

STAND. COM. REP. NO.

3197

Honolulu, Hawaii

APR 19 2010

RE: H.C.R. No. 24  
S.D. 1

Honorable Colleen Hanabusa  
President of the Senate  
Twenty-Fifth State Legislature  
Regular Session of 2010  
State of Hawaii

Madam:

Your Committee on Water, Land, Agriculture, and Hawaiian Affairs, to which was referred H.C.R. No. 24 entitled:

"HOUSE CONCURRENT RESOLUTION APPROVING THE FEE SIMPLE SALE OF 1051 ONAHA STREET, WAILUKU, HAWAII,"

begs leave to report as follows:

The purpose of this measure is to approve the fee simple sale of 1051 Onaha Street in Wailuku, Hawaii.

Testimony in support of the measure was submitted by one state agency. Written testimony presented to the Committee may be reviewed on the Legislature's website.

The Hawaii Housing Finance and Development Corporation (Corporation) was established to develop and finance low- and moderate-income housing projects and administer homeownership programs. To ensure a balance between the needs of the resident-purchaser and the State, a shared appreciation requirement is imposed on all sales to qualified residents. If a homeowner refinances their mortgage or sells the property, the State gets fifty per cent of any appreciation of the property. Additional requirements are imposed, including if the resident wishes to transfer title within ten years of purchase, then the Corporation has the first option to purchase. Thus, in selling single family residences in fee simple to qualified residents, the State benefits not only from the social benefits linked to home ownership, including increased education for children, lower teen



pregnancy rates, and higher lifetime annual income for children, but also from purchase price and the shared appreciation.

The Corporation obtained this property through its rights under its deferred sales price restriction placed on homes developed with the assistance of the expedited development process, established pursuant to chapter 201H, Hawaii Revised Statutes. The resale of this property will enable the Corporation to recoup the State's subsidy that made the home affordable to the original purchaser, and provide another qualified resident with the opportunity for home ownership. Your Committee finds that approving the sale of this home will also relieve the Corporation of the cost of maintenance and liability for the property.

Your Committee has amended this measure by:

- (1) Including the area of the subject parcel;
- (2) Clarifying that the purpose for selling this property is to promote affordable residential homeownership and that there are no further development plans;
- (3) Including a provision specifying that a copy of the measure was submitted to the Office of Hawaiian Affairs and the date of the submission, in accordance with section 171-64.7, Hawaii Revised Statutes;
- (4) Clarifying that there were no objections received at the public informational briefing; and
- (5) Making technical, nonsubstantive changes for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Water, Land, Agriculture, and Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 24, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 24, S.D. 1.



Respectfully submitted on  
behalf of the members of the  
Committee on Water, Land,  
Agriculture, and Hawaiian  
Affairs,



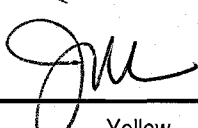
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CLAYTON HEE, Chair



The Senate  
Twenty-Fifth Legislature  
State of Hawaii

**Record of Votes**  
**Committee on Water, Land, Agriculture and Hawaiian Affairs**  
**WTL**

Bill / Resolution No.:* <b>HCR 24</b>	Committee Referral: <b>WTL</b>	Date: <b>4/15/10</b>		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
HEE, Clayton (C)	/			
TOKUDA, Jill N. (VC)	/			
BUNDA, Robert	/			
FUKUNAGA, Carol	/			
KOKUBUN, Russell S.	/			
TAKAMINE, Dwight Y.				/
HEMMINGS, Fred				/
<b>TOTAL</b>	<b>5</b>	<b>0</b>	<b>0</b>	<b>2</b>
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
<b>Distribution:</b> Original     Yellow     Pink     Goldenrod File with Committee Report   Clerk's Office   Drafting Agency   Committee File Copy				

\*Only one measure per Record of Votes