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# A BILL FOR AN ACT

RELATING TO LAND ACQUISITION.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. In its final report dated January 2006, the  
2 joint legislative housing and homeless task force expressed  
3 concern that the inventory of affordable housing rental units is  
4 at risk of being reduced. Affordable rental housing projects  
5 built in part with government subsidies have been offered for  
6 sale at market prices in anticipation of the expiration of  
7 income and regulatory restrictions encumbering the property.  
8 The task force is committed to ensuring that these units remain  
9 affordable to persons at lower income levels.

10           In recent months, media reports have identified several  
11 affordable housing projects that may be offered for sale, such  
12 as the Kulana Nani apartments in Kaneohe, Oahu, that offer  
13 affordable rental housing.

14           The legislature finds that:

15           (1) Kulana Nani is a unique affordable housing resource in  
16 Kaneohe, Oahu, that provides low-income housing for  
17 working residents, senior citizens, and the disabled;



1 (2) Kulana Nani supports the character of the neighborhood  
2 serving as a primary source of workforce housing for  
3 Kaneohe residents;

4 (3) The affordable rental units in Kulana Nani are  
5 irreplaceable in the current housing market; and

6 (4) The residents, surrounding community, and Oahu as a  
7 whole would benefit from the active intervention of  
8 the State to ensure that there is no adverse effect on  
9 current and future residents of Kulana Nani.

10 The legislature therefore declares that the exercise of the  
11 power of eminent domain to acquire the land under Kulana Nani is  
12 in the public interest and the acquisition is for a public use.  
13 The legislature further declares that it is necessary to provide  
14 for the public financing of the acquisition of the Kulana Nani  
15 property by condemnation through the expenditure of general  
16 funds and any available revenue bond proceeds and private funds  
17 at the disposal of the State.

18 The purpose of this Act is to preserve Kulana Nani as an  
19 affordable rental housing project.

20 SECTION 2. The Hawaii housing finance and development  
21 corporation shall immediately initiate negotiations with  
22 Kamehameha Schools to ensure state acquisition of the Kulana



1 Nani property and may partner with a private developer for  
2 acquisition of the property; provided that one hundred per cent  
3 of the housing units on the property shall be retained in  
4 perpetuity as affordable housing for households at or below the  
5 income restrictions for rental housing units on the property as  
6 of the effective date of this Act; provided further that if an  
7 agreement to acquire the property is not reached within a  
8 reasonable time, the Hawaii housing finance and development  
9 corporation shall exercise its power of eminent domain to  
10 acquire the property. For the purposes of this Act, and  
11 notwithstanding any provision of section 201H-13, Hawaii Revised  
12 Statutes, to the contrary, condemnation of the Kulana Nani  
13 property shall not be subject to legislative disapproval.

14 The Hawaii housing finance and development corporation  
15 shall submit a report to the legislature no later than twenty  
16 days prior to the convening of the regular session of 2008  
17 regarding its efforts to ensure acquisition of the Kulana Nani  
18 property and its recommendations for financing the purchase of  
19 the property.

20 SECTION 3. There is appropriated out of the general  
21 revenues of the State of Hawaii the sum of \$ or so much  
22 thereof as may be necessary for fiscal year 2007-2008 for land



1 acquisition of the Kulana Nani property, tax map key (I) 4-6-  
2 31:15, owned by Kamehameha Schools.

3 The sum appropriated shall be expended by the Hawaii  
4 housing finance and development corporation for the purposes of  
5 this Act.

6 SECTION 4. This Act shall take effect on July 1, 2020.



**Report Title:**

Eminent Domain; Land Acquisition; Kulana Nani

**Description:**

Appropriates unspecified amount to acquire Kulana Nani apartments from Kamehameha Schools by eminent domain should negotiations be unsuccessful. (HB1844 HD1)

