



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

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LUIS P. SALAVERIA
DIRECTOR

MARY ALICE EVANS
DEPUTY DIRECTOR

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
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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. 12 APPROVING THE SALE OF THE LEASED FEE INTEREST IN
95-029, KUAHELANI AVENUE, NO. 128, MILILANI, HAWAII.**

The HHFDC supports S.C.R. 12. HHFDC is seeking legislative approval to sell the leased fee interest in this apartment unit to its leasehold owner.

This apartment unit was built in 1974 as part of the Nahoia Apartments affordable for-sale development. Only 19 units out of the entire 231-unit development remain in leasehold. The fair market value of the leased fee interest in this property as of April 16, 2015 was \$47,000. A title search conducted by Title Guaranty of Hawaii on August 26, 2015, showed that the parcel upon which Nahoia Apartments is located was not classified as Government land previous to August 15, 1895.

HHFDC conducted a public meeting on the proposed sale on August 13, 2015, at Mililani High School Cafeteria, Mililani, 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.



SCR12
APPROVING THE SALE OF THE LEASED FEE INTEREST IN 95-029 KUAHELANI
AVENUE, NO. 128, MILILANI, 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 SCR12, which approves the sale of the leased fee interest in an apartment in the Naha Apartments affordable housing condominium complex. **This parcel does not appear to be “ceded” land and OHA does not oppose the sale of this parcel.**

SCR12 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 SCR12 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.