

STAND. COM. REP. NO.

3198

Honolulu, Hawaii

APR 19 2010

RE: H.C.R. No. 25
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2010
State of Hawaii

Madam:

Your Committee on Water, Land, Agriculture, and Hawaiian
Affairs, to which was referred H.C.R. No. 25 entitled:

"HOUSE CONCURRENT RESOLUTION APPROVING THE FEE SIMPLE SALE OF
91-1139 KAMAHAHA LOOP, KAPOLEI, HAWAII,"

begs leave to report as follows:

The purpose of this measure is to approve the fee simple sale
of 91-1139 Kamaaha Loop in Kapolei, Oahu.

Testimony in support of this measure was submitted by one
state agency. Written testimony presented to the Committee may be
reviewed on the Legislature's website.

The Hawaii Housing Finance and Development Corporation
(Corporation) was established to develop and finance low- and
moderate-income housing projects and administer homeownership
programs. To ensure a balance between the needs of the resident-
purchaser and the State, a shared appreciation requirement is
imposed on all sales to qualified residents. If a homeowner
refinances their mortgage or sells the property, the State gets
fifty per cent of any appreciation of the property. Additional
requirements are imposed, including if the resident wishes to
transfer title within ten years of purchase, then the Corporation
has the first option to purchase. Thus, in selling single family
residences in fee simple to qualified residents, the State
benefits not only from the social benefits linked to home
ownership, including increased education for children, lower teen



pregnancy rates, and higher lifetime annual income for children, but also from purchase price and the shared appreciation.

Your Committee finds that the resale of this property will enable the Corporation to recoup the State's subsidy used to allow the affordable property to be purchased by the original purchaser, and provide another qualified resident with the opportunity for affordable home ownership. Your Committee also finds that approving the sale of this home will relieve the Corporation of the cost of maintenance and liability for the property.

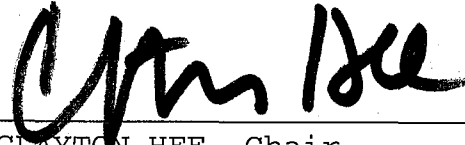
Your Committee has amended this measure by:

- (1) Clarifying that the purpose for selling this property is to promote homeownership and that there are no further development plans for the property;
- (2) Inserting the name of the appraiser;
- (3) Including a provision specifying that a copy of the measure was submitted to the Office of Hawaiian Affairs and the date of the submission, in accordance with section 171-64.7, Hawaii Revised Statutes;
- (4) Correcting the appraisal value of the property from \$231,000 to \$230,000;
- (5) Clarifying that no objections were received at the public informational briefing; and
- (6) Making technical, nonsubstantive changes for the purposes of style and clarity.

As affirmed by the record of votes of the members of your Committee on Water, Land, Agriculture, and Hawaiian Affairs that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 25, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 25, S.D. 1.



Respectfully submitted on
behalf of the members of the
Committee on Water, Land,
Agriculture, and Hawaiian
Affairs,

A handwritten signature in black ink, appearing to read "Clayton Hee", written over a horizontal line.

CLAYTON HEE, Chair



Record of Votes
Committee on Water, Land, Agriculture and Hawaiian Affairs
WTL

*Only one measure per Record of Votes