

**TESTIMONY**  
**HCR 31**

Linda Lingle  
GOVERNOR



KAREN SEDDON  
EXECUTIVE DIRECTOR

**STATE OF HAWAII**

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM  
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION  
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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. 31 APPROVING THE SALE OF THE FEE INTEREST IN  
2949 ALA ILIMA STREET #201, HONOLULU, HAWAII.**

The HHFDC supports H.C.R. 31 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) 2949 Ala Ilima Street #201, Honolulu, Hawaii, is an individual unit in the Puana Malu condominium, which was acquired by the Hawaii Housing Authority (now the Corporation) 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 201 has a 4.166% interest in the common elements of the project. The 821 square foot unit is identified as TMK No. 1-1-1-61-2-0001.
- (2) The fee interest in this property was appraised to have a fair market value of \$53,600.
- (3) This property was appraised by Harlin Young & Co., Ltd.
- (4) The appraisal valuation of this property is dated October 5, 2009.
- (5) The Corporation's purpose for selling this property is to promote residential homeownership, more specifically, to allow its current leasehold owner, Mr. Brian Yamasaki, to obtain fee simple title to his home, at the agreed upon sales price of \$53,600.
- (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. 31 to the Office of Hawaiian Affairs on January 25, 2010.

The HHFDC conducted a public informational briefing on the sale of this property on November 10, 2009, at the Aliamanu Middle School Dining Room, Honolulu, Hawaii, following publication in the Honolulu Star-Bulletin on October 25, November 1, and November 8, 2009, and in Midweek on October 21 and October 28, 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. 31. Thank you for the opportunity to testify.

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**(END)**