

S.C.R. NO. 23

JAN 25 2017

SENATE CONCURRENT RESOLUTION

APPROVING THE SALE OF THE LEASED FEE INTEREST IN 41-1362
WAIKALOA STREET, WAIMANALO, 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 41-1362 Waikalua Street, Waimanalo, Hawaii, and
11 provides the following information pursuant to section 171-64.7,
12 Hawaii Revised Statutes:

- 13 (1) The parcel is a single family home that is part of the
14 Waimanalo Village Self-Help project built in 1994 and
15 is identified as a 6,461 square foot parcel, TMK No.
16 1-4-1-12-162;
- 17 (2) The leased fee interest in this parcel was appraised
18 to have a fair market value of \$401,900;
- 19 (3) The parcel was appraised by Harlin Young & Co, Ltd.;
- 20 (4) The appraisal valuation date is April 26, 2016;
- 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 a portion of the
29 Government (Crown) Land of Waimanalo; the
30 Corporation's predecessor agency, the Hawaii Housing
31 Authority, acquired title to the property through
32 Grant No. S-15,415, dated March 15, 1978; and this was
33 determined by a search of the title records for this
34 parcel by Title Guaranty of Hawaii on June 17, 2016;
- 35

36 WHEREAS, the Corporation duly submitted a draft of the
37 Concurrent Resolution to the Office of Hawaiian Affairs on
38 October 3, 2016, more than three months prior to the opening day
39 of the Regular Session of 2017; and
40

JUSTIFICATION SHEET

DEPARTMENT: Business, Economic Development, and Tourism

TITLE: CONCURRENT RESOLUTION APPROVING THE SALE OF THE LEASED FEE INTEREST IN 41-1362 WAIKALOA STREET, WAIMANALO, HAWAII.

PURPOSE: To seek the prior approval of the Legislature by concurrent resolution of the sale by the Hawaii Housing Finance and Development Corporation (HHFDC) of the leased fee interest in 41-1362 Waikaloa Street, Waimanalo, Hawaii, TMK No. 1-4-1-12-162, 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 41-1362 Waikaloa Street to its current leasehold owner.

The property at 41-1362 Waikaloa Street is a single family home built in 1981 as part of the Waimanalo Village Self-Help 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 41-1362 Waikaloa Street was determined to be \$401,900 as of April 26, 2016, by the lessee's appraiser, Harlin Young & Co, Ltd.

A title search conducted by Title Guaranty of Hawaii on June 17, 2016, determined that as of August 15, 1895, the parcel was a portion of the Government (Crown) Land of Waimanalo; the Corporation's predecessor agency, the Hawaii Housing Authority, acquired title to the property through Grant No. S-15,415, dated March 15, 1978.

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HHFDC conducted a public meeting on the proposed sale on August 10, 2016, at Waimanalo Public & School Library Conference Room, Waimanalo, Hawaii, following publication of notice in the Honolulu Star-Advertiser newspaper on August 3 and 5, 2016. 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.