



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

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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 30, 2017 at 1:30 p.m.
State Capitol, Room 211

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

DBEDT **supports** S.C.R. 19 through S.C.R. 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 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
FAX: (808) 587-0600

IN REPLY REFER TO:

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

SENATE COMMITTEE ON WAYS AND MEANS

March 30, 2017 at 1:30 p.m.
State Capitol, Room 211

In consideration of
**S.C.R. 28 APPROVING THE SALE OF THE LEASED FEE INTEREST IN
47-394 KEOHAPA PLACE, KANEOHE, HAWAII.**

The HHFDC supports S.C.R. 28. 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 July 21, 2016 was \$290,000.

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 15, 2016, at Ahuimanu Elementary School Cafeteria, Kaneohe, 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.

Thank you for the opportunity to provide written comments in support of this Concurrent Resolution.



SCR28
**APPROVING THE SALE OF THE LEASED FEE INTEREST IN 47-394 KEOHAPA PLACE,
KANEHOHE, HAWAII**

Senate Committee on Ways and Means

March 30, 2017

1:30 p.m.

Conference Room 211

The Office of Hawaiian Affairs (OHA) offers the following **COMMENTS** on SCR28, which approves the sale of the leased fee interest in a single-family home 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.**

SCR28 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 ensure that the contemplated sale is fair, equitable, and in the best interests of the state.

The language of SCR28 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 the proposed sale in SCR28. Mahalo for the opportunity to testify on this measure.