

# S.C.R. NO. 11

JAN 24 2013

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## SENATE CONCURRENT RESOLUTION

APPROVING THE SALE OF THE LEASED FEE INTEREST IN 643 PAPAHEHI  
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  
4

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  
31

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  
7

8           WHEREAS, the Hawaii Housing Finance and Development  
9 Corporation (the "Corporation") desires to sell the leased fee  
10 interest in 643 Papahehi 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 Aupuni o Kuliouou project built in 1981 and  
15 is identified as a 5,665 square foot parcel, TMK No.  
16 1-3-8-10-35;
- 17           (2) The leased fee interest in this parcel was appraised  
18 to have a fair market value of \$171,500;
- 19           (3) The parcel was appraised by Harlin Young & Co, Ltd.;
- 20           (4) The appraisal valuation date is August 1, 2012;
- 21           (5) The primary purpose for the sale of this parcel is to  
22 convey the leased fee interest to its current  
23 leasehold owner and the owner's lease agreement  
24 included the right to purchase the leased fee interest  
25 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 private land, a  
29 portion of Royal Patent No. 5598, Land Commission  
30 Award No. 70B to Waiaha; the Corporation's predecessor  
31 agency, the Hawaii Housing Authority, acquired title  
32 to the property through deed of Kikuo Yanagi, husband  
33 of Joan K. Yanagi, dated April 7, 1975, filed as Land  
34 Court Document No. 716432; and the determination was  
35 made by a search of the title records for this parcel  
36 by Title Guaranty of Hawaii on July 31, 2012; and  
37


38           WHEREAS, the Corporation duly submitted a draft of the  
39 Concurrent Resolution to the Office of Hawaiian Affairs on  
40 September 12, 2012, more than three months prior to the opening  
41 day of the Regular Session of 2013; and  
42  
43

1 WHEREAS, the Corporation duly conducted a public  
2 informational briefing on the sale of this parcel on  
3 September 5, 2012, at the Niu Valley Intermediate School  
4 cafeteria, Honolulu, Hawaii, following publication of notice of  
5 the briefing in the Honolulu Star-Advertiser newspaper on August  
6 30 and September 2, 2012; and  
7

8 WHEREAS, no objection to the proposed sale was received at  
9 the public informational briefing; now, therefore,  
10

11 BE IT RESOLVED by the Senate of the Twenty-seventh  
12 Legislature of the State of Hawaii, Regular Session of 2013, the  
13 House of Representatives concurring, that the sale of the leased  
14 fee interest in 643 Papahehi Place, Honolulu, Hawaii, TMK No. 1-  
15 3-8-10-35, is hereby approved; and  
16

17 BE IT FURTHER RESOLVED that a certified copy of this  
18 Concurrent Resolution be transmitted to the Executive Director  
19 of the Corporation.  
20

21 OFFERED BY:   
22  
23  
24

BY REQUEST

SCR 11

JUSTIFICATION SHEET

DEPARTMENT: Business, Economic Development, and Tourism

TITLE: CONCURRENT RESOLUTION APPROVING THE SALE OF THE LEASED FEE INTEREST IN 643 PAPAHEHI PLACE, HONOLULU, HAWAII.

PURPOSE: To seek the prior approval of the Legislature by concurrent resolution of the sale of the leased fee interest in 643 Papahehi Place, Honolulu, Hawaii, TMK No. 1-3-8-10-35, to its current leasehold owner.

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 643 Papahehi Place to its current leasehold owner.

The property at 643 Papahehi Place is a single family home built in 1981 as part of the Kau Hale Aupuni o Kuliouou affordable for-sale development.

The long-term leases in that development included a clause giving the lessees the right to purchase the leased fee interest in their land. The fair market value of the leased fee interest in 643 Papahehi Place was determined to be \$171,500 as of August 1, 2012, by HHFDC's appraiser, Harlin Young & Co, Ltd.

A title search conducted by Title Guaranty of Hawaii on July 31, 2012, determined that as of August 15, 1895, the parcel was private land, a portion of Royal Patent No. 5598, Land Commission Award No. 70B to Waiaha; the Corporation's predecessor agency, the Hawaii Housing Authority, acquired title to the property through deed of Kikuo Yanagi, husband of Joan K. Yanagi, dated April 7, 1975, filed as Land Court Document No. 716432.

HHFDC conducted a public meeting on the proposed sale on September 5, 2012, at Niu Valley Intermediate School, Honolulu, Hawaii, following publication of notice in the Honolulu Star-Advertiser newspaper on August 30 and September 2, 2012. There was no objection to the proposed sale raised at that time.

HHFDC has also worked with the Office of Hawaiian Affairs during the interim to keep them informed of these findings and 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.