
17 Hawaii Revised Statutes, as applicable to private
18 housing on private lands; notwithstanding the prior
19 state ownership of the land or the use of the state or
20 county housing assistance programs;



1 (3) The governor may submit notifications and supporting
2 information, as necessary for the purposes of this
3 Act, to the land use commission and the planning
4 director for the appropriate county for any necessary
5 reclassification and rezoning of land; provided that
6 the reclassification and rezoning shall be adopted
7 within thirty days of receipt of the governor's
8 notification;

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

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

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

20 (1) The feasibility of any land exchanges negotiated by
21 the governor pursuant to this Act, a list of lands



S.B. NO. 2299

1 suitable for exchange, and a description and the
2 market value of the parcels; and

3 (2) Any appropriations, proposed legislation, or
4 administrative actions necessary to accomplish the
5 goals of this Act.

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

11 SECTION 4. This Act shall take effect on December 31,
12 2020.

13

INTRODUCED BY:

James L. Hoopes

Dan Lutz

Onukiele O. Akina

V. S. J. J. J.

Clarence M. Mestrich

DKR

[Signature]



S.B. NO. 2299

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.

