

JAN 17 2024

A BILL FOR AN ACT

RELATING TO THE HAWAII HOUSING FINANCE AND DEVELOPMENT
CORPORATION.

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- Right of first refusal; development. (a)

5 Notwithstanding any law to the contrary, the corporation shall
6 have the right of first refusal for the development of property,
7 in accordance with section 201H-12, for all development on state
8 lands that are within county-designated transit-oriented
9 development zones, or within a one-half mile radius of a
10 proposed or existing transit station if the county has not
11 designated transit-oriented development zones, excluding lands
12 and properties owned or operated by the Hawaii public housing
13 authority or the department of Hawaiian home lands and lands
14 within the stadium development district established pursuant to
15 part IX of chapter 206E; provided that the right of first
16 refusal shall be triggered by a proposed development or proposed



1 transfer of any fee simple or leasehold property interest in
2 lands that are within a one-half mile radius of a rail transit
3 station.

4 (b) Any state department or agency shall provide the
5 corporation with sixty calendar days advance written notice of
6 its approval of a proposed development or proposed transfer as
7 described in subsection (a).

8 (c) For a proposed development as described in
9 subsection (a) that does not involve a transfer of land, the
10 corporation shall have the right to undertake any development
11 activity it deems necessary to fully develop the lands,
12 regardless of whether the state department or agency proposes to
13 undertake activities to develop the lands.

14 (d) For a proposed transfer as described in subsection
15 (a):

16 (1) The corporation shall have the right to acquire the
17 state department or agency's interest in title to the
18 property interest for the corporation to hold in its
19 corporate capacity;

20 (2) Just compensation paid by the corporation to the state
21 department or agency for the property interest, if



1 any, shall be determined by agreement between the
2 corporation and the state department or agency or,
3 failing an agreement, by appraisal conducted by a firm
4 mutually agreeable to the corporation and the state
5 department or agency. The corporation shall pay the
6 cost of the appraisal services; and

7 (3) The state department or agency shall make commercially
8 reasonable efforts to ensure that title to the
9 property interest is good and marketable upon
10 conveyance to the corporation.

11 (e) If the corporation does not exercise the right of
12 first refusal for the proposed development or proposed transfer
13 of property within one hundred eighty calendar days of receipt
14 of written notice from a state department or agency, the
15 respective state department or agency may proceed in developing
16 the property in accordance with the law.

17 (f) As used in this section, "development" means the
18 planning, replanning, redesign, clearance, reconstruction,
19 redevelopment, rehabilitation, or any combination of these, of
20 state lands or any part thereof, and the provision of the
21 residential, commercial, industrial, public, and other



1 structures or spaces as may be appropriate or necessary in the
2 interest of the general welfare, including recreational and
3 other facilities incidental or appurtenant thereto."

4 SECTION 2. New statutory material is underscored.

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

6

INTRODUCED BY: 



S.B. NO. 2064

Report Title:

HHFDC; Development; Right of First Refusal

Description:

Authorizes the Hawaii Housing Finance and Development Corporation the right of first refusal for the development of property for all development on state lands, excluding the Stadium Development District and lands under the Hawaii Public Housing Authority and Department of Hawaiian Home Land lands, that are within county-designated transit-oriented development zones, or within a one-half mile radius of a proposed or existing transit station if the county has not designated transit-oriented development zones, which shall be triggered by a proposed development or proposed transfer of fee simple or leasehold property interest. Requires state departments or agencies to provide one hundred eighty days advance written notice of any approval of a proposed development or proposed transfer of lands.

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