



SCR 9

| | |
|-------------------|--|
| Measure Title: | APPROVING THE SALE OF THE LEASED FEE INTEREST IN 41-575 INOAOLE STREET, WAIMANALO, HAWAII. |
| Report Title: | Sale of the leased fee interest in 41-575 inoaole street, Waimanalo, Hawaii; approved |
| Description: | |
| Companion: | HCR18 |
| Package: | Governor |
| Current Referral: | HSH, WAM |
| Introducer(s): | KIM (Introduced by request of another party) |



**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
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Statement of
LUIS P. SALAVERIA
Director

Department of Business, Economic Development and Tourism
before the

SENATE COMMITTEE ON HUMAN SERVICES AND HOUSING

March 5, 2015 at 2:15 p.m.
State Capitol, Room 016

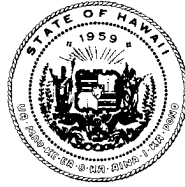
In consideration of

- S.C.R. 8 APPROVING THE SALE OF THE LEASED FEE INTEREST IN 41-655
INOAOLE STREET, WAIMANALO, HAWAII;**
- S.C.R. 9 APPROVING THE SALE OF THE LEASED FEE INTEREST IN 41-575
INOAOLE STREET, WAIMANALO, HAWAII;**
- S.C.R. 10 APPROVING THE SALE OF THE LEASED FEE INTEREST IN 41-543
INOA STREET, WAIMANALO, HAWAII;**
- S.C.R. 11 APPROVING THE SALE OF THE LEASED FEE INTEREST IN 95-944
MEHEULA PARKWAY, NO. 153, MILILANI, HAWAII; and**
- S.C.R. 12 APPROVING THE SALE OF THE LEASED FEE INTEREST IN 95-015
KUAHELANI AVENUE, NO. 319, MILILANI, HAWAII.**

Chair Chun Oakland and Members of the Senate Committee on Human Services and Housing.

DBEDT supports S.C.R. 8 through S.C.R. 12, 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.



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 HUMAN SERVICES AND HOUSING

March 5, 2015 at 2:15 p.m.
State Capitol, Room 016

In consideration of
**S.C.R. 9 APPROVING THE SALE OF THE LEASED FEE INTEREST IN 41-575
INOAOLE STREET, WAIMANALO, HAWAII; and
S.C.R. 10 APPROVING THE SALE OF THE LEASED FEE INTEREST IN 41-543
INOA STREET, WAIMANALO, HAWAII.**

The HHFDC supports S.C.R. 9 and S.C.R. 10. HHFDC is seeking legislative approval to sell the leased fee interest in these single family homes to their respective leasehold owners.

These properties were built in 1975 as part of the Hale Aupuni affordable for-sale development. Only 20 homes out of the 190 homes in the development remain in leasehold. The fair market values of the leased fee interest in these properties as of June 1, 2014 are as follows:

- 41-575 Inoaole Street -- \$128,200; and
- 41-543 Inoa Street -- \$119,100.

Title searches conducted by Title Guaranty of Hawaii on September 4, 2014, showed that these parcels were classified as Government lands previous to August 15, 1895.

HHFDC conducted a public meeting on the proposed sale on September 9, 2014, at Waimanalo School Cafeteria, Waimanalo, Hawaii, following publication of notice in the Honolulu Star-Advertiser newspaper on September 5 and 9, 2014. 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 these parcels. Copies of the draft resolutions were provided to OHA on September 30, 2014.


The attached documents provide more information on these properties to the Committee:


1. A map showing the general location of the parcels;
2. A photo of each parcel; and
3. A copy of the title report prepared for these parcels.

We respectfully request your favorable consideration of these concurrent resolutions. Thank you for the opportunity to testify.

41-575 Inoaole St
Waimanalo, HI 96795

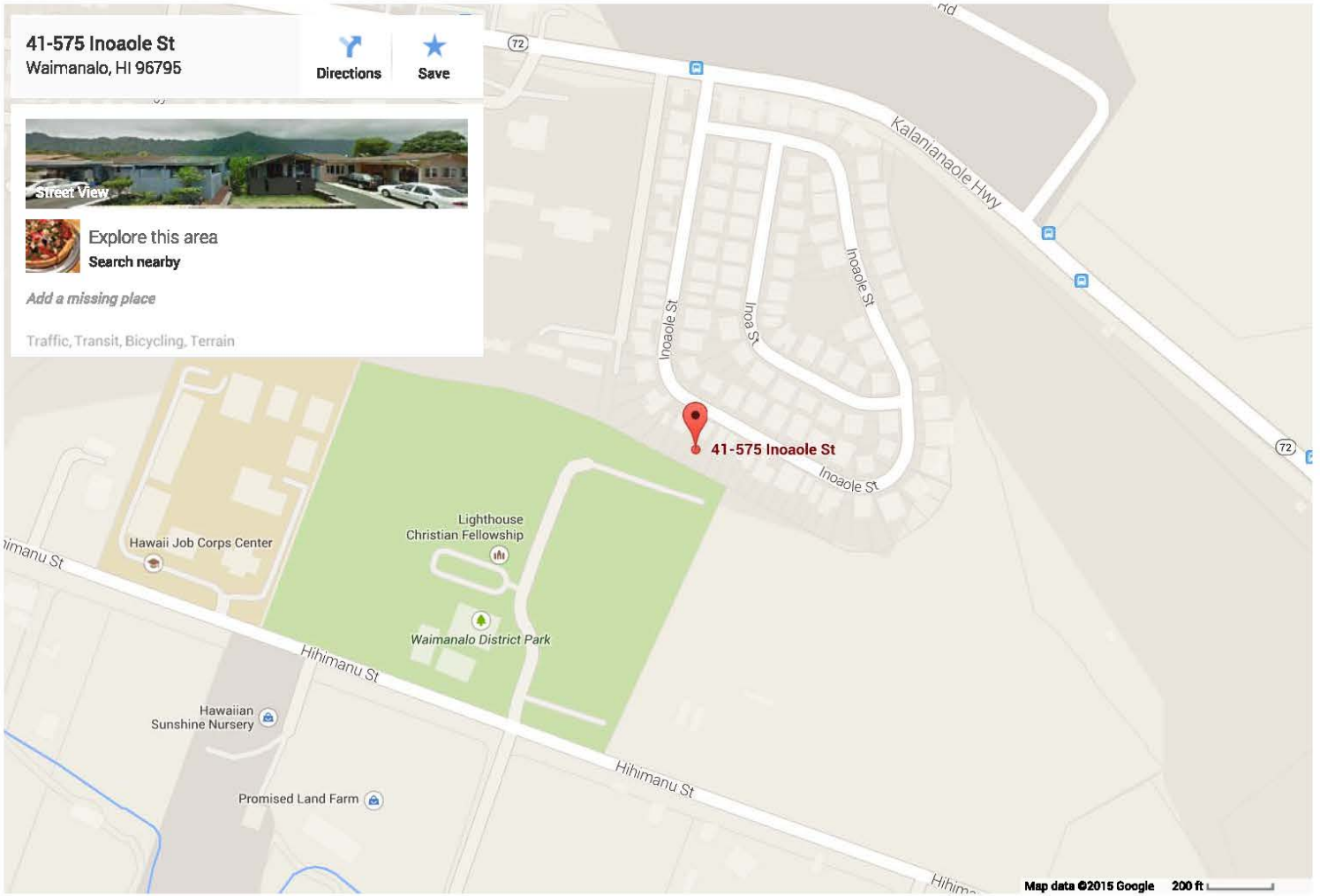
 **Directions**  **Save**

 **Street View**

 **Explore this area**
Search nearby

[Add a missing place](#)

Traffic, Transit, Bicycling, Terrain



41-575 Inoaole St

Map data ©2015 Google 200 ft



TITLE GUARANTY OF HAWAII

I N C O R P O R A T E D

235 QUEEN STREET
HONOLULU, HAWAII 96813

Phone No. (808) 539-7743

Residential Title

Fax No. (808) 521-0288

Lorna Kametani, Housing Sales Coordinator
HHFDC-Real Estate Services Section
677 Queen Street, Suite 300
Honolulu, Hawaii 96813

Re: TMK (1) 4-1-033-057

LIMITED LETTER REPORT

Maximum liability limited to
\$3,500.00

In accordance with your request, we have made a search as to the Fee Simple ownership of the property identified as Tax Map Key (1) 4-1-033-057, containing an area of 4,615 square feet, and find that the land as of August 15, 1895 was a portion of the Government Land of Waimanalo.

1. Land is classified as Government Land as of August 15, 1895.
2. HAWAII HOUSING AUTHORITY acquired title through Land Patent Grant Number S-15,206 as attached.

Dated September 4, 2014

Inquiries concerning this report
Should be directed to
Angela Reis
Email: areis@tghawaii.com
Fax (808) 521-0210
Telephone (808) 539-7789
Refer to Order No. 201438469

41-543 Inoa St
Waimanalo, HI 96795

 Directions

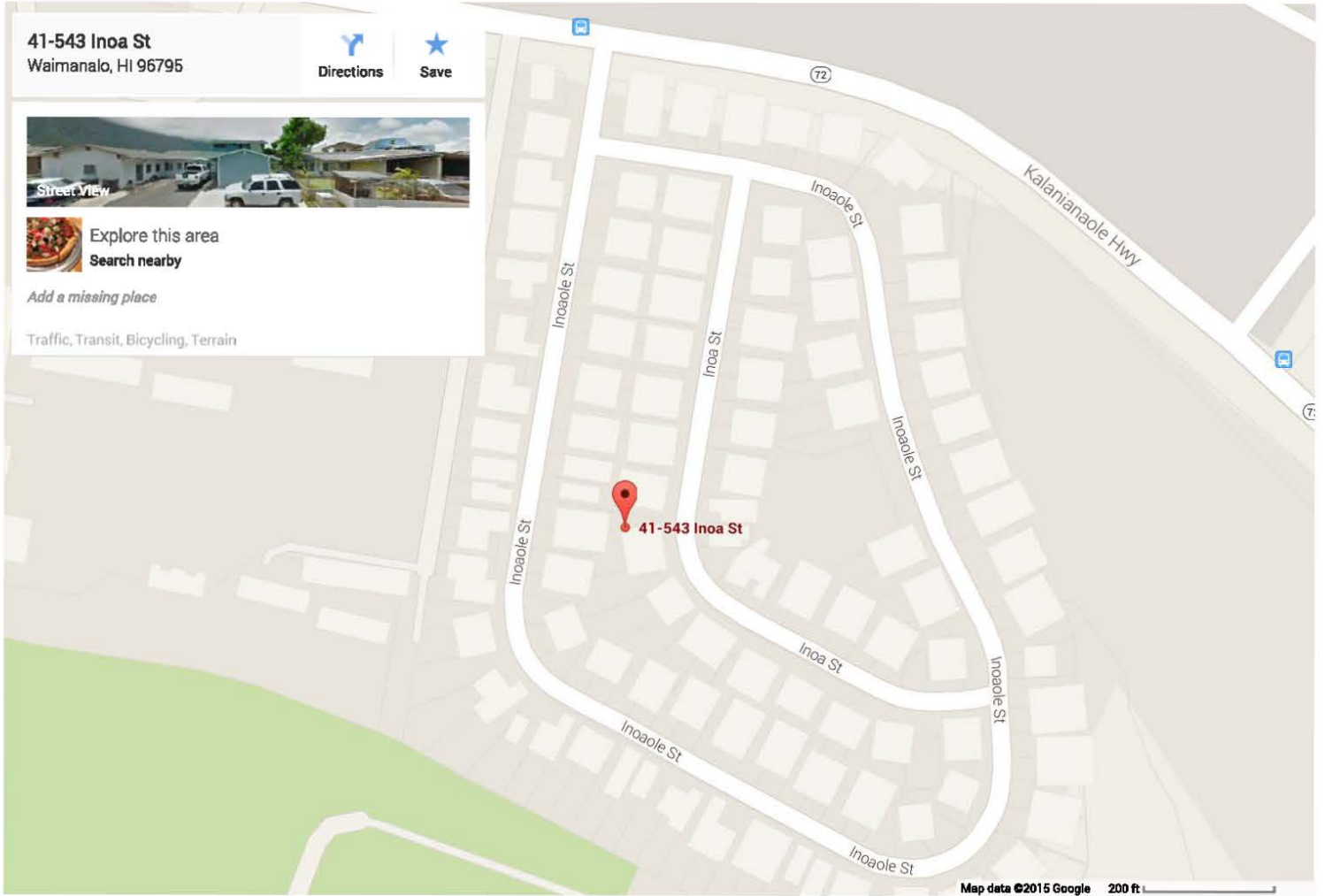
 Save



Explore this area
Search nearby

Add a missing place

Traffic, Transit, Bicycling, Terrain



Map data ©2015 Google 200 ft



Image capture: Jun 2011 © 2015 Google

TITLE GUARANTY OF HAWAII

I N C O R P O R A T E D

235 QUEEN STREET
HONOLULU, HAWAII 96813

Phone No. (808) 539-7743

Residential Title

Fax No. (808) 521-0288

Lorna Kametani, Housing Sales Coordinator
HHFDC-Real Estate Services Section
677 Queen Street, Suite 300
Honolulu, Hawaii 96813

Re: TMK (1) 4-1-033-141

LIMITED LETTER REPORT

Maximum liability limited to
\$3,500.00

In accordance with your request, we have made a search as to the Fee Simple ownership of the property identified as Tax Map Key (1) 4-1-033-141, containing an area of 4,272 square feet, and find that the land as of August 15, 1895 was a portion of the Government Land of Waimanalo.

1. Land is classified as Government Land as of August 15, 1895.
2. HAWAII HOUSING AUTHORITY acquired title through Land Patent Grant Number S-15,206 as attached.

Dated September 4, 2014

Inquiries concerning this report
Should be directed to
Angela Reis
Email: areis@tghawaii.com
Fax (808) 521-0210
Telephone (808) 539-7789
Refer to Order No. 201438471

STATE OF HAWAII

Land Patent No. S-15,206

(Grant)
Issued On

SALE PURSUANT TO SECTION 171-95(a) (1)
HAWAII REVISED STATUTES

By THIS PATENT the State of Hawaii, in conformity with the laws of the State of Hawaii relating to public lands and pursuant to the approval by the Board of Land and Natural Resources on May 10, 1974,

makes known to all men that it does this day grant and confirm unto

HAWAII HOUSING AUTHORITY,
a Hawaii corporation and body public,
hereinafter called the "PATENTEE",

for the consideration of ONE DOLLAR (\$1.00),

all of the land situate at WAIMANALO, KOOLAUPOKO, OAHU, HAWAII, being a portion of the Government Land of Waimanalo, situated on the southerly side of Kalaniana'ole Highway, Adjacent to Waimanalo School, more particularly described in Exhibit "A" and delineated on Exhibit "B", both of which are attached hereto and made a part hereof, said exhibits being, respectively, a survey description and survey map prepared by the Survey Division, Department of Accounting and General Services, State of Hawaii, both being designated C.S.F. No. 17,127 and dated June 21, 1974.

RESERVING TO THE STATE OF HAWAII, ITS SUCCESSORS AND ASSIGNS, THE FOLLOWING:

(1) All minerals as hereinafter defined, in, on or under the land and the right, on its own behalf or through persons authorized by it, to enter, sever, prospect for, mine and remove such minerals by deep mining, strip mining, drilling and any other means whatsoever, and to occupy and use so much of the surface of the land as may be required therefor. "Minerals", as used herein, shall mean any or all oil, gas, coal, phosphate, sodium, sulphur, iron, titanium, gold, silver, bauxite, bauxitic clay, diaspore, boehmite, laterite, gibbsite, alumina, all ores of aluminum and, without limitation thereon, all other mineral substances and ore deposits, whether solid, gaseous or liquid, in, on or under the land; provided, that "minerals" shall not include sand, gravel, rock or other material suitable for use and when used in road construction.

COPY

(2) All surface and ground waters appurtenant to the said land and the right on its own behalf or through persons authorized by it, to capture, divert or impound the same and to occupy and use so much of said land as may be required in the exercise of this reserved right.

Provided, however, that as a condition precedent to the exercise of the rights reserved in Paragraphs 1 and 2, just compensation shall be paid to the Patentee for any of Patentee's improvements taken.

THE PATENTEE covenants, for itself, its successors and assigns, that the use and enjoyment of the land herein granted shall not be in support of any policy which discriminates against anyone based upon race, creed, color or national origin.

TO HAVE AND TO HOLD said granted land unto the said

HAWAII HOUSING AUTHORITY,
a Hawaii corporation and body politic,

its successors and assigns forever, subject, however, to the reservations and covenant herein set forth.

IN WITNESS WHEREOF, the State of Hawaii, by its Board of Land and Natural Resources, has caused the Seal of the Department of Land and Natural Resources to be hereunto affixed and this Patent to be duly executed this 5th day of September, 1974.

STATE OF HAWAII
Board of Land and Natural Resources

By *[Signature]*
Chairman and Member

By *[Signature]*
Member

APPROVED AS TO FORM:

[Signature]
Deputy Attorney General
Dated: *9-21-74*

Written by: *mm*

Proofed by:



STATE OF HAWAII

SURVEY DIVISION

DEPT. OF ACCOUNTING AND GENERAL SERVICES

HONOLULU

C.S.F. No. 17,127

June 21, 1974

PORTION OF THE GOVERNMENT LAND OF WAIMANALO

Situated on the southerly side of Kalaniana'ole Highway
Adjacent to Waimanalo School

Waimanalo, Koolau-poko, Oahu, Hawaii

Beginning at the northwest corner of this parcel of land, the northeast corner of Waimanalo School (Governor's Executive Order 1521), and on the southerly side of Kalaniana'ole Highway, the coordinates of said point of beginning referred to Government Survey Triangulation Station "KAILUA" being 13,556.64 feet South and 20,885.08 feet East, as shown on Government Survey Registered Map 2681, thence running by azimuths measured clockwise from True South:

1. 279° 06' 416.91 feet along the southerly side of Kalaniana'ole Highway;
2. Thence along the southerly side of Kalaniana'ole Highway, on a curve to the right with a radius of 775.00 feet, the chord azimuth and distance being:
291° 58' 58" 345.58 feet;

Thence along the middle of stream, along Government Land for the next twelve (12) courses, the direct azimuths and distances between points in the middle of said stream being:

- | | | |
|-----|--------------|--------------|
| 3. | 3° 34' | 178.75 feet; |
| 4. | 345° 04' | 283.89 feet; |
| 5. | 338° 01' | 205.71 feet; |
| 6. | 356° 14' | 394.63 feet; |
| 7. | 27° 02' | 85.88 feet; |
| 8. | 44° 55' 30" | 68.67 feet; |
| 9. | 57° 08' 30" | 148.77 feet; |
| 10. | 90° 04' | 108.87 feet; |
| 11. | 116° 53' 30" | 107.24 feet; |

EXHIBIT "A"

C.S.F. No. 17,127

June 21, 1974

12. 119° 10' 275.86 feet;
13. 116° 51' 30" 265.35 feet;
14. 115° 02' 30" 189.29 feet;
15. 189° 06' 1068.76 feet along Waimanalo School
(Governor's Executive Orders
1648 and 1521) to the point
of beginning and containing
an Area of 25.523 Acres.

SURVEY DIVISION
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
STATE OF HAWAII

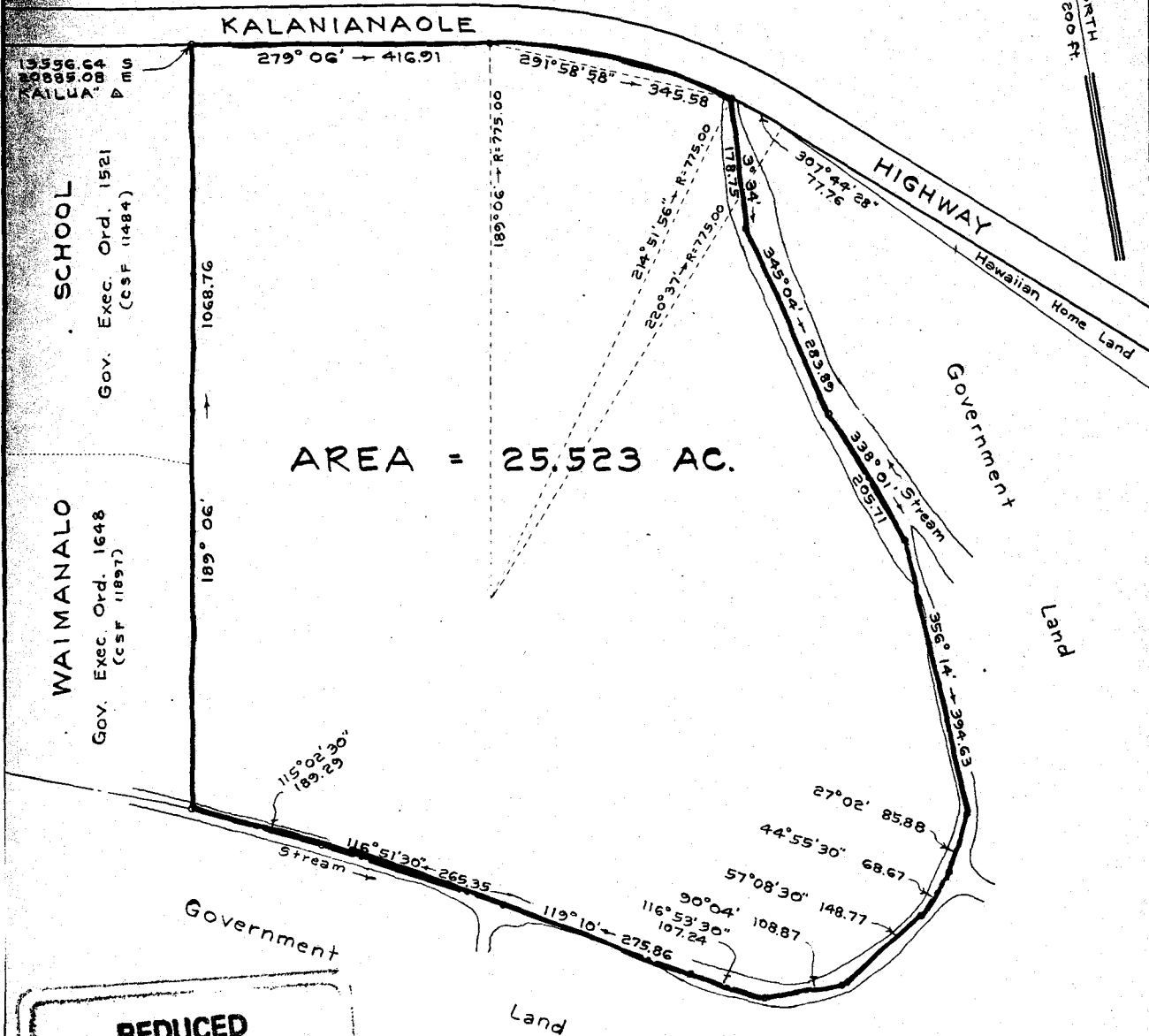
By: Ichiro Sakamoto
Ichiro Sakamoto
Land Surveyor

Compiled from
Gov't. Survey Records.

11

UNITED STATES MILITARY RESERVATION
(BElLOWS FIELD)

TRUE NORTH
Scale: 1 in. = 200 ft.



**REDUCED
NOT TO SCALE**

PORTION OF THE GOVERNMENT LAND OF WAIMANALO
Situating on the southerly side of Kalaniana'ole Highway
Adjacent to Waimanalo School
Waimanalo, Koolaupoko, Oahu, Hawaii
Scale: 1 inch = 200 feet

EXHIBIT "B"

JOB 0-6191
C. BK

TAX MAP 4-1-09

SURVEY DIVISION
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
STATE OF HAWAII

C. S. F. No. 17127

15 June 21, 1974



SCR9
**APPROVING THE SALE OF THE LEASED FEE INTEREST IN 41-575 INOAOLE STREET,
WAIMĀNALO, HAWAII.**

Senate Committee on Human Services and Housing

March 5, 2015

2:15 p.m.

Room 016

The Office of Hawaiian Affairs (OHA) offers the following **COMMENTS** on SCR9, 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 SCR9 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.**

SCR9 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 as follows:

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 SCR9 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 41-575 Inoaole Street, for the following reasons:

- As of 2014, 171 of 190 of the total units in Hale Aupuni have had the fee simple interest sold (89% 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. Accordingly, 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.

Therefore, OHA does not oppose the proposed sale in SCR9. Mahalo for the opportunity to testify on this measure.