



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

NEIL ABERCROMBIE
GOVERNOR

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DIRECTOR

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Statement of
Richard C. Lim
Director

Department of Business, Economic Development and Tourism
before the

SENATE COMMITTEE ON WAYS AND MEANS

Thursday, April 4, 2013

9:50 a.m.

State Capitol, Room 211

In consideration of

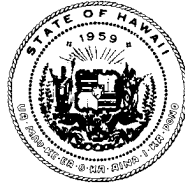
S.C.R. 11

**APPROVING THE SALE OF THE LEASED FEE INTEREST
IN 643 PAPAHEHI PLACE, HONOLULU, HAWAII.**

Chair Ige, Vice Chair Kidani, and Members of the Committee.

DBEDT supports, S.C.R. 11 a part of the Administration's legislative package. HHFDC is seeking legislative approval to sell the leased fee interest in this single family home to its leasehold owner. This home was built in 1980 as part of the Kauhale Aupuni O' Kuliouou affordable for-sale development, in which all lessees had the contractual right to purchase the leased fee interest in their homes. HHFDC has met all statutory prerequisites to request approval of the sale of this parcel.

Accordingly, DBEDT respectfully requests that the Committee pass this concurrent resolution. Thank you for the opportunity to provide written comments in support of this concurrent resolution.



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 WAYS AND MEANS

April 4, 2013 at 9:50 a.m.
State Capitol, Room 211

In consideration of
S.C.R 11
APPROVING THE SALE OF THE LEASED FEE INTEREST
IN 643 PAPAHEHI PLACE, HONOLULU, HAWAII.

The HHFDC supports S.C.R. 11, and is seeking legislative approval to sell the leased fee interest in this single family home to its leasehold owner.

This parcel was built in 1980 as part of the Kauhale Aupuni O' Kuliouou affordable for-sale development. It is the last leasehold parcel out of the 197 homes in the development. The long-term leases in this development included a clause giving the lessees the contractual right to purchase the leased fee interest in their land.

The fair market value of the leased fee interest in this parcel as of July 1, 2012 was \$171,500. A title search conducted by Title Guaranty of Hawaii on July 31, 2012, showed that this parcel was classified as Government lands previous to August 15, 1895.

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. A copy of the draft resolution was provided to OHA on September 12, 2012.

We respectfully request your favorable consideration of this concurrent resolution. Thank you for the opportunity to provide written comments.



SCR11 & SCR12
APPROVING THE SALE OF THE LEASED FEE INTEREST IN CERTAIN LANDS
Senate Committee on Ways & Means

April 4, 2013

9:50 a.m.

Room 211

The Office of Hawaiian Affairs (OHA) offers the following comments on SCR11 and SCR12, which approve the sale of the leased fee interest in certain lands. **These parcels do not appear to be “ceded” lands and accordingly OHA does not oppose the sale of these parcels.**

These resolutions were offered for consideration by the Legislature in accordance with Act 176, Session Laws of Hawai‘i 2009, as amended. Among other things, Act 176 requires a two-thirds majority vote of both houses of the Legislature before any specific lands controlled by the State can be sold (including, but not limited to, ceded lands).

In the 1993 “Apology Resolution,” the United States Congress, referring to Native Hawaiians’ loss of control of their lands, stated:

[t]The Republic of Hawaii . . . ceded 1,800,000 acres of crown, government and public lands of the Kingdom of Hawaii, without the consent of or compensation to the Native Hawaiian people of Hawaii or their sovereign government.

Sales of ceded lands raise significant concerns for OHA and its beneficiaries, because the Native Hawaiian people’s claim to ceded lands has yet to be resolved. OHA urges your committees to consider these unresolved claims carefully as they deliberate regarding each specific sale. However, SCR11 & SCR12 do not appear to involve the sale of ceded lands. Accordingly, OHA does not oppose these sales.

Mahalo for the opportunity to testify on these important measures.