
HOUSE CONCURRENT
RESOLUTION

APPROVING THE SALE OF THE LEASED FEE INTEREST IN 644 HOKIOKIO
PLACE, HONOLULU, HAWAII.

1 WHEREAS, section 171-64.7, Hawaii Revised Statutes,
2 requires the prior approval of the Legislature by concurrent
3 resolution to sell certain state lands in fee simple; and
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5 WHEREAS, section 171-64.7(c), Hawaii Revised Statutes,
6 states that "[t]he concurrent resolution shall contain the
7 following information:

- 8 (1) The specific location and size in square feet or in
9 other precise measure of the parcels of land to be
10 sold or given;
11 (2) The appraisal value of the land to be sold or given;
12 (3) The names of all appraisers performing appraisals of
13 the land to be sold or given;
14 (4) The date of the appraisal valuation;
15 (5) The purpose for which the land is being sold or given;
16 (6) A detailed summary of any development plans for the
17 land to be sold or given; and
18 (7) A statement of whether the land is, or is not, land
19 that was classed as government or crown lands previous
20 to August 15, 1895, or was acquired by the State in
21 exchange for such lands, and a detailed explanation of
22 how the state department or agency made this
23 determination.

24 A draft of the concurrent resolution for the prior approval
25 of a sale or gift of land shall also be submitted to the office
26 of Hawaiian affairs at least three months prior to the convening
27 of a regular or special session of the legislature to allow the
28 office to determine whether the land was classed as government
29 or crown lands previous to August 15, 1895, or was acquired by
30 the State in exchange for such lands"; and
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1 WHEREAS, pursuant to section 171-64.7(e), Hawaii Revised
2 Statutes, prior to finalizing any proposal for the sale or gift
3 of lands and prior to the submission of the concurrent
4 resolution to the Legislature, an informational briefing on the
5 proposed sale or gift of lands shall be held in the community
6 where the land to be sold or given is located; and
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8 WHEREAS, the Hawaii Housing Finance and Development
9 Corporation (the "Corporation") desires to sell the leased fee
10 interest in 644 Hokiokio Place, Honolulu, Hawaii, and provides
11 the following information pursuant to section 171-64.7, Hawaii
12 Revised Statutes:

- 13 (1) The parcel is a single family home that is part of the
14 Kau Hale o Kuliouou project built in 1980 and is
15 identified as an 11,026 square foot parcel, TMK No. 1-
16 3-8-17-6;
- 17 (2) The leased fee interest in this parcel was appraised
18 to have a fair market value of \$201,700;
- 19 (3) The parcel was appraised by Harlin Young & Co, Ltd.;
- 20 (4) The appraisal valuation date is July 1, 2011;
- 21 (5) The primary purpose for the sale of this parcel is to
22 convey the leased fee interest to its current
23 leasehold homeowner and the homeowner's leasehold
24 agreement included the right to purchase the leased
25 fee interest in the land;
- 26 (6) There is no development plan for this unit, which is a
27 single family residence; and
- 28 (7) As of August 15, 1895, the parcel was a portion of the
29 Government (Crown) Land of Kuliouou; the Corporation's
30 predecessor agency, the Hawaii Housing Authority,
31 acquired title to the property through Grant No. S-
32 15,528, dated December 12, 1980; and the determination
33 was made by a search of the title records for this
34 parcel by Title Guaranty of Hawaii on July 27, 2011;
35 and
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37 WHEREAS, pursuant to section 5(f) of the Admission Act,
38 "the development of farm and home ownership on as widespread a
39 basis as possible for the making of public improvements" is an
40 expressly authorized purpose of the ceded lands inventory; and
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42 WHEREAS, the Corporation duly submitted a draft of the
43 Concurrent Resolution to the Office of Hawaiian Affairs on
44 October 3, 2011, more than three months prior to the opening
45 date of the Regular Session of 2012; and

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WHEREAS, the Corporation duly conducted a public informational briefing on the sale of this parcel on August 10, 2011, at the Niu Valley Intermediate School cafeteria, Honolulu, Hawaii, following publication of notice of the briefing in the Honolulu Star-Advertiser newspaper on August 4 and 7, 2011; and

WHEREAS, no objection to the proposed sale was received at the public informational briefing; now, therefore,

BE IT RESOLVED by the House of Representatives of the Twenty-sixth Legislature of the State of Hawaii, Regular Session of 2012, the Senate concurring, that the sale of the leased fee interest in 644 Hokiokio Place, Honolulu, Hawaii, TMK No. 1-3-8-17-6, is hereby approved; and

BE IT FURTHER RESOLVED that a certified copy of this Concurrent Resolution be transmitted to the Executive Director of the Corporation.

OFFERED BY: Calvin K. Soy

BY REQUEST

JAN 23 2012

JUSTIFICATION SHEET

DEPARTMENT: Business, Economic Development, and Tourism

TITLE: CONCURRENT RESOLUTION APPROVING THE SALE OF THE LEASED FEE INTEREST IN 644 HOKIOKIO PLACE, HONOLULU, HAWAII.

PURPOSE: To seek the prior approval of the Legislature by concurrent resolution of the sale of the leased fee interest in 644 Hokiokio Place, Honolulu, Hawaii, TMK No. 1-3-8-17-6, to its current leasehold homeowner.

MEANS: Concurrent resolution pursuant to section 171-64.7, Hawaii Revised Statutes.

JUSTIFICATION: HHFDC is seeking legislative approval to sell the leased fee interest in 644 Hokiokio Place to its current leasehold owner.

The property at 644 Hokiokio Place is a single family home built in 1980 as part of the Kau Hale o Kuliouou affordable for-sale development. Only 4 lessees remain out of the 197 homes in the development.

The long-term leases executed by the homebuyers in that development included a clause giving the lessees the right to purchase the leased fee interest in the land. The fair market value of the leased fee interest in 644 Hokiokio Place was determined to be \$201,700 as of July 1, 2011, by HHFDC's appraiser, Harlin Young & Co, Ltd.

A title search conducted by Title Guaranty of Hawaii on July 27, 2011, determined that as of August 15, 1895, the parcel was part of the Government (Crown) Land of Kuliouou, and that HHFDC's predecessor agency, the Hawaii Housing Authority, acquired title to it through Grant No. S-15,528, dated December 12, 1980.

Pursuant to section 5(f) of the Admission Act, promotion of home ownership is an express public purpose of the ceded lands inventory.

HHFDC conducted a public meeting on the proposed sale on August 10, 2011, at Niu Valley Intermediate School, Honolulu, Hawaii, following publication of notice in the Honolulu Star-Advertiser newspaper on August 4, and 7, 2011. There was no objection to the proposed sale raised at that time.

HHFDC has also worked closely with the Office of Hawaiian Affairs during the interim to keep them informed of these findings and our intent to sell the leased fee interest in this parcel.

Impact on the public: Minimal.

Impact on the department and other agencies: Minimal.

GENERAL FUND: None.

OTHER FUNDS: The sale proceeds will be deposited into the Dwelling Unit Revolving Fund to support the development and construction of additional affordable housing units.

PPBS PROGRAM DESIGNATION: BED 160.

OTHER AFFECTED AGENCIES: Office of Hawaiian Affairs.

EFFECTIVE DATE: Upon adoption.