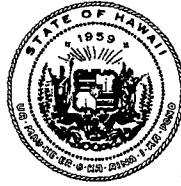


TESTIMONY
HCR 25



STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
677 QUEEN STREET, SUITE 300
Honolulu, Hawaii 96813
FAX: (808) 587-0600

IN REPLY REFER TO

Statement of
Karen Seddon
Hawaii Housing Finance and Development Corporation
Before the

SENATE COMMITTEE ON WATER, LAND, AGRICULTURE AND HAWAIIAN AFFAIRS

April 15, 2010 3:40 p.m.
State Capitol, Room 224

In consideration of
**H.C.R. 25 APPROVING THE FEE SIMPLE SALE OF
91-1139 KAMAHAHA LOOP, KAPOLEI, HAWAII.**

The HHFDC supports H.C.R. 25, which authorizes us to sell this **non-ceded** single family home in fee simple to an eligible homeowner as part of our affordable housing program.

Act 176, Session Laws of Hawaii 2009, as codified in section 171-64.7(c), Hawaii Revised Statutes, requires that the following information be provided in order to obtain legislative approval of the sale of state lands, specifically:

- (1) The location and area of the parcels of land to be sold or given;
- (2) The appraisal value of the land to be sold or given;
- (3) The names of all appraisers performing appraisals of the land to be sold or given;
- (4) The date of the appraisal valuation;
- (5) The purpose for which the land is being sold or given; and
- (6) A detailed summary of any development plans for the land to be sold or given.

For the Committee's convenience the following is a summary of the required information:

- (1) 91-1139 Kamaaha Loop, Kapolei, Hawaii, is an 840 square foot townhouse unit, identified as TMK No. 1-9-1-16-41-0019. The Corporation obtained this property through exercise of its rights under its deferred sales price restriction placed on homes developed with the assistance of the chapter 201H, Hawaii Revised Statutes, expedited development process.
- (2) The property was appraised to have a fair market value of \$230,000.
- (3) The property was appraised by Kathy Ann Oshiro of Uyetake, Uyetake & Associates, Inc.

- (4) The appraisal valuation date is December 13, 2009.
- (5) The Corporation's purpose for selling this property is to promote affordable residential homeownership by reselling this property to a qualified resident as defined in section 201H-32, Hawaii Revised Statutes.
- (6) There are no development plans for this property because it will be sold as is to an affordable homebuyer.

Act 176 also requires that a copy of the concurrent resolution be submitted to the Office of Hawaiian Affairs when submitted to the legislature, and that a public meeting be held in the community in which the property is located.

The HHFDC initially consulted with the Office of Hawaiian Affairs about its plans for this property on October 19, 2009. Additionally, HHFDC provided a copy of H.C.R. 25 to the Office of Hawaiian Affairs on January 25, 2010.

The HHFDC conducted a public informational briefing on the sale of this property on October 22, 2009, at Villages of Kapolei Association Recreational Center, Kapolei, Hawaii, following publication in the Honolulu Star-Bulletin on October 4, October 18, October 25, 2009, and in Midweek on October 7, and October 14, 2009. The HHFDC did not receive any objection to the proposed sale of this property to a qualified resident at that time.

The resale of this property in fee simple will enable HHFDC to (1) recoup the State's subsidy that made the home affordable to the original purchaser; and (2) provide another qualified resident with the opportunity for affordable homeownership. The proceeds generated from the resale of this property will be used to develop more affordable housing. Legislative approval of this sale will also benefit the HHFDC directly by relieving the agency of maintenance, liability and other carrying costs of maintaining this property in its housing inventory.

We respectfully request that you approve H.C.R. 25. Thank you for the opportunity to testify.

TESTIMONY
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(END)