

MONARCH PROPERTIES, Inc.

**Testimony to Senate Sergeant-At-Arms Office via facsimile: 586-6659
CPH Committee Hearing at 9:45 am on 4/21/08; Conference Room 16**

April 18, 2008

Senator Russell S. Kokubun, Chair
Senator David Y. Ige, Vice Chair
Committee On Commerce, Consumer Protection and Affordable Housing

RE: HCR 125 HD1 REQUESTING THE AUDITOR TO EXAMINE UPCOMING
CONDOMINIUM LEASEHOLD EXPIRATIONS AND THEIR IMPACT ON THE
AVAILABILITY OF REPLACEMENT AND AFFORDABLE HOUSING FOR HAWAII
RESIDENTS

Dear Chairman Kokubun, Vice Chairman Ige and Members of the Committee:

Monarch Properties, Inc., (MPI) has been involved in fee conversions and lease rent renegotiations concerning leasehold condominium units since 1992 and I have personally been involved with leasehold issues since 1985.

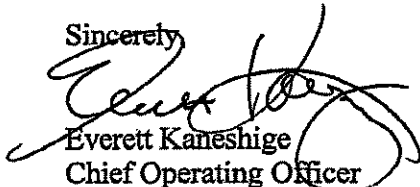
There are approximately 63,000 condominium and co-op leasehold units in Hawaii. Starting in 2007 and continuing over the next 30 years, over 8,000 of these leasehold condominium units could revert back to the fee owner, leaving thousands of individuals and their families without a place to live -- many of whom are elderly residents.

For many years, leasehold co-ops and condominium units have been a source for affordable housing for thousands of Hawaii residents. If all leasehold units were allowed to expire and existing lessees had no opportunity to purchase their fee or extend their leases, this would surely result in a housing crisis for the state of Hawaii.

MPI supports HCR 125 HD1's objective of having the Auditor examine the issue of upcoming condominium lease expirations and its impact on the availability of replacement and affordable housing for Hawaii residents. MPI further believes that State legislation providing for fee conversion or lease extensions of leasehold condominium and co-op units is appropriate and may be the only means available to mitigate the loss of affordable housing stock due to leasehold expirations.

Please feel free to contact me at 735-0000 if I can be of any assistance.

Sincerely,



Everett Kaneshige
Chief Operating Officer



KAMEHAMEHA SCHOOLS

WRITTEN TESTIMONY TO THE SENATE COMMITTEE ON
COMMERCE, CONSUMER PROTECTION, AND AFFORDABLE HOUSING

By

Sydney WCK Keli'ipuleole, Director
Residential Asset Division/Endowment Group

Hearing Date: Monday, April 21, 2008
9:45 a.m., Conference Room 016

April 18, 2008

To: Senator Russell S. Kokubun, Chair
Senator David Y. Ige, Vice Chair
Members of the Committee

Re: HCR 125-Requesting the Auditor to Examine Upcoming Condominium
Leasehold Expirations and Their Impact on the Availability of
Replacement and Affordable Housing for Hawaii Residents

Kamehameha Schools supports the current form of House Concurrent Resolution No. 125 calling for the State Auditor to examine upcoming condominium leasehold expirations and their impact on the availability of replacement and affordable housing. In its former version HCR No. 125 requested the Auditor, among other issues, to consider the appropriateness of leased fee condemnation and lease extension legislation as potential means to mitigate the loss of affordable housing. These provisions no longer are contained in HCR No. 125.

In previous testimony Kamehameha Schools explained that residential leaseholds were historically developed to provide affordable housing; first single-family leaseholds for returning war veterans, then condominium leaseholds for first time homeowners. However, the implementation of lease rent control (Chp 519 HRS) and condemnation laws at the state (Chp 516 HRS) and county levels (Chapter 38) combined with real estate market dynamics and lessee-buyers from the United States mainland and foreign countries turned the Hawaii residential leasehold system from a tool for affordable housing into a lucrative investment opportunity. It is our position that *leasehold condemnation* did not serve to protect or provide housing affordability.

We also stated that extensions of existing lease contracts unilaterally, without consent from both lessee and lessor could face serious constitutional challenge.

April 18, 2008

Senator Russell S. Kokubun, Chair
Senator David Y. Ige, Vice Chair
Members of the Committee
Page 2 of 2

In closing we recommend that the Auditor consult the following reports that provide valuable background into residential leasehold that could be helpful to the legislature:

1. Facilitator's Report to Honolulu City Council on Leasehold Conversion Task Group, Council Communication No. 113, dated April 2, 2004;
2. Colleen S. Sakai, Ownership Patterns of Land Beneath Hawaii' Condominium and Cooperative Housing projects, dated November 6, 1987; and
3. HFDC Leasehold Conversion of Condominiums and Cooperative Housing Projects, Phase I, dated November 1987, by Ezra, Moon & Tam; DHM Planners, Inc.; and John Child & Co., Inc.

Thank you for this opportunity to provide our views regarding HCR No. 125.

**Testimony Senate Sergeant-At-Arms Office via facsimile: 586-6659
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April 18, 2007

Senator Russell S. Kokubun, Chair
Senator David Y. Ige, Vice Chair
Committee On Commerce, Consumer Protection and Affordable Housing

RE: HCR 125, HD1 REQUESTING THE AUDITOR TO EXAMINE UPCOMING
CONDOMINIUM LEASEHOLD EXPIRATIONS AND THEIR IMPACT ON THE
AVAILABILITY OF REPLACEMENT AND AFFORDABLE HOUSING FOR HAWAII
RESIDENTS

Dear Chairman Kokubun, Vice Chairman Ige and Members of the Committee:

My name is Karen Kung and I am the President of the Board of AOA Makikilani Plaza.

I am testifying in support of HCR 125, HD1 which requests the auditor to examine the issue of upcoming condominium and co-operative housing project lease expirations and its potential impact on the availability of replacement and affordable housing.

The recent expiration and reversion of the residential leases at The Kailuan resulted in the families being evicted and forced to find alternative housing against their will. This is just the tip of the iceberg since over the next 30 years, over 8,000 leasehold condominium units could revert back to the fee owner, leaving thousands of individuals and their families without a place to live -- many of whom are elderly residents.

It is ***critical*** that the state legislature consider leasehold conversion and/or lease extensions as a means to address the expiration of condominium leases. A study by the Auditor represents an important first step to address both this important issue and possible solutions.

Thank you,

Karen Kung
Registered Voter
Concerned Citizen
President of The Board AOA Makikilani Plaza
1560 Thurston Avenue #1005
Honolulu, Hi 96822

**Testimony Senate Sergeant-At-Arms Office via facsimile: 586-6659
CPH Committee Hearing at 9:45 am on 4/21/08; Conference Room 16**

(Date)

Senator Russell S. Kokubun, Chair
Senator David Y. Ige, Vice Chair
Committee On Commerce, Consumer Protection and Affordable Housing

**RE: HCR 125, HD1 REQUESTING THE AUDITOR TO EXAMINE UPCOMING
CONDOMINIUM LEASEHOLD EXPIRATIONS AND THEIR IMPACT ON THE
AVAILABILITY OF REPLACEMENT AND AFFORDABLE HOUSING FOR HAWAII
RESIDENTS**

Dear Chairman Kokubun, Vice Chairman Ige and Members of the Committee:

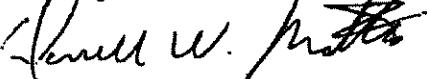
My name is DARRELL W. MATT⁰⁵ and I am [position]. *PRINCIPAL BROKER OF JADE PROPERTIES, INC.*

I am testifying in support of HCR 125, HD1 which requests the auditor to examine the issue of upcoming condominium and co-operative housing project lease expirations and its potential impact on the availability of replacement and affordable housing.

The recent expiration and reversion of the residential leases at The Kailuan resulted in the families being evicted and forced to find alternative housing against their will. This is just the tip of the iceberg since over the next 30 years, over 8,000 leasehold condominium units could revert back to the fee owner, leaving thousands of individuals and their families without a place to live -- many of whom are elderly residents.

It is critical that the state legislature consider leasehold conversion and/or lease extensions as a means to address the expiration of condominium leases. A study by the Auditor represents an important first step to address both this important issue and possible solutions.

Thank you.



[Name]

**Testimony Senate Sergeant-At-Arms Office via facsimile: 586-6659
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April 18, 2008

Senator Russell S. Kokubun, Chair
Senator David Y. Ige, Vice Chair
Committee On Commerce, Consumer Protection and Affordable Housing

**RE: HCR 125, HD1 REQUESTING THE AUDITOR TO EXAMINE UPCOMING
CONDOMINIUM LEASEHOLD EXPIRATIONS AND THEIR IMPACT ON THE AVAILABILITY OF
REPLACEMENT AND AFFORDABLE HOUSING FOR HAWAII RESIDENTS**

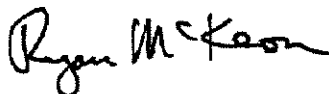
Dear Chairman Kokubun, Vice Chairman Ige and Members of the Committee:

My name is Ryan McKeon and I am Secretary of Lau Loa AOA, Wailuku, HI. I am testifying in support of HCR 125, HD1 which requests the auditor to examine the issue of upcoming condominium and co-operative housing project lease expirations and its potential impact on the availability of replacement and affordable housing.

The recent expiration and reversion of the residential leases at The Kailuan resulted in the families being evicted and forced to find alternative housing against their will. This is just the tip of the iceberg since over the next 30 years, over 8,000 leasehold condominium units could revert back to the fee owner, leaving thousands of individuals and their families without a place to live – many of whom are elderly residents

It is critical that the state legislature consider leasehold conversion and/or lease extensions as a means to address the expiration of condominium leases. A study by the Auditor represents an important first step to address both this important issue and possible solutions.

Thank you,



Ryan McKeon
100 Hauoli St., # 103
Wailuku, HI 96793
808-986-0987

**Testimony Senate Sergeant-At-Arms Office via facsimile: 586-6659
CPH Committee Hearing at 9:45 am on 4/21/08; Conference Room 16**

April 18, 2008

Senator Russell S. Kokubun, Chair
Senator David Y. Ige, Vice Chair
Committee On Commerce, Consumer Protection and Affordable Housing

**RE: HCR 125, HD1 REQUESTING THE AUDITOR TO EXAMINE UPCOMING
CONDOMINIUM LEASEHOLD EXPIRATIONS AND THEIR IMPACT ON THE AVAILABILITY OF
REPLACEMENT AND AFFORDABLE HOUSING FOR HAWAII RESIDENTS**

Dear Chairman Kokubun, Vice Chairman Ige and Members of the Committee:

My name is Sharon McKeon and I am an Owner atf Lauoa AOA, Wailuku, HI.
I am testifying in support of HCR 125, HD1 which requests the auditor to examine the
issue of upcoming condominium and co-operative housing project lease expirations and
its potential impact on the availability of replacement and affordable housing.

The recent expiration and reversion of the residential leases at The Kailuan resulted in
the families being evicted and forced to find alternative housing against their will. This is
just the tip of the iceberg since over the next 30 years, over 8,000 leasehold
condominium units could revert back to the fee owner, leaving thousands of individuals
and their families without a place to live -- many of whom are elderly residents.

It is critical that the state legislature consider leasehold conversion and/or lease
extensions as a means to address the expiration of condominium leases. A study by the
Auditor represents an important first step to address both this important issue and
possible solutions.

Thank you,



Sharon McKeon
100 Hauoli St., # 103
Wailuku, HI 96793
808-986-0987

Testimony Senate Sergeant-At-Arms Office via facsimile: 586-6659
CPH Committee Hearing at 9:45 am on 4/21/08; Conference Room 16

18 April 2008

Senator Russell S. Kokubun, Chair
Senator David Y. Ige, Vice Chair
Committee On Commerce, Consumer Protection and Affordable Housing

RE: HCR 125, HD1 REQUESTING THE AUDITOR TO EXAMINE UPCOMING
CONDOMINIUM LEASEHOLD EXPIRATIONS AND THEIR IMPACT ON THE
AVAILABILITY OF REPLACEMENT AND AFFORDABLE HOUSING FOR HAWAII
RESIDENTS

Dear Chairman Kokubun, Vice Chairman Ige and Members of the Committee:

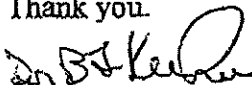
My name is Dr Brigette F Kuhn and I am a physician who moved to Hawaii to begin a practice. Five years ago I purchased a LH condo KNOWING that I could go through the Chapter 38 mechanism to purchase the land. Our group at the Wailana went through and completed 2 years of legal work but was refused conversion by a simple reversal of decision. All the documents were submitted under the law and in time.

I am testifying in support of HCR 125, HD1 which requests the auditor to examine the issue of upcoming condominium and co-operative housing project lease expirations and its potential impact on the availability of replacement and affordable housing.

The recent expiration and reversion of the residential leases at The Kailuan resulted in the families being evicted and forced to find alternative housing against their will. This is just the tip of the iceberg since over the next 30 years, over 8,000 leasehold condominium units could revert back to the fee owner, leaving thousands of individuals and their families without a place to live -- many of whom are elderly residents.

It is critical that the state legislature consider leasehold conversion and/or lease extensions as a means to address the expiration of condominium leases. A study by the Auditor represents an important first step to address both this important issue and possible solutions.

Thank you.



Dr Brigette F Kuhn

MICHAEL AND EULA DEAN

640 POND ISLE
ALAMEDA, CA 94501
(510) 522-0786
(510) 522-DEAN (FACSIMILE)

April 18, 2008

VIA E-MAIL (testimony@capitol.hawaii.gov)

Senator Russell S. Kokubun, Chair
Senator David Y. Ige, Vice Chair
Committee on Commerce, Consumer Protection
and Affordable Housing

**Re: HCR 125, HD1, Requesting the Auditor to Examine Upcoming
Condominium Leasehold Expirations and Their Impact on the Availability
of Replacement and Affordable Housing for Hawaii Residents**

Dear Chairman Kokubun, Vice Chairman Ige and Members of the Committee:

My name is Michael Dean and I am currently President of the AOA of Papakea Resort, Maui, Hawaii.

I am testifying in support of HCR 125, HD1 which requests the auditor to examine the issue of upcoming condominium and cooperative housing project lease expirations and its potential impact on the availability of replacement and affordable housing.

The recent expiration and reversion of the residential leases at The Kailuan resulted in the families being evicted and forced to find alternative housing against their will. This is just the tip of the iceberg since over the next 30 years, over 8,000 leasehold condominium units could revert back to the fee owner, leaving thousands of individuals and their families without a place to live – many of whom are elderly residents.

It is critical that the state legislature consider leasehold conversion and/or lease extensions as a means to address the expiration of condominium leases. A study by the Auditor represents an important first step to address both this important issue and possible solutions.

Thank you.

Very truly yours,


Michael A. Dean

testimony

From: Laurel Hall [laurellhall@hawaii.rr.com]
Sent: Friday, April 18, 2008 2:17 PM
To: testimony
Cc: Laurel Hall
Subject: HCR 125, HD1 Testimony

**Testimony Senate Sergeant-At-Arms Office via facsimile: 586-6659
CPH Committee Hearing at 9:45 am on 4/21/08; Conference Room 16**

April 18, 2008

Senator Russell S. Kokubun, Chair
Senator David Y. Ige, Vice Chair
Committee On Commerce, Consumer Protection and Affordable Housing

**RE: HCR 125, HD1 REQUESTING THE AUDITOR TO EXAMINE UPCOMING
CONDOMINIUM LEASEHOLD EXPIRATIONS AND THEIR IMPACT ON THE AVAILABILITY
OF REPLACEMENT AND AFFORDABLE HOUSING FOR HAWAII RESIDENTS**

Dear Chairman Kokubun, Vice Chairman Ige and Members of the Committee:

My name is Laurel Hall and I own a leasehold condo at 965 Prospect Street.

I am testifying in support of HCR 125, HD1 which requests the auditor to examine the issue of upcoming condominium and co-operative housing project lease expirations and its potential impact on the availability of replacement and affordable housing.

The recent expiration and reversion of the residential leases at The Kailuan resulted in the families being evicted and forced to find alternative housing against their will. This is just the tip of the iceberg since over the next 30 years, over 8,000 leasehold condominium units could revert back to the fee owner, leaving thousands of individuals and their families without a place to live -- many of whom are elderly residents.

It is critical that the state legislature consider leasehold conversion and/or lease extensions as a means to address the expiration of condominium leases. A study by the Auditor represents an important first step to address both this important issue and possible solutions.

Thank you.

Laurel Hall

4/18/2008

Testimony Senate Sergeant-At-Arms Office via facsimile: 586-6659
CPH Committee Hearing at 9:45 am on 4/21/08; Conference Room 16

04/18/2008

Senator Russell S. Kokubun, Chair
Senator David Y. Ige, Vice Chair
Committee On Commerce, Consumer Protection and Affordable Housing

RE: HCR 125, HD1 REQUESTING THE AUDITOR TO EXAMINE UPCOMING
CONDOMINIUM LEASEHOLD EXPIRATIONS AND THEIR IMPACT ON THE
AVAILABILITY OF REPLACEMENT AND AFFORDABLE HOUSING FOR HAWAII
RESIDENTS

Dear Chairman Kokubun, Vice Chairman Ige and Members of the Committee:

My name is HARRISON WHITE and I am retired.

I am testifying in support of HCR 125, HD1 which requests the auditor to examine the issue of upcoming condominium and co-operative housing project lease expirations and its potential impact on the availability of replacement and affordable housing.

The recent expiration and reversion of the residential leases at The Kailuan resulted in the families being evicted and forced to find alternative housing against their will. This is just the tip of the iceberg since over the next 30 years, over 8,000 leasehold condominium units could revert back to the fee owner, leaving thousands of individuals and their families without a place to live -- many of whom are elderly residents.

It is critical that the state legislature consider leasehold conversion and/or lease extensions as a means to address the expiration of condominium leases. A study by the Auditor represents an important first step to address both this important issue and possible solutions.

Thank you.

Harrison White

Jacqueline Earle
1221 Victoria Street, Apt. 3105
Honolulu, HI 96814
April 18, 2008

Senator Russell S. Kokubun, Chair
Senator David Y. Ige, Vice Chair
Committee On Commerce, Consumer Protection and Affordable Housing

RE: HCR 125, HD1 REQUESTING THE AUDITOR TO EXAMINE
UPCOMING CONDOMINIUM LEASEHOLD EXPIRATIONS AND THEIR
IMPACT ON THE AVAILABILITY OF REPLACEMENT AND AFFORDABLE
HOUSING FOR HAWAII RESIDENTS

Dear Chairman Kokubun, Vice Chairman Ige and Members of the Committee:

My name is Jacqueline Earle. I own and reside in a leasehold condominium in The Admiral Thomas Apartments and am currently President of the Board of Directors of the Association of Apartment Owners of The Admiral Thomas.

I am testifying **in strong support of HCR 125, H.D. 1**, which requests the Legislative Auditor to examine the issue of upcoming condominium and co-operative housing project lease expirations and its potential impact on the availability of replacement and affordable housing.

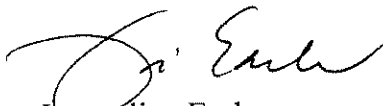
I purchased my apartment in 1995, knowing that it was a leasehold condominium, but in reliance upon the fact that there was a City ordinance, Chapter 38, which would facilitate the purchase of the condominium's fee interest. Owners in the Admiral Thomas were utilizing Chapter 38 at the time the City repealed the ordinance. A condemnation lawsuit on behalf of two groups of Admiral Thomas owners was pending under Chapter 38 at the time the ordinance was repealed. A third group of Admiral Thomas owners had gone through the Chapter 38 process – the public hearing was held, their units had been designated for condemnation, and they had signed contracts with the City – approximately nine months before Chapter 38 was repealed. The only step remaining was for the City Council to pass a perfunctory resolution adding Group 3 to the pending condemnation action. However, the City delayed for many months and instead, repealed Chapter 38 without grandfathering in the third group. Without this group, numbers in the condemnation lawsuit eventually fell below the required minimum, and the condemnation action was dismissed. The Admiral Thomas has gone through years of costly litigation as

a result of Chapter 38 and the manner and consequences of the repeal of the ordinance.

The recent expiration and reversion of the residential leases at The Kailuan resulted in the families being evicted and forced to find alternative housing against their will. This is just the tip of the iceberg. Over the next 30 years, more than 8,000 leasehold condominium units could revert back to the fee owner, leaving thousands of individuals and their families with no equity and no place to live -- many of whom will be elderly residents.

I strongly urge the Legislature to take ownership of the residential leasehold condominium issue while there is still time to offer a viable solution for lessees whose leases are nearing expiration. It is critical that the state legislature consider leasehold conversion or lease extensions as a means to address the expiration of condominium leases. A study by the Auditor represents an important first step to address both this important issue and possible solutions.

Thank you for your consideration.



Jacqueline Earle
(808) 531-7214 (home)
(808) 547-5639 (office)
(808) 779-7777 (cell)
earlej001@hawaii.rr.com

testimony

From: Alan Giblett [agiblett@yahoo.com]
Sent: Friday, April 18, 2008 6:16 PM
To: testimony
Subject: HCR 125, HD1 REQUESTING THE AUDITOR TO EXAMINE UPCOMING CONDOMINIUM LEASEHOLD EXPIRATIONS

Testimony Senate Sergeant-At-Arms Office via facsimile: 586-6659

CPH Committee Hearing at 9:45 am on 4/21/08; Conference Room 16

4/18/08

Senator Russell S. Kokubun, Chair

Senator David Y. Ige, Vice Chair

Committee On Commerce, Consumer Protection and Affordable Housing

RE: HCR 125, HD1 REQUESTING THE AUDITOR TO EXAMINE UPCOMING CONDOMINIUM LEASEHOLD EXPIRATIONS AND THEIR IMPACT ON THE AVAILABILITY OF REPLACEMENT AND AFFORDABLE HOUSING FOR HAWAII RESIDENTS

Dear Chairman Kokubun, Vice Chairman Ige and Members of the Committee:

Our names are Alan Giblett & Marie Giblett

We presently own a leasehold condominium in The Wailana at Waikiki

I am testifying in support of HCR 125, HD1 which requests the auditor to examine the issue of upcoming condominium and co-operative housing project lease expirations and its potential impact on the availability of replacement and affordable housing.

We purchased this condo unit in 2005 with the understanding that we would be able to purchase the fee interest under the existing laws at the time, and that we would be able to retire here without fear of losing

4/18/2008

our equity and being forced to move. We were greatly upset by the actions of the city council in arbitrarily eliminating the leasehold conversion plan. We hope that you will be able to resist the pressure groups and fight to implement a new conversion plan. Ownership is better for the the individual, the city and the general public welfare. We are approaching a wave of lease reversions back to the original fee owner. Please take action now before it is too late.

It is critical that the state legislature consider leasehold conversion and/or lease extensions as a means to address the expiration of condominium leases. A study by the Auditor represents an important first step to address both this important issue and possible solutions.

Thank you.

Alan & Marie Giblett

Be a better friend, newshound, and know-it-all with Yahoo! Mobile. [Try it now.](#)

testimony

From: Stu Gross [sgross@hawaii.rr.com]
Sent: Saturday, April 19, 2008 6:37 PM
To: testimony
Cc: 'Ann Yamamoto'; 'Annie Kekoolani'; 'Emory Bush'; 'Fred Dauer'; 'Jackie Earle'; 'Russell Kulinski'
Subject: HCR 125, HD1

STUART E. GROSS

(808) 526-3888

(home)
 1221 Victoria Street, #1105
 Honolulu, Hawaii 96814

(808) 780-5513(mobile)
 sgross@hawaii.rr.com

April 21, 2008

Senator Russell S. Kokubun, Chair
 Senator David Y. Ige, Vice Chair
 Committee on Commerce, Consumer Protection, and Affordable Housing

RE: HCR125 HD1 – Auditor Examination of Leasehold Expirations and Housing Impact
Monday, April 21, 2008; 9:45 am; Conference Room 016

Dear Chair Kokubun, Vice-Chair Ige and Members of the Committee:

My name is Stuart Gross. I am an owner/occupation of an apartment on leased land, and I **strongly support HCR 125 HD1** which requests the auditor to examine the issue of upcoming condominium and co-operative housing project leasehold expirations and its potential impact on the availability of replacement and affordable housing.

I purchased my home in 2000 with the knowledge that (1) there was a City ordinance in place, Chapter 38, which would facilitate the purchase of the condominium's fee interest, and (2) the condominium I was buying into was pursuing lease-to-fee conversion. Since then, the City repealed Chapter 38 without grandfathering proceedings like ours that were mid-way through the process. In addition, the recent expiration and reversion of the residential leases at The Kailuan resulted in families being evicted and forced to find alternative housing against their will; a stark precursor of the situation in which many of us find ourselves. The Kailuan case and those of homeowners surrounding the Bishop Museum are just the beginning. As HCR125 HD1 states, over the next 30 years, over 18,700 condominium and co-operative housing units statewide will expire; affecting 63,000 units that are owner-occupied, leased, or rented.

4/19/2008

I urge the Committee to get ahead of the issue before it is too late. It is critical that the state legislature consider leasehold conversion and/or lease extensions as a means to address the expiration of condominium leases. A study by the Auditor represents an important first step to address this important issue and possible solutions.

Thank you.

Stuart E. Gross

Joy Cunefare
1650 Ala Moana Blvd #2409
Honolulu, HI 96815

April 18, 2008

Sent c/o: Testimony Senate Sergeant-At-Arms Office
Via Facsimile 586-6659
For: CPH Committee Hearing at 9:45 am on April 21, 08; Conf Room 16

To: Senator Russell S. Kokubun, Chair
Senator David Y. Ige, Vice Chair
Committee on Commerce, Consumer Protection and Affordable Housing

RE: HCR125, HD1; REQUESTING THE AUDITOR TO EXAMINE
UPCOMING CONDOMINIUM LEASEHOLD EXPIRATIONS AND THEIR
IMPACT ON THE AVAILABILITY OF REPLACEMENT AND AFFORDABLE
HOUSING FOR HAWAII RESIDENTS

Aloha Chairman Kokubun, Vice Chairman Ige and Members of the Committee:

My name is Joy Cunefare and I am a resident in Yacht Harbor Towers.

I am testifying in support of HCR 125, HD1 which requests the auditor to examine the issue of upcoming condominium and co-operative housing project lease expirations and its potential impact on the availability of replacement and affordable housing.

The recent expiration and reversion of the residential leases at The Kailuan resulted in the families being evicted and forced to find alternative housing against their will. This is just the tip of the iceberg since over the next 30 years, over 8,000 leasehold condominium units could revert back to the fee owner, leaving thousands of individuals and their families without a place to live -- many of whom are elderly residents.

It is critical that the state legislature consider leasehold conversion and/or lease extensions as a means to address the expiration of condominium leases. A study by the Auditor represents an important first step to address both this important issue and possible solutions. Thank you for your time.

Sincerely,



Joy Cunefare

testimony

From: bob blair [rcb911@hotmail.com]
Sent: Friday, April 18, 2008 9:37 PM
To: testimony
Subject: Testimony HR 125, HD1

18 April 2008

Senator Russell S. Kokubun, Chair
Senator David Y. Ige, Vice Chair
Committee On Commerce, Consumer Protection and Affordable Housing

RE: HCR 125, HD1 REQUESTING THE AUDITOR TO EXAMINE UPCOMING CONDOMINIUM LEASEHOLD EXPIRATIONS AND THEIR IMPACT ON THE AVAILABILITY OF REPLACEMENT AND AFFORDABLE HOUSING FOR HAWAII RESIDENTS

Dear Chairman Kokubun, Vice Chairman Ige and Members of the Committee:

My name is Robert Charles Blair and I am a condominium owner at the Wailana at Waikiki, 1860 Ala Moana Boulevard, #1508, Honolulu, Hawaii 96815.

I am testifying in support of HCR 125, HD1 which requests the auditor to examine the issue of upcoming condominium and co-operative housing project lease expirations and its potential impact on the availability of replacement and affordable housing.

The recent expiration and reversion of the residential leases at The Kailuan resulted in the families being evicted and forced to find alternative housing against their will. This is just the tip of the iceberg since over the next 30 years, over 8,000 leasehold condominium units could revert back to the fee owner, leaving thousands of individuals and their families without a place to live -- many of whom are elderly residents. I could be in exactly this same situation in a few years unless you act. Please help.

It is critical that the state legislature consider leasehold conversion and/or lease extensions as a means to address the expiration of condominium leases. A study by the Auditor represents an important first step to address both this important issue and possible solutions.

Thank you.

Robert Charles Blair

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4/18/2008

Ann T. Yamamoto

1221 Victoria Street, #2905
Honolulu, Hawaii 96814

(808) 523-1209 (home)
(808) 224-6367 (mobile)
yamamotoa018@hawaii.rr.com

April 21, 2008

Senator Russell S. Kokubun, Chair
Senator David Y. Ige, Vice Chair
Committee on Commerce, Consumer Protection, and Affordable Housing

RE: HCR125 HD1 – Auditor Examination of Leasehold Expirations and Housing Impact
Monday, April 21, 2008; 9:45 am; Conference Room 016

Dear Chair Kokubun, Vice-Chair Ige and Members of the Committee:

My name is Ann Yamamoto, I am an owner/occupation of an apartment on leased land, and I **strongly support HCR 125 HD1** which requests the auditor to examine the issue of upcoming condominium and co-operative housing project leasehold expirations and its potential impact on the availability of replacement and affordable housing.

I purchased my home in 2000 with the knowledge that (1) there was a City ordinance in place, Chapter 38, which would facilitate the purchase of the condominium's fee interest, and (2) the condominium I was buying into was pursuing lease-to-fee conversion. Since then, the City repealed Chapter 38 without grandfathering proceedings like ours that were mid-way through the process. In addition, the recent expiration and reversion of the residential leases at The Kailuan resulted in families being evicted and forced to find alternative housing against their will; a stark precursor of the situation in which many of us find ourselves. The Kailuan case and those of homeowners surrounding the Bishop Museum are just the beginning. As HCR125 HD1 states, over the next 30 years, over 18,700 condominium and co-operative housing units statewide will expire; affecting 63,000 units that are owner-occupied, leased, or rented.

I urge the Committee to get ahead of the issue before it is too late. It is critical that the state legislature consider leasehold conversion and/or lease extensions as a means to address the expiration of condominium leases. A study by the Auditor represents an important first step to address this important issue and possible solutions.

Thank you.

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