

H.B. NO. 1037

A BILL FOR AN ACT

RELATING TO THE SALE OF QUALIFYING LEASEHOLD CONDOMINIUMS AND
SINGLE FAMILY HOUSE LOTS OWNED BY THE HAWAII HOUSING
FINANCE AND DEVELOPMENT CORPORATION.

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

1 SECTION 1. The legislature finds that in the 1970s and
2 1980s, predecessor agencies to the Hawaii housing finance and
3 development corporation developed several leasehold subdivisions
4 and acquired leasehold condominiums as part of their
5 mission to provide affordable home ownership opportunities to
6 Hawaii residents. Over the years, homeowners were given the
7 opportunity to purchase the leased fee interest in several of
8 these developments.

9 The legislature further finds that although the process of
10 obtaining legislative approval of the sale of the fee interest
11 in land is an important check and balance to the alienation of
12 large tracts of state lands, it is a costly and burdensome
13 process when applied to individual lessee-homeowners. In order
14 to ensure that the requirements of section 171-64.7, Hawaii
15 Revised States, are met, in the interim before a legislative
16 session in which legislative approval is sought, Hawaii housing
17 finance and development corporation lessees must undergo a

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1 process that takes over a full calendar year to complete before
2 the sale can be closed, assuming that the legislature approves
3 the proposed sale.

4 The legislature further finds that the intent of Act 176,
5 Session Laws of Hawaii 2009, was to "establish a more
6 comprehensive process for the sale of state-owned land, and to
7 reserve a larger role for the legislature to assure that key
8 information about certain sales or exchanges of land is shared
9 with the legislature." It was not the legislature's intent to
10 unduly burden individual homeowners in subdivisions and
11 condominiums in which the majority of their neighbors had
12 already acquired fee simple interest in their homes.

13 The legislature also finds that, because it does not serve
14 the legislative intent of Act 176, Session Laws of Hawaii 2009,
15 individual sales of the leased fee interest in a leasehold
16 condominium unit or single family house lot to its lessee by the
17 Hawaii housing finance and development corporation should be
18 exempt from the legislative approval process if the following
19 conditions exist:

20 (1) One of the corporation's predecessor agencies approved
21 the sale of the leased fee interest to lessees of the

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1 condominium or development in which the unit or house
2 lot is located no later than November 4, 1994;

3 (2) The leased fee interest in more than fifty per cent of
4 all units in the condominium or development in which
5 the unit or house lot is located was sold or otherwise
6 transferred prior to July 13, 2009; and

7 (3) The sale is to the lessee of record of the unit or
8 house lot.

9 The purpose of this Act is to exempt certain specific homes
10 and condominium units in affordable developments that fit the
11 above-mentioned conditions from the legislative approval
12 requirements of section 171-64.7, Hawaii Revised Statutes.

13 SECTION 2. The following house lots, which are not located
14 on lands that were government or crown lands previous to
15 August 15, 1895, or acquired by the State in exchange for such
16 lands, shall be exempt from the requirements of section 171-
17 64.7, Hawaii Revised Statutes:

18 (1) 47-394 Keohapa place, Kaneohe, Hawaii, tax map key
19 number 1-4-7-55-65;

20 (2) 47-374 Keohapa place, Kaneohe, Hawaii, tax map key
21 number 1-4-7-55-75;

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1 (3) 47-393 Keohapa place, Kaneohe, Hawaii, tax map key
2 number 1-4-7-55-86;

3 (4) 47-389 Kapehe street, Kaneohe, Hawaii, tax map key
4 number 1-4-7-55-100;

5 (5) 47-391 Kapehe street, Kaneohe, Hawaii, tax map key
6 number 1-4-7-55-101;

7 (6) 2969 Ohiohi street, Lihue, Hawaii, tax map key number
8 4-3-6-023-074; and

9 (7) 92-737 Paakai street, Kapolei, Hawaii, tax map key
10 number 1-9-2-06-108.

11 SECTION 3. The following condominium units, which were not
12 built on lands that were government or crown lands previous to
13 August 15, 1895, or acquired by the State in exchange for such
14 lands, shall be exempt from the requirements of section 171-
15 64.7, Hawaii Revised Statutes:

16 (1) 95-013 Kuahelani avenue, number 114, Mililani, Hawaii,
17 tax map key number 1-9-4-5-34-14;

18 (2) 95-029 Kuahelani avenue, number 127, Mililani, Hawaii,
19 tax map key number 1-9-4-5-34-26;

20 (3) 95-029 Kuahelani avenue, number 128, Mililani, Hawaii,
21 tax map key number 1-9-4-5-34-27;

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- 1 (4) 95-029 Kuahelani avenue, number 131, Mililani, Hawaii,
2 tax map key number 1-9-4-5-34-30;
- 3 (5) 95-033 Kuahelani avenue, number 133, Mililani, Hawaii,
4 tax map key number 1-9-4-5-34-32;
- 5 (6) 95-031 Kuahelani avenue, number 139, Mililani, Hawaii,
6 tax map key number 1-9-4-5-34-38;
- 7 (7) 94-940 Meheula parkway, number 152, Mililani, Hawaii,
8 tax map key number 1-9-4-5-34-51;
- 9 (8) 94-944 Meheula parkway, number 153, Mililani, Hawaii,
10 tax map key number 1-9-4-5-34-52;
- 11 (9) 94-944 Meheula parkway, number 155, Mililani, Hawaii,
12 tax map key number 1-9-4-5-34-54;
- 13 (10) 95-029 Kuahelani avenue, number 229, Mililani, Hawaii,
14 tax map key number 1-9-4-5-34-96;
- 15 (11) 94-942 Meheula parkway, number 244, Mililani, Hawaii,
16 tax map key number 1-9-4-5-34-111;
- 17 (12) 94-940 Meheula parkway, number 252, Mililani, Hawaii,
18 tax map key number 1-9-4-5-34-119;
- 19 (13) 94-946 Meheula parkway, number 264, Mililani, Hawaii,
20 tax map key number 1-9-4-5-34-131;
- 21 (14) 95-021 Kuahelani avenue, number 301, Mililani, Hawaii,
22 tax map key number 1-9-4-5-34-136;

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- 1 (15) 95-031 Kuaahelani avenue, number 337, Mililani, Hawaii,
2 tax map key number 1-9-4-5-34-172;
- 3 (16) 94-942 Meheula parkway, number 345, Mililani, Hawaii,
4 tax map key number 1-9-4-5-34-180;
- 5 (17) 94-946 Meheula parkway, number 363, Mililani, Hawaii,
6 tax map key number 1-9-4-5-34-198;
- 7 (18) 94-950 Meheula parkway, number 367, Mililani, Hawaii,
8 tax map key number 1-9-4-5-34-202;
- 9 (19) 95-029 Kuaahelani avenue, number 426, Mililani, Hawaii,
10 tax map key number 1-9-4-5-34-209;
- 11 (20) 2949 Ala Ilima street, number 204, Honolulu, Hawaii,
12 tax map key number 1-1-1-61-2-4;
- 13 (21) 2949 Ala Ilima street, number 302, Honolulu, Hawaii,
14 tax map key number 1-1-1-61-2-6; and
- 15 (22) 2949 Ala Ilima street, number 504, Honolulu, Hawaii,
16 tax map key number 1-1-1-61-2-16.

17 SECTION 4. The following house lots, which are located on
18 lands that were government or crown lands previous to
19 August 15, 1895, or acquired by the State in exchange for such
20 lands, shall be exempt from the requirements of section 171-
21 64.7, Hawaii Revised Statutes:

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- 1 (1) 26 Ke Ala Oluolu way, Kaunakakai, Hawaii, tax map key
2 number 2-5-7-11-66;
- 3 (2) 15 Ke Ala Oluolu way, Kaunakakai, Hawaii, tax map key
4 number 2-5-7-11-70;
- 5 (3) 19 Ke Ala Oluolu way, Kaunakakai, Hawaii, tax map key
6 number 2-5-7-11-71;
- 7 (4) 35 Ke Ala Oluolu way, Kaunakakai, Hawaii, tax map key
8 number 2-5-7-11-76;
- 9 (5) 47 Ke Ala Oluolu way, Kaunakakai, Hawaii, tax map key
10 number 2-5-7-11-78;
- 11 (6) 60 Ke Ala Oluolu way, Kaunakakai, Hawaii, tax map key
12 number 2-5-7-11-84;
- 13 (7) 2320 10th avenue, Honolulu, Hawaii, tax map key number
14 1-3-4-3-39;
- 15 (8) 41-1418 Waikaloa street, Waimanalo, Hawaii, tax map
16 key number 1-4-1-12-153;
- 17 (9) 41-1410 Waikaloa street, Waimanalo, Hawaii, tax map
18 key number 1-4-1-12-156;
- 19 (10) 41-1404 Waikaloa street, Waimanalo, Hawaii, tax map key
20 number 1-4-1-12-157;
- 21 (11) 41-1366 Waikaloa street, Waimanalo, Hawaii, tax map key
22 number 1-4-1-12-161;

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- 1 (12) 41-1362 Waikalua street, Waimanalo, Hawaii, tax map key
2 number 1-4-1-12-162;
- 3 (13) 41-1361 Waikalua street, Waimanalo, Hawaii, tax map key
4 number 1-4-1-12-164;
- 5 (14) 41-1367 Waikalua street, Waimanalo, Hawaii, tax map key
6 number 1-4-1-12-166;
- 7 (15) 41-556 Kamanaaina place, Waimanalo, Hawaii, tax map key
8 number 1-4-1-34-91;
- 9 (16) 41-554 Kamanaaina place, Waimanalo, Hawaii, tax map key
10 number 1-4-1-34-94;
- 11 (17) 41-555 Kamanaaina place, Waimanalo, Hawaii, tax map key
12 number 1-4-1-34-95;
- 13 (18) 41-557 Kamanaaina place, Waimanalo, Hawaii, tax map key
14 number 1-4-1-34-96;
- 15 (19) 41-1361 Kuhimana street, Waimanalo, Hawaii, tax map key
16 number 1-4-1-34-98;
- 17 (20) 41-1366 Kuhimana street, Waimanalo, Hawaii, tax map key
18 number 1-4-1-34-101;
- 19 (21) 41-1362 Kuhimana street, Waimanalo, Hawaii, tax map key
20 number 1-4-1-34-102;
- 21 (22) 41-1358 Kuhimana street, Waimanalo, Hawaii, tax map key
22 number 1-4-1-34-103;

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- 1 (23) 41-1357 Laukalo street, Waimanalo, Hawaii, tax map key
2 number 1-4-1-34-104;
- 3 (24) 41-1363 Laukalo street, Waimanalo, Hawaii, tax map key
4 number 1-4-1-34-105;
- 5 (25) 41-1367 Laukalo street, Waimanalo, Hawaii, tax map key
6 number 1-4-1-34-106;
- 7 (26) 41-1364 Laukalo street, Waimanalo, Hawaii, tax map key
8 number 1-4-1-34-107;
- 9 (27) 41-1370 Laukalo street, Waimanalo, Hawaii, tax map key
10 number 1-4-1-34-108;
- 11 (28) 41-1374 Laukalo street, Waimanalo, Hawaii, tax map key
12 number 1-4-1-34-109;
- 13 (29) 41-1380 Laukalo street, Waimanalo, Hawaii, tax map key
14 number 1-4-1-34-110;
- 15 (30) 41-1384 Laukalo street, Waimanalo, Hawaii, tax map key
16 number 1-4-1-34-111;
- 17 (31) 41-1390 Laukalo street, Waimanalo, Hawaii, tax map key
18 number 1-4-1-34-112;
- 19 (32) 41-1395 Haunaukoi street, Waimanalo, Hawaii, tax map
20 key number 1-4-1-34-88;
- 21 (33) 41-1389 Haunaukoi street, Waimanalo, Hawaii, tax map
22 key number 1-4-1-34-114;

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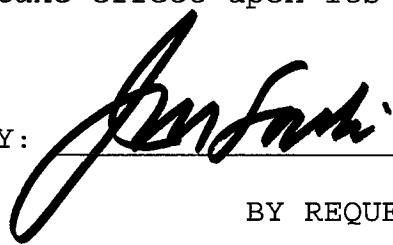
- 1 (34) 41-1385 Haunaukoi street, Waimanalo, Hawaii, tax map
2 key number 1-4-1-34-115;
- 3 (35) 41-1373 Haunaukoi street, Waimanalo, Hawaii, tax map
4 key number 1-4-1-34-117;
- 5 (36) 41-1367 Haunaukoi street, Waimanalo, Hawaii, tax map
6 key number 1-4-1-34-118;
- 7 (37) 41-697 Inoaole street, Waimanalo, Hawaii, tax map key
8 number 1-4-1-33-9;
- 9 (38) 41-659 Inoaole street, Waimanalo, Hawaii, tax map key
10 number 1-4-1-33-24;
- 11 (39) 41-643 Inoaole street, Waimanalo, Hawaii, tax map key
12 number 1-4-1-33-30;
- 13 (40) 41-635 Inoaole street, Waimanalo, Hawaii, tax map key
14 number 1-4-1-33-33;
- 15 (41) 41-633 Inoaole street, Waimanalo, Hawaii, tax map key
16 number 1-4-1-33-34;
- 17 (42) 41-613 Inoaole street, Waimanalo, Hawaii, tax map key
18 number 1-4-1-33-42;
- 19 (43) 41-597 Inoaole street, Waimanalo, Hawaii, tax map key
20 number 1-4-1-33-49;
- 21 (44) 41-529 Inoaole street, Waimanalo, Hawaii, tax map key
22 number 1-4-1-33-76;

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- 1 (45) 41-507 Inoaole street, Waimanalo, Hawaii, tax map key
2 number 1-4-1-33-85;
- 3 (46) 41-544 Inoaole street, Waimanalo, Hawaii, tax map key
4 number 1-4-1-33-100;
- 5 (47) 41-573 Inoa street, Waimanalo, Hawaii, tax map key
6 number 1-4-1-33-129;
- 7 (48) 41-555 Inoa street, Waimanalo, Hawaii, tax map key
8 number 1-4-1-33-137;
- 9 (49) 41-531 Inoa street, Waimanalo, Hawaii, tax map key
10 number 1-4-1-33-146;
- 11 (50) 41-546 Inoa street, Waimanalo, Hawaii, tax map key
12 number 1-4-1-33-176;
- 13 (51) 41-648 Inoaole street, Waimanalo, Hawaii, tax map key
14 number 1-4-1-33-187; and
- 15 (52) 41-652 Inoaole street, Waimanalo, Hawaii, tax map key
16 number 1-4-1-33-189.

17 SECTION 5. This Act shall take effect upon its approval.

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INTRODUCED BY:  _____
BY REQUEST
JAN 23 2017

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Report Title:

The Sale of Qualifying Leasehold Condominiums and Single Family House Lots Owned by the Hawaii Housing Finance and Development Corporation; Exemption from Legislative Approval of Sale or Gift of Lands

Description:

Exempts from legislative approval the sale of the leased fee interest in certain qualified affordable leasehold condominiums and single family house lots by the Hawaii Housing Finance and Development Corporation.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

JUSTIFICATION SHEET

DEPARTMENT: Business, Economic Development, and Tourism

TITLE: A BILL FOR AN ACT RELATING TO THE SALE OF QUALIFYING LEASEHOLD CONDOMINIUMS AND SINGLE FAMILY HOUSE LOTS OWNED BY THE HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION.

PURPOSE: To exempt from legislative approval, the sale of the leased fee interest in certain Hawaii Housing Finance and Development Corporation affordable leasehold developments.

MEANS: Session law exempting specified house lots and condominium units from section 171-64.7, Hawaii Revised Statutes.

JUSTIFICATION: The process of obtaining legislative approval of the sale of the fee interest in state-owned land is a costly and burdensome process that takes individual homeowners over a full calendar to complete before the sale can be closed, assuming that the legislature approves the proposed sale.

The intent of Act 176, Session Laws of Hawaii 2009, was to "establish a more comprehensive process for the sale of state-owned land, and to reserve a larger role for the legislature to assure that key information about certain sales or exchanges of land is shared with the legislature." This intent has little application to individual house lots and condominium units in developments constructed several decades ago, and in which the majority of their neighbors had already acquired fee simple interest in their homes. Therefore, it makes sense to exempt homes in these developments that predated Act 176 from its application.

Impact on the public: Will save the administrative costs of shepherding these homes through the legislative approvals process.

Impact on the department and other agencies: Will reduce administrative burden of continually processing individual house lots and condominium units in the same developments as homeowners become able to purchase the leased fee interest to their homes.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM
DESIGNATION: BED 160.

OTHER AFFECTED
AGENCIES: Office of Hawaiian Affairs.

EFFECTIVE DATE: Upon approval.