A BILL FOR AN ACT

RELATING TO LANDS CONTROLLED BY THE STATE.

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

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

The legislature further finds that although the process of obtaining legislative approval of the sale of the fee interest in land is an important check and balance to the alienation of large tracts of state lands, it is a costly and burdensome process when applied to individual lessee-homeowners. In order to ensure that the requirements of section 171-64.7, Hawaii Revised States, are met, in the interim before a legislative session in which legislative approval is sought, Hawaii housing finance and development corporation lessees must undergo a process that takes over a full calendar year to complete before
the sale can be closed, assuming that the legislature approves
the proposed sale.

The legislature further finds that 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." It was not the legislature's intent to
unduly burden individual homeowners in subdivisions and
condominiums in which the majority of their neighbors had
already acquired fee simple interest in their homes.

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

(1) One of the corporation's predecessor agencies approved
the sale of the leased fee interest to lessees of the
condominium or development in which the unit or house
lot is located no later than November 4, 1994;
(2) The leased fee interest in more than fifty per cent of
all units in the condominium or development in which
the unit or house lot is located was sold or otherwise
transferred prior to July 13, 2009; and

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

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

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

(1) 47-374 Keohapa Place, Kaneohe, Hawaii, tax map key
number 1-4-7-55-75;

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

(3) 47-389 Kapehe Street, Kaneohe, Hawaii, tax map key
number 1-4-7-55-100;
(4) 47-391 Kapehe Street, Kaneohe, Hawaii, tax map key number 1-4-7-55-101;

(5) 2969 Ohiohi Street, Lihue, Hawaii, tax map key number 4-3-6-023-074; and

(6) 92-737 Paakai Street, Kapolei, Hawaii, tax map key number 1-9-2-06-108.

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

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

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

(3) 95-029 Kuahelani Avenue, number 131, Mililani, Hawaii, tax map key number 1-9-4-5-34-30;

(4) 95-033 Kuahelani Avenue, number 133, Mililani, Hawaii, tax map key number 1-9-4-5-34-32;

(5) 95-031 Kuahelani Avenue, number 139, Mililani, Hawaii, tax map key number 1-9-4-5-34-38;
(6) 94-940 Meheula Parkway, number 152, Mililani, Hawaii, tax map key number 1-9-4-5-34-51;
(7) 94-944 Meheula Parkway, number 153, Mililani, Hawaii, tax map key number 1-9-4-5-34-52;
(8) 94-944 Meheula Parkway, number 155, Mililani, Hawaii, tax map key number 1-9-4-5-34-54;
(9) 95-029 Kuahelani Avenue, number 229, Mililani, Hawaii, tax map key number 1-9-4-5-34-96;
(10) 94-942 Meheula Parkway, number 244, Mililani, Hawaii, tax map key number 1-9-4-5-34-111;
(11) 94-940 Meheula Parkway, number 252, Mililani, Hawaii, tax map key number 1-9-4-5-34-119;
(12) 95-021 Kuahelani Avenue, number 301, Mililani, Hawaii, tax map key number 1-9-4-5-34-136;
(13) 95-031 Kuahelani Avenue, number 337, Mililani, Hawaii, tax map key number 1-9-4-5-34-172;
(14) 94-942 Meheula Parkway, number 345, Mililani, Hawaii, tax map key number 1-9-4-5-34-180;
(15) 95-029 Kuahelani Avenue, number 426, Mililani, Hawaii, tax map key number 1-9-4-5-34-209;
(16) 2949 Ala Ilima Street, number 302, Honolulu, Hawaii, tax map key number 1-1-1-61-2-6; and
(17) 2949 Ala Ilima Street, number 504, Honolulu, Hawaii, tax map key number 1-1-1-61-2-16.

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

(1) 26 Ke Ala Oluolu Way, Kaunakakai, Hawaii, tax map key number 2-5-7-11-66;

(2) 15 Ke Ala Oluolu Way, Kaunakakai, Hawaii, tax map key number 2-5-7-11-70;

(3) 19 Ke Ala Oluolu Way, Kaunakakai, Hawaii, tax map key number 2-5-7-11-71;

(4) 35 Ke Ala Oluolu Way, Kaunakakai, Hawaii, tax map key number 2-5-7-11-76;

(5) 47 Ke Ala Oluolu Way, Kaunakakai, Hawaii, tax map key number 2-5-7-11-78;

(6) 60 Ke Ala Oluolu Way, Kaunakakai, Hawaii, tax map key number 2-5-7-11-84;

(7) 2320 10th Avenue, Honolulu, Hawaii, tax map key number 1-3-4-3-39;
(8) 41-1418 Waikalaoa Street, Waimanalo, Hawaii, tax map key number 1-4-1-12-153;
(9) 41-1410 Waikalaoa Street, Waimanalo, Hawaii, tax map key number 1-4-1-12-156;
(10) 41-1404 Waikalaoa Street, Waimanalo, Hawaii, tax map key number 1-4-1-12-157;
(11) 41-1366 Waikalaoa Street, Waimanalo, Hawaii, tax map key number 1-4-1-12-161;
(12) 41-1361 Waikalaoa Street, Waimanalo, Hawaii, tax map key number 1-4-1-12-164;
(13) 41-1367 Waikalaoa Street, Waimanalo, Hawaii, tax map key number 1-4-1-12-166;
(14) 41-556 Kamanaaina Place, Waimanalo, Hawaii, tax map key number 1-4-1-34-91;
(15) 41-554 Kamanaaina Place, Waimanalo, Hawaii, tax map key number 1-4-1-34-94;
(16) 41-555 Kamanaaina Place, Waimanalo, Hawaii, tax map key number 1-4-1-34-95;
(17) 41-557 Kamanaaina Place, Waimanalo, Hawaii, tax map key number 1-4-1-34-96;
(18) 41-1361 Kuhimana Street, Waimanalo, Hawaii, tax map key number 1-4-1-34-98;

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(19) 41-1366 Kuhimana Street, Waimanalo, Hawaii, tax map key number 1-4-1-34-101;
(20) 41-1362 Kuhimana Street, Waimanalo, Hawaii, tax map key number 1-4-1-34-102;
(21) 41-1358 Kuhimana Street, Waimanalo, Hawaii, tax map key number 1-4-1-34-103;
(22) 41-1357 Laukalo Street, Waimanalo, Hawaii, tax map key number 1-4-1-34-104;
(23) 41-1363 Laukalo Street, Waimanalo, Hawaii, tax map key number 1-4-1-34-105;
(24) 41-1367 Laukalo Street, Waimanalo, Hawaii, tax map key number 1-4-1-34-106;
(25) 41-1364 Laukalo Street, Waimanalo, Hawaii, tax map key number 1-4-1-34-107;
(26) 41-1370 Laukalo Street, Waimanalo, Hawaii, tax map key number 1-4-1-34-108;
(27) 41-1374 Laukalo Street, Waimanalo, Hawaii, tax map key number 1-4-1-34-109;
(28) 41-1380 Laukalo Street, Waimanalo, Hawaii, tax map key number 1-4-1-34-110;
(29) 41-1384 Laukalo Street, Waimanalo, Hawaii, tax map key number 1-4-1-34-111;
(30) 41-1390 Laukalo Street, Waimanalo, Hawaii, tax map key number 1-4-1-34-112;

(31) 41-1395 Haunaukoi Street, Waimanalo, Hawaii, tax map key number 1-4-1-34-88;

(32) 41-1389 Haunaukoi Street, Waimanalo, Hawaii, tax map key number 1-4-1-34-114;

(33) 41-1385 Haunaukoi Street, Waimanalo, Hawaii, tax map key number 1-4-1-34-115;

(34) 41-1367 Haunaukoi Street, Waimanalo, Hawaii, tax map key number 1-4-1-34-118;

(35) 41-697 Inoaole Street, Waimanalo, Hawaii, tax map key number 1-4-1-33-9;

(36) 41-643 Inoaole Street, Waimanalo, Hawaii, tax map key number 1-4-1-33-30;

(37) 41-635 Inoaole Street, Waimanalo, Hawaii, tax map key number 1-4-1-33-33;

(38) 41-633 Inoaole Street, Waimanalo, Hawaii, tax map key number 1-4-1-33-34;

(39) 41-613 Inoaole Street, Waimanalo, Hawaii, tax map key number 1-4-1-33-42;

(40) 41-597 Inoaole Street, Waimanalo, Hawaii, tax map key number 1-4-1-33-49;
(41) 41-507 Inoaole Street, Waimanalo, Hawaii, tax map key number 1-4-1-33-85;
(42) 41-544 Inoaole Street, Waimanalo, Hawaii, tax map key number 1-4-1-33-100;
(43) 41-573 Inoa Street, Waimanalo, Hawaii, tax map key number 1-4-1-33-129;
(44) 41-555 Inoa Street, Waimanalo, Hawaii, tax map key number 1-4-1-33-137;
(45) 41-531 Inoa Street, Waimanalo, Hawaii, tax map key number 1-4-1-33-146; and
(46) 41-546 Inoa Street, Waimanalo, Hawaii, tax map key number 1-4-1-33-176.

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

INTRODUCED BY: ___________________________

BY REQUEST

JAN 22 2019
Report Title:
Lands Controlled by the State; Exemption from Legislative Approval of Sale or Gift of Lands

Description:
Exempts from legislative approval the sale of the leased fee interest in certain affordable leasehold developments 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.
DEPARTMENT: Business, Economic Development, and Tourism

TITLE: A BILL FOR AN ACT RELATING TO LANDS CONTROLLED BY THE STATE.

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 leased 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." There are individual leasehold house lot and condominium unit owners in developments constructed several decades ago who have the right to acquire the fee interest in their properties, and where the majority of their neighbors have already acquired fee simple interests in their homes. This legislation would allow the remaining homes in these developments that predated Act 176 to be exempt from section 171-64.7, HRS.
Impact on the public:
Will save the administrative costs of shepherding these homes through the legislative approval process, saving time and expense for the subject homeowner.

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: Minimal impact on the Dwelling Unit Revolving fund's administrative expenses.

PPBS PROGRAM DESIGNATION: BED 160.

OTHER AFFECTED AGENCIES: Office of Hawaiian Affairs.

EFFECTIVE DATE: Upon approval.