JAN 2 4 2019

### 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:

- 1 SECTION 1. Chapter 201H, Hawaii Revised Statutes, is
- 2 amended by adding a new section to part II to be appropriately
- 3 designated and to read as follows:
- 4 "\$201H- Leasehold condominiums on state land. (a) The
- 5 corporation may sell leasehold units in condominiums created
- 6 pursuant to chapter 514B and developed under this part on state
- 7 land to a "qualified resident" as defined in section 201H-32.
- **8** (b) The term of the lease may be for ninety-nine years,
- 9 and the corporation may extend or modify the fixed rental period
- 10 of the lease or extend the term of the lease.
- 11 (c) The sale of leasehold units shall be subject to all of
- 12 the provisions of sections 201H-47, 201H-49, and 201H-50, except
- 13 for units sold at fair market value.
- 14 (d) State land set aside by the governor to the
- 15 corporation and lands leased to the corporation by any
- 16 department or agency of the State for a condominium described in

- 1 this section shall be exempt from the definition of "public
- 2 land" under section 171-2.
- 3 (e) The powers conferred upon the corporation by this
- 4 section shall be in addition and supplemental to the powers
- 5 conferred by any other law, and nothing in this section shall be
- 6 construed as limiting any powers, rights, privileges, or
- 7 immunities so conferred."
- 8 SECTION 2. Section 171-2, Hawaii Revised Statutes, is
- 9 amended to read as follows:
- 10 "§171-2 Definition of public lands. "Public lands" means
- 11 all lands or interest therein in the State classed as government
- 12 or crown lands previous to August 15, 1895, or acquired or
- 13 reserved by the government upon or subsequent to that date by
- 14 purchase, exchange, escheat, or the exercise of the right of
- 15 eminent domain, or in any other manner; including lands accreted
- 16 after May 20, 2003, and not otherwise awarded, submerged lands,
- 17 and lands beneath tidal waters that are suitable for
- 18 reclamation, together with reclaimed lands that have been given
- 19 the status of public lands under this chapter, except:
- 20 (1) Lands designated in section 203 of the Hawaiian Homes
- 21 Commission Act, 1920, as amended;

1	(2)	Lands set aside pursuant to law for the use of the
2		United States;
3	(3)	Lands being used for roads and streets;
4	(4)	Lands to which the United States relinquished the
5		absolute fee and ownership under section 91 of the
6		Hawaiian Organic Act prior to the admission of Hawaii
7		as a state of the United States unless subsequently
8		placed under the control of the board of land and
9		natural resources and given the status of public lands
10		in accordance with the state constitution, the
11		Hawaiian Homes Commission Act, 1920, as amended, or
12		other laws;
13	(5)	Lands to which the University of Hawaii holds title;
14	(6)	Lands to which the Hawaii housing finance and
15		development corporation in its corporate capacity
16		holds title $[\tau]$ and state lands set aside by the
17		governor to the development corporation or lands
18		leased to the development corporation by any
19		department or agency of the State for a condominium
20		described in section 201H- ;

1	(7)	Lands to which the Hawaii community development
2		authority in its corporate capacity holds title;
3	(8)	Lands to which the department of agriculture holds
4		title by way of foreclosure, voluntary surrender, or
5		otherwise, to recover moneys loaned or to recover
6		debts otherwise owed the department under chapter 167;
7	(9)	Lands that are set aside by the governor to the Aloha
8		Tower development corporation; lands leased to the
9		Aloha Tower development corporation by any department
10		or agency of the State; or lands to which the Aloha
11		Tower development corporation holds title in its
12		corporate capacity;
13	(10)	Lands that are set aside by the governor to the
14		agribusiness development corporation; lands leased to
15		the agribusiness development corporation by any
16		department or agency of the State; or lands to which
17		the agribusiness development corporation in its
18		corporate capacity holds title;
19	(11)	Lands to which the Hawaii technology development
20		corporation in its corporate capacity holds title; and

1	(12) Lands to which the department of education holds
2	title;
3	provided that, except as otherwise limited under federal law and
4	except for state land used as an airport as defined in section
5	262-1, public lands shall include the air rights over any
6	portion of state land upon which a county mass transit project
7	is developed after July 11, 2005."
8	SECTION 3. Statutory material to be repealed is bracketed
9	and stricken. New statutory material is underscored.
10	SECTION 4. This Act shall take effect upon its approval.
11	

INTRODUCED BY:

#### Report Title:

Leases; Leasehold Condominiums on Lands Controlled by the State; Hawaii Housing Finance and Development Corporation

### Description:

Authorizes the Hawaii Housing Finance and Development Corporation to enter into ninety-nine-year leases of units in residential condominiums located on state lands.

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