

SCR19

Measure Title: APPROVING THE SALE OF THE LEASED FEE INTEREST IN 41-529
INOAOLE STREET, WAIMANALO, HAWAII.

Report Title:

Description:

Companion: HCR13

Package: Governor

Current Referral: HOU, WAM

Introducer(s): KOUCHI (Introduced by request of another party)

DAVID Y. IGE
GOVERNOR



CRAIG K. HIRAI
EXECUTIVE DIRECTOR

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

SENATE COMMITTEE ON HOUSING

March 9, 2017 at 2:45 p.m.
State Capitol, Room 225

In consideration of
**S.C.R. 19 APPROVING THE SALE OF THE LEASED FEE INTEREST IN
41-529 INOAOLE STREET, WAIMANALO, HAWAII.**

The HHFDC supports S.C.R. 19. HHFDC is seeking legislative approval to sell the leased fee interest in this single family home to its leasehold owner.

This house was built in 1975 as part of the Hale Aupuni affordable for-sale development. Only 17 homes out of the 190 homes in the development remain in leasehold. The fair market value of the leased fee interest in 41-529 Inoaole Street as of April 26, 2016 was \$123,100.

A title search conducted by Title Guaranty of Hawaii on August 24, 2016, showed that this parcel was classified as Government land previous to August 15, 1895. HHFDC conducted a public meeting on the proposed sale on August 10, 2016, at Waimanalo Public & School Library, 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.

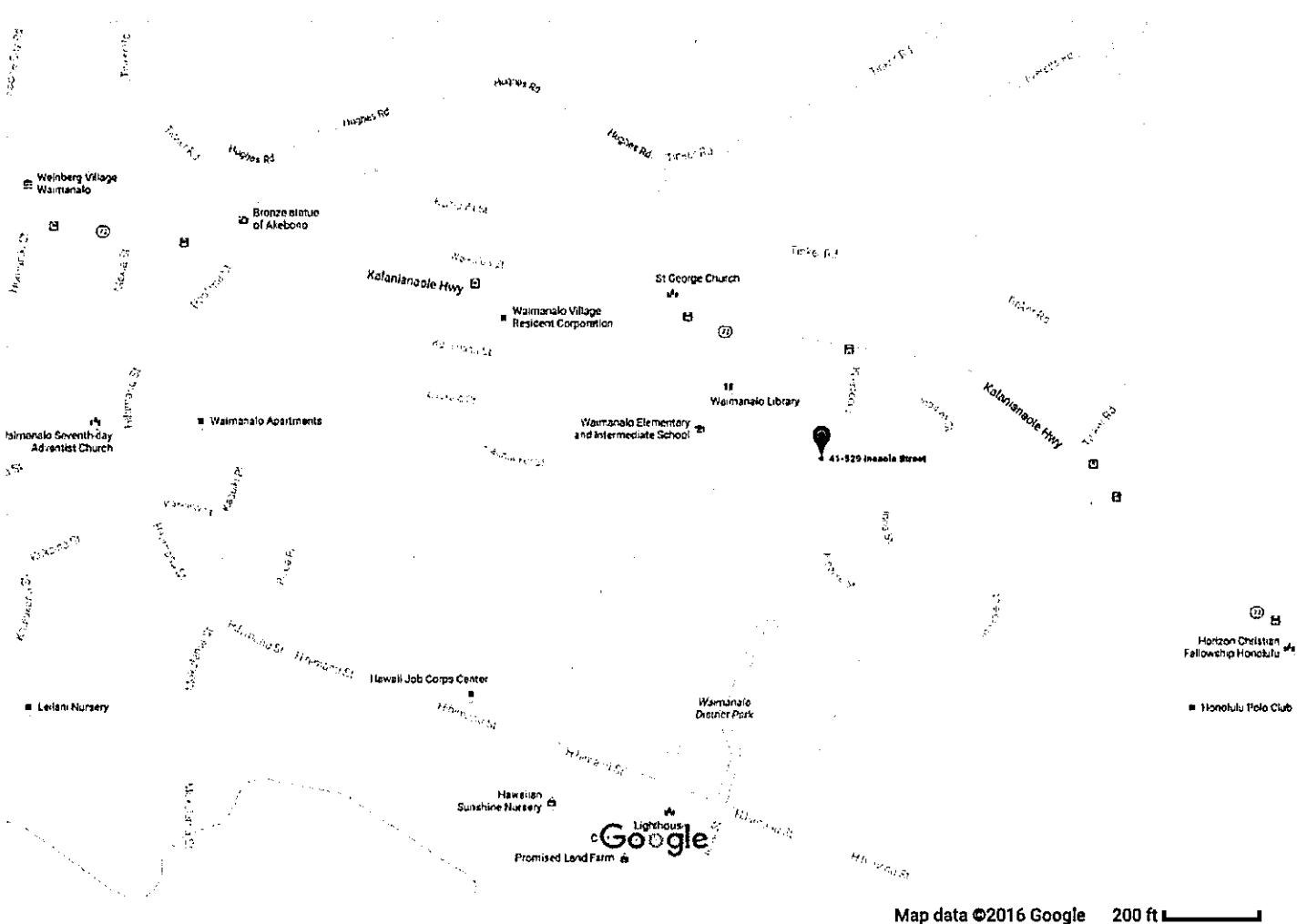
HHFDC has also worked with the Office of Hawaiian Affairs during the interim to keep them informed of these findings and intent to sell the leased fee interest in this parcel. A copy of the draft resolution was provided to OHA on October 3, 2016.

The attached documents provide more information on this property:

1. A map showing the general location of Hale Aupuni;
2. A photo of the property; and
3. A copy of the title report for the parcel.

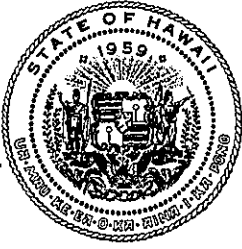
Thank you for the opportunity to testify.

Google Maps 41-529 Inoaole St Waimanalo, Hawaii



41-529 Inoaole St
Waimanalo, HI 96795





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

DAVID Y. IGE
GOVERNOR

LUIS P. SALAVERIA
DIRECTOR

MARY ALICE EVANS
DEPUTY DIRECTOR

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804
Web site: www.hawaii.gov/dbedt

Telephone: (808) 586-2355
Fax: (808) 586-2377

Statement of
LUIS P. SALAVERIA
Director

Department of Business, Economic Development, and Tourism
before the
SENATE COMMITTEE ON HOUSING

Thursday, March 9, 2017
2:45 PM
State Capitol, Conference Room #225

In consideration of

**SCR 19 APPROVING THE SALE OF THE LEASED FEE INTEREST IN 41-529
INOAOLE STREET, WAIMANALO, HAWAII;**

**SCR 20 APPROVING THE SALE OF THE LEASED FEE INTEREST IN 41-648
INOAOLE STREET, WAIMANALO, HAWAII;**

**SCR 21 APPROVING THE SALE OF THE LEASED FEE INTEREST IN 41-652
INOAOLE STREET, WAIMANALO, HAWAII;**

**SCR 22 APPROVING THE SALE OF THE LEASED FEE INTEREST IN 41-659
INOAOLE STREET, WAIMANALO, HAWAII;**

**SCR 23 APPROVING THE SALE OF THE LEASED FEE INTEREST IN 41-1362
WAIKALOA STREET, WAIMANALO, HAWAII;**

**SCR 24 APPROVING THE SALE OF THE LEASED FEE INTEREST IN 95-029
KUAHELANI AVENUE, NO. 128, MILILANI, HAWAII;**

**SCR 25 APPROVING THE SALE OF THE LEASED FEE INTEREST IN 94-946
MEHEULA PARKWAY, NO. 264, MILILANI, HAWAII;**

**SCR 26 APPROVING THE SALE OF THE LEASED FEE INTEREST IN 94-946
MEHEULA PARKWAY, NO. 363, MILILANI, HAWAII;**

**SCR 27 APPROVING THE SALE OF THE LEASED FEE INTEREST IN 94-950
MEHEULA PARKWAY, NO. 367, MILILANI, HAWAII; and**

**SCR 28 APPROVING THE SALE OF THE LEASED FEE INTEREST IN 47-394
KEOHAPA PLACE, KANEOHE, HAWAII.**

Chair Espero, Vice Chair Harimoto and members of the Committee.

The Department of Business, Economic Development and Tourism (DBEDT) **supports** SCR19 through SCR 28, 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 testify.



SCR19
APPROVING THE SALE OF THE LEASED FEE INTEREST IN 41-529 INOAOLE STREET,
WAIMANALO, HAWAII
Senate Committee on Housing

March 14, 2017

2:45 p.m.

Conference Room 225

The Office of Hawaiian Affairs (OHA) offers the following **COMMENTS** on SCR19, which approves the sale of the leased fee interest in a single-family home in the Hale Aupuni affordable housing project. While the lands identified for the sale of the leased fee interest in SCR19 are “ceded” lands, the proposed sale falls within an OHA Board of Trustees (BOT) Executive Policy, which provides that OHA will not oppose such a resolution. Accordingly, **OHA does not oppose the sale of this leased fee interest.**

SCR19 has been 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 approval by both houses of the Legislature before any specific lands controlled by the State can be sold (including, but not limited to, “ceded” lands).

In general, sales of “ceded” lands raise significant concerns for OHA and its beneficiaries, because the Native Hawaiian people’s unrelinquished claims to “ceded” lands have yet to be resolved. In response to Act 176 (2009) and Act 169 (2011), the BOT adopted a “Ceded Lands” policy which states:

OHA reaffirms its policy to protect the ceded lands corpus until the unrelinquished claims of Native Hawaiians are resolved, and OHA shall oppose the alienation of any ceded lands by the State of Hawai‘i, except in the following limited situations ... (1) OHA shall not oppose a resolution submitted to the Hawai‘i State Legislature pursuant to Act 176 (2009) and Act 169 (2011) for the sale of fee simple interest of apartments, townhouses, and houses for home ownership, where... [2] there have been prior sales in the same development to the extent that the units have previously been substantially sold, or [3] sales of the fee simple interest were approved by the responsible state housing agency prior to the filing of the lawsuit *OHA v. Hawaii Finance and Development Corporation*, Civil No. 94-4207-11, First Circuit Court, State of Hawai‘i, November 4, 1994. (emphasis added).

While SCR19 proposes the sale of “ceded” lands, consistent with the policy exceptions cited above, OHA does not oppose the proposed sale of the leased fee interest at 41-529 Inoaole Street, for the following reasons:

- As of 2015, 173 of 190 of the total units in Hale Aupuni have had the fee simple interest sold (roughly 91% sold), indicating that units “in the same development... have previously been substantially sold;” and
- On January 12, 1990, the Housing Finance and Development Corporation (predecessor of the current Hawai'i Housing Finance and Development Corporation) Board of Directors voted unanimously to approve the sale of the fee simple interest in Hale Aupuni. The Housing Finance and Development Corporation, as “the responsible state housing agency,” approved the sale of the fee interest in Hale Aupuni prior to the filing of the *OHA v. HFDC* lawsuit on November 4, 1994.

Accordingly, OHA does not oppose the proposed sale in SCR19. Mahalo for the opportunity to testify on this measure.

From: mailinglist@capitol.hawaii.gov [mailto:mailinglist@capitol.hawaii.gov]
Sent: Friday, March 10, 2017 6:16 PM
To: HOU Testimony <HOUTestimony@capitol.hawaii.gov>
Cc: wparis96795@gmail.com
Subject: Submitted testimony for SCR19 on Mar 14, 2017 14:45PM

SCR19

Submitted on: 3/10/2017

Testimony for HOU on Mar 14, 2017 14:45PM in Conference Room 225

Submitted By	Organization	Testifier Position	Present at Hearing
wina kealoha paris	Individual	Comments Only	No

Comments: Aloha, my name is Wina Kealoha Paris. First of all, my brothers and I would like to extend our sincere thanks and in behalf of our late parents who started this journey for us of an American dream of homeownership for our home since day one of this development. We have been waiting for many years for the Leased Fee Purchase to become available. Currently my youngest brother and his family continues to reside in Hale Aupuni at 41-529 Inoaole St. My oldest brother visits with his family. My family and I will be moving back by the end of this year. The chance to be heard and given the opportunity to purchase this property Lot No.76 will be the final and most important part of our journey and the dream of our parents as a family that we will honor, treasure and pass on their legacy for generations to come. My family and I humbly ask for your support to pass SCR 19 and approve our request to purchase the Leased Fee. The success of this purchase will strengthen and bind us more together as a family with your guidance and approval. Mahalo for your time and help. Respectfully yours, Wina Paris and the Paris family.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

Senator Will Espero, Chair
Senator Breene Harimoto, Vice Chair
Senate Committee on Housing

Testimony of Jame K. Schaedel

Tuesday, March 14, 2017

Opposition against Senate Concurrent Resolution No. 19 – Approving the Sale of the Leased Fee Interest in 41-529 Inoaole Street, Waimanalo, Hawaii

WRITTEN TESTIMONY ONLY

Thank you for the opportunity to offer testimony in strong **opposition** against Senate Concurrent Resolution No. 19 which would approve the sale of “the leased fee interest” of Crown Lands to a private citizen.

I offer this testimony as a private citizen.

This resolution states that “as of August 15, 1895, the parcel was a portion of the Government (Crown) Land of Waimanalo...”

As a Native Hawaiian, and due to the lingering and unresolved controversies surrounding the sale of Crown Lands, I vehemently oppose this resolution.

I respect the lessee’s quest to obtain full title for the land under their home. However, the lessee or their predecessor signed documents acknowledging that the land under their home was “owned” by the State of Hawai‘i vis-à-vis the Hawaii Housing Finance and Development Corporation (HHFDC) formerly known as the Housing and Community Development Corporation of Hawaii (HCDCH).

I am especially concerned about this resolution because the lessee’s City and County of Honolulu real property tax bill is now sent to an address in Tracy, California. Does this family reside in Hawai‘i or do they wish to obtain title to Crown Lands so they can sell their home for a profit?

For these reasons, I strongly encourage you to defer this resolution.

Respectfully,

Jame K. Schaedel