# HOUSE CONCURRENT RESOLUTION

SUBMITTING TO THE LEGISLATURE OF THE STATE OF HAWAII FOR REVIEW OF ACTION TAKEN BY THE BOARD OF LAND AND NATURAL RESOURCES ON A LAND EXCHANGE AND SALE OF PROPERTY.

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 WHEREAS, section 171-50, Hawaii Revised Statutes, provides that any exchange of public land for private land shall be subject to disapproval by the Legislature by two-thirds vote of either the Senate or the House of Representatives or by majority vote of both in any regular or special session following the date of the Board of Land and Natural Resources' approval in principle of the exchange; and

WHEREAS, section 171-50(b), Hawaii Revised Statutes, provides that any difference in value of the public land over the private land shall be paid to the State at the time of the exchange, provided that no exchange shall be made should the public land exceed one hundred twenty per cent of the value of the private land; and

WHEREAS, section 171-50(c), Hawaii Revised Statutes, provides that the state department or agency shall submit for introduction to the Legislature a resolution for review of action on any exchange to be consummated by the Board of Land and Natural Resources wherein exchange deeds will be executed by the parties together; and

WHEREAS, section 171-64.7, Hawaii Revised Statutes, provides that no sale or gift of ceded lands or interest therein shall occur without the prior approval of the sale or gift by the Legislature by concurrent resolution to be adopted by each house by at least a two-thirds majority vote of the members to which each house is entitled in a regular or special session at which a concurrent resolution is submitted for approval of the sale; and

WHEREAS, section 171-64.7(c), Hawaii Revised Statutes, provides that the state department or agency shall submit for

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introduction to the Legislature a concurrent resolution for review of the proposed sale or gift; and

WHEREAS, sections 171-50(c) and 171-64.7, Hawaii Revised Statutes, require the resolution or concurrent resolution to contain the following information:

(1) The specific location and size in square feet or in other precise measure of the parcels of land to be exchanged, sold or given;

(2) The value of the lands to be conveyed, sold or given by the State and the private party;

(3) The name or names of the appraiser or appraisers;

(4) The date of the appraisal valuation;

(5) The purpose for which the lands are being exchanged, sold or given;

(6) A detailed summary of any development plans for the land to be exchanged, sold or given; and

(7) A statement of whether the land is, or is not, land that was classed as government or crown lands previous to August 15, 1895, or was acquired by the State in exchange for such lands, and a detailed explanation of how the state department or agency made this determination; and

WHEREAS, sections 171-50(c) and 171-64.7(c), Hawaii Revised Statutes, also provide that a copy of the draft resolution, or concurrent resolution, shall also be submitted to the Office of Hawaiian Affairs at least three months prior to the convening of a regular or special session of the Legislature to allow the Office of Hawaiian Affairs to determine whether the land was classed as government or crown lands previous to August 15, 1895, or was acquired by the State in exchange for such lands; and

 WHEREAS, section 171-64.7(e), Hawaii Revised Statutes, provides that prior to finalizing any proposal for the sale or gift of lands described in section 171-64.7(a), Hawaii Revised Statutes, to a person or entity other than the State, its

agencies, or its entities, and prior to submission of the concurrent resolution to the Legislature under section 171-64.7(c), Hawaii Revised Statutes, the State, agency, or entity, as appropriate, shall hold an informational briefing on the proposed sale or gift in the community where the land to be sold or given is located; and

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WHEREAS, at its meeting of June 8, 2012, under agenda item D-11, the Board of Land and Natural Resources approved a land exchange and sale of property pursuant to the stipulated final judgment on title filed on April 12, 1996, and the stipulated judgment on partition filed on April 1, 1997, in Napoleon, et al., v. State of Hawaii, et al., Civ. No. 92-0789, for land located at Kahananui, Molokai, Hawaii, Tax Map Keys: (2) 5-6-06:14; (2) 5-6-06:15; (2) 5-6-03:12; (2) 5-6-03:08; and (2)5-6-03:10; and

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WHEREAS, following approval of the exchange and sale by the Board of Land and Natural Resources, a copy of the concurrent resolution was transmitted to the Office of Hawaiian Affairs at least three months prior to the convening of this regular session of the Legislature to allow the Office to determine whether the land was classed as government or crown lands previous to August 15, 1895, or was acquired by the State in exchange for such lands; and

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WHEREAS, the Department of Land and Natural Resources duly conducted a public informational briefing on the sale of this parcel on November 13, 2012, at 5:30 p.m. at the Kilohana Recreational Center, 334 Al Kamehameha V Highway, Kaunakakai, Molokai, Hawaii, following publication of notice of the briefing in the Molokai Dispatch newspaper on October 24, 2012, the Honolulu Star-Advertiser newspaper on October 28, 2012, the Hawaii Tribune-Herald newspaper on October 28, 2012, the West Hawaii Today newspaper on October 28, 2012, the Garden Isle newspaper on October 28, 2012, and the Maui News newspaper on October 28, 2012; now, therefore,

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BE IT RESOLVED by the House of Representatives of the Twenty-seventh Legislature of the State of Hawaii, Regular Session of 2013, the Senate concurring, that the following exchange and sale of property between the State of Hawaii and Napoleon, et al., approved by the Board of Land and Natural Resources at its meeting on June 8, 2012, under agenda item

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D-11, pursuant to the stipulated judgment on title and the stipulated judgment on partition in Napoleon, et al., v. State of Hawaii, et al., Civ. No. 92-0789, for land located at Kahananui, Molokai, Hawaii, Tax Map Keys: (2) 5-6-06:14; (2) 5-6-06:15; (2) 5-6-03:12; (2) 5-6-03:08; and (2)5-6-03:10, has been reviewed by the Legislature:

(1) All lands are located at Kahananui, Molokai, Hawaii, being futher identified by Tax Map Keys: (2) 5-6-06:14, having an area of 168.04 acres; (2) 5-6-06:15, having an area of 109.014 acres; (2) 5-6-03:12, having an area of 0.338 acres; (2) 5-6-03:08, having an area of 1.018 acres; and (2)5-6-03:10 having an area of 0.401 acres.

(2) The lands to be conveyed to Napoleon, et al.:

a. Tax Map Key (2) 5-6-06:15, having a value of \$138,000.

The lands to be sold and proceeds divided amongst all parties - 39.89 per cent to the State, 60.11 per cent to Napoleon, et al.:

a. Tax Map Key (2) 5-6-03:08, having a value of \$76,000; and

b. Tax Map Key (2) 5-6-03:10, having a value of and \$65,000.

The lands to be conveyed to the State:

a. Tax Map Key (2) 5-6-06:14, having a value of \$91,000; and

b. Tax Map Key (2) 5-6-03:12, having a value of \$82,500.

(3) All lands were appraised by Lawrence P. Swenson of Swenson Appraisal.

(4) All lands were appraised on March 21, 1996.

(5) Whereas the State owns an undivided half interest in the lands identified, the purpose of the exchange and sale is to consolidate the State's interest in lands.

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- (6) One of the parcels to be conveyed to the State will be added to the State's Molokai Forest Reserve. The second parcel to be conveyed to the State will be administered by the Department of Land and Natural Resources, which currently has no development plans for the parcel. The remaining parcel that is not intended for sale will be conveyed to the four Hawaiian families who hold the remaining one-half interest in all the parcels. The families are the Napoleon family, the Kailiwai family, the Kunuiakea family, and the Fountain family.
- (7) The five parcels referenced above are Section 5(b) lands of the Admission Act of 1959. The lands referenced above are portions of Mahele Award 48 to Kaeliwai, which granted a one-half interest of the five parcels to Kaeliwai with the remaining one-half interest being retained by the Kingdom of Hawaii, now the State of Hawaii; and

BE IT FURTHER RESOLVED that a certified copy of this Concurrent Resolution be transmitted to the Chairperson of the Board of Land and Natural Resources.

OFFERED BY.

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#### JUSTIFICATION SHEET

DEPARTMENT: Land and Natural Resources

TITLE: CONCURRENT RESOLUTION SUBMITTING TO THE

LEGISLATURE OF THE STATE OF HAWAII FOR

REVIEW OF ACTION TAKEN BY THE BOARD OF LAND AND NATURAL RESOURCES ON A LAND EXCHANGE AND

SALE OF PROPERTY.

PURPOSE: To seek the approval of the Legislature by

concurrent resolution of a Board of Land and Natural Resources action approving a land

exchange and sale of property.

MEANS: Concurrent resolution pursuant to sections

171-50 and 171-64.7, Hawaii Revised

Statutes.

JUSTIFICATION: The State of Hawaii owns an undivided 50%

interest in five parcels situated at Kahananui, Molokai, Hawaii. A Stipulated

Final Judgment on Title was filed on April 12, 1996, which confirmed that the five parcels are owned one-half by the State and one-half by Napoleon, et al. A Stipulated Judgment on Partition was filed on April 1, 1997, in which the State and Napoleon, et

al. agreed to partition the properties.

The Board of Land and Natural Resources on June 8, 2012, under agenda item D-11, approved the land exchange and sale of property pursuant to the Stipulated Judgment on Partition in Napoleon, et al., v. State of Hawaii, et al., Civ. No. 92-0786 for land located at Kahananui, Molokai, Hawaii, Tax Map Keys: (2)5-6-06:14; (2)5-6-06:15; (2)5-6-03:12; (2)5-6-03:08; and (2)5-6-03:10.

Impact on the public: None.

Impact on the department and other agencies: Lands retained by the State will be added to the State Forest Reserve. Page 2

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GENERAL FUND:

None.

OTHER FUNDS:

None.

PPBS PROGRAM

DESIGNATION:

LNR 101.

OTHER AFFECTED

AGENCIES:

None.

EFFECTIVE DATE:

Upon adoption.