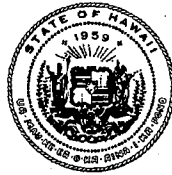


TESTIMONY
HCR 28



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. 28 APPROVING THE SALE OF THE FEE INTEREST IN 94-940 MEHEULA
PARKWAY, MILILANI, HAWAII.**

The HHFDC supports H.C.R. 28 which authorizes the HHFDC to sell the leased fee interest in this **non-ceded** property to the current lessee/homeowner for a negotiated sales price equivalent to the appraised value of the leased fee interest in this home. This lessee was in the process of obtaining financing for the purchase of the leased fee interest in their homes from HHFDC, but could not complete the transaction prior to the effective date of Act 176, Session Laws of Hawaii 2009.

Act 176, Session Laws of Hawaii 2009, as codified in section 171-64.7(c), Hawaii Revised Statutes, requires 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) 94-940 Meheula Parkway, Unit 149, Mililani, Hawaii, is located in Naha Apartments which was developed in 1975 under the State's Housing Development Programs. The units were initially sold in leasehold and the owner occupants were given the opportunity to purchase the leased fee interest. Unit 149 has a .4329% interest in the common elements of the project. The 764 square foot unit is identified as TMK No. 1-9-4-5-34-0048.

- (2) The leased fee interest in this property was appraised to have a fair market value of \$33,200.
- (3) The property was appraised by Harlin Young & Co., Ltd.
- (4) The appraisal valuation date is September 8, 2009.
- (5) The Corporation's purpose for selling this property is to promote residential homeownership, more specifically, to allow its current leasehold owners, Mr. and Mrs. Thomas Bookman, to obtain fee simple title to their home at the agreed upon sales price of \$33,200.
- (6) There are no development plans for this property because it will be sold as is to the current leasehold owner.

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. 28 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 28, 2009 at the Mililani High School Dining Room, Mililani, 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 the leased fee interest in this property at that time.

We respectfully request that you approve H.C.R. 28. Thank you for the opportunity to testify.

TESTIMONY
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(END)