



**DEPARTMENT OF BUSINESS,  
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Statement of  
**LUIS P. SALAVERIA**  
Director

Department of Business, Economic Development and Tourism  
before the

**SENATE COMMITTEE ON WAYS AND MEANS**

March 16, 2016 at 9:00 a.m.  
State Capitol, Room 211

In consideration of

- S.C.R. 10 APPROVING THE SALE OF THE LEASED FEE INTEREST IN 41-648  
INOAOLE STREET, WAIMANALO, HAWAII;**  
**S.C.R. 11 APPROVING THE SALE OF THE LEASED FEE INTEREST IN 47-394  
KEOHAPA PLACE, KANEOHE, HAWAII;**  
**S.C.R. 12 APPROVING THE SALE OF THE LEASED FEE INTEREST IN 95-029  
KUAHELANI AVENUE, NO. 128, MILILANI, HAWAII; and**  
**S.C.R. 13 APPROVING THE SALE OF THE LEASED FEE INTEREST IN 94-946  
MEHEULA PARKWAY, NO. 264, MILILANI, HAWAII.**

Chair Tokuda, Vice Chair Dela Cruz, and Members of the Senate Committee on  
Ways and Means.

DBEDT supports S.C.R. 10 through S.C.R. 13, all part of the Administration's  
legislative package. HHFDC is seeking legislative approval to sell the leased fee  
interest in these homes to their respective leasehold owners. HHFDC has met all  
statutory prerequisites to request approval of the sale of these parcels.

Accordingly, DBEDT respectfully requests that the Committee pass these  
concurrent resolutions. Thank you for the opportunity to provide written comments.



**STATE OF HAWAII**

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM  
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION  
677 QUEEN STREET, SUITE 300  
Honolulu, Hawaii 96813  
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IN REPLY REFER TO:

Statement of  
**Craig K. Hirai**  
Hawaii Housing Finance and Development Corporation  
Before the

**SENATE COMMITTEE ON WAYS AND MEANS**

March 16, 2016 at 9:00 a.m.  
State Capitol, Room 211

In consideration of  
**S.C.R. 11 APPROVING THE SALE OF THE LEASED FEE INTEREST IN  
47-394 KEOHAPA PLACE, KANEOHE, HAWAII.**

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

This single family home was built in 1975 as part of the Hui Koolau affordable for-sale development. Only 5 out of the 37 homes in the development remain in leasehold. The fair market value of the leased fee interest in 47-394 Keohapa Place as of April 9, 2015 was \$280,000.

A title search conducted by Title Guaranty of Hawaii on August 24, 2015, showed that this parcel was not classified as Government land previous to August 15, 1895. HHFDC conducted a public meeting on the proposed sale on August 17, 2015, at Ahuimanu Elementary School Cafeteria, Kaneohe, Hawaii, following publication of notice in the Honolulu Star-Advertiser newspaper on August 7 and 10, 2015. 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 24, 2015.

Thank you for the opportunity to provide written comments in support of this concurrent resolution.



## SCR11

### **APPROVING THE SALE OF THE LEASED FEE INTEREST IN 47-394 KEOHAPA PLACE, KANEHOHE, HAWAII.**

Senate Committee on Ways and Means

March 16, 2016

9:00 a.m.

Room 211

The Office of Hawaiian Affairs (OHA) offers the following **COMMENTS** on SCR11, which approves the sale of the leased fee interest in an apartment in the Hui Ko‘olau affordable housing project. **This parcel does not appear to be “ceded” land and OHA does not oppose the sale of this parcel.**

SCR11 was offered for consideration by the Legislature in accordance with Act 176, Session Laws of Hawai‘i (SLH) 2009, and Act 169, SLH 2011, as amended. Act 176 requires a two-thirds majority approval by both houses of the Legislature before any specific lands controlled by the state can be sold. In addition, state departments must prepare and submit legislative resolutions containing detailed information regarding their anticipated land transactions, and share these resolutions with OHA at least three months prior to the opening of the legislative session. See HRS §§ 171-64.7(c). This three months’ detailed notice provides OHA with sufficient time to determine whether the land being sold constitutes “ceded” Hawaiian Kingdom crown or government lands. This process also provides OHA, legislators, as well as members of the public sufficient time to ensure that the contemplated sale is fair, equitable, and in the best interests of the state.

The language of SCR11 was provided to OHA in compliance with the three month notice requirement for the proposed disposition of public lands. This allowed OHA to independently confirm that the parcel being proposed for sale is not comprised of “ceded” lands. Accordingly, OHA does not oppose this sale.

Mahalo for the opportunity to testify on this measure.