

Lease Transfers: Right of First Refusal to Homestead Applicants on the Waitlist

January 2018; Item C-4

Roadmap

• <u>Issue</u>: Whether homestead applicants on the waitlist should have a right of first refusal for homestead lease transfers.

• <u>Overview</u>: Past implementation of lease transfers.

Lease transfers to the waitlist for FY16 to November FY18.

Issue

• HHCA section 208 allows lease transfers with approval of the commission.

- Approximately 27,000 applicants.
- Essentially, two options exist:
 - Award from the Department; or
 - Lease transfer from a current lessee.

Overview: Implementation

- 1953 Hawaiian Homes Commission Procedure Manual:
 - The proposed transferee was cross-referenced against applicants to ascertain relative priority.
 - Applicants with a higher priority were polled for interest.
 - A conference between the transferor and the interested applicant with the highest priority was arranged for final negotiations.

Overview: Implementation

• 1977 Rules and Regulations:

- Lessee had to hold the lease for at least 7 years.
- Transfer could be made to any individual who qualifies under the act and is at least 21 years old.
- Feb. 1983 Hawaii Administrative Rules:
 - Transfer to any individual who qualifies under the act and is at least 21 years old.
- Sept. 1983 Hawaii Administrative Rules:
 - Transfer to any individual who qualifies under the act and is at least 18 years old.

Overview: Implementation

- 1998 Hawaii Administrative Rules:
 - Transfer to any individual who is native Hawaiian and at least 18 years old.
- 2017 Hawaii Administrative Rules:

 Transfer to any individual who is at least 18 years old and qualified under the act provided vacant lots, undeveloped lots, or undivided interests shall not be sold. Transfers to qualified relatives or beneficiaries on the waitlist have priority processing.

Lease Transfers FY16

FY16					
Month	Transfers to applicant/total transfers	Application date range	Relationship		
			Qualified		
			Family	Friend	None
July	7/19	1986-2015	1		6
August	8/28	1993-2010	6		2
September	4/17	2003-2014	1		3
October	7/17	2005-2013	5		2
November	8/17	1982-2014	2		6
December	11/14	1987-2011	7		3
January	7/28	1976-2010	2		5
February	6/19	1979-2010	5		1
March	8/20	1995-2015	4	1	3
April	8/20	1988-2015	6		2
May	17/33	1986-2015	5	2	10
June	6/18	2010-2015	2		4
Total	97/259		46	3	47

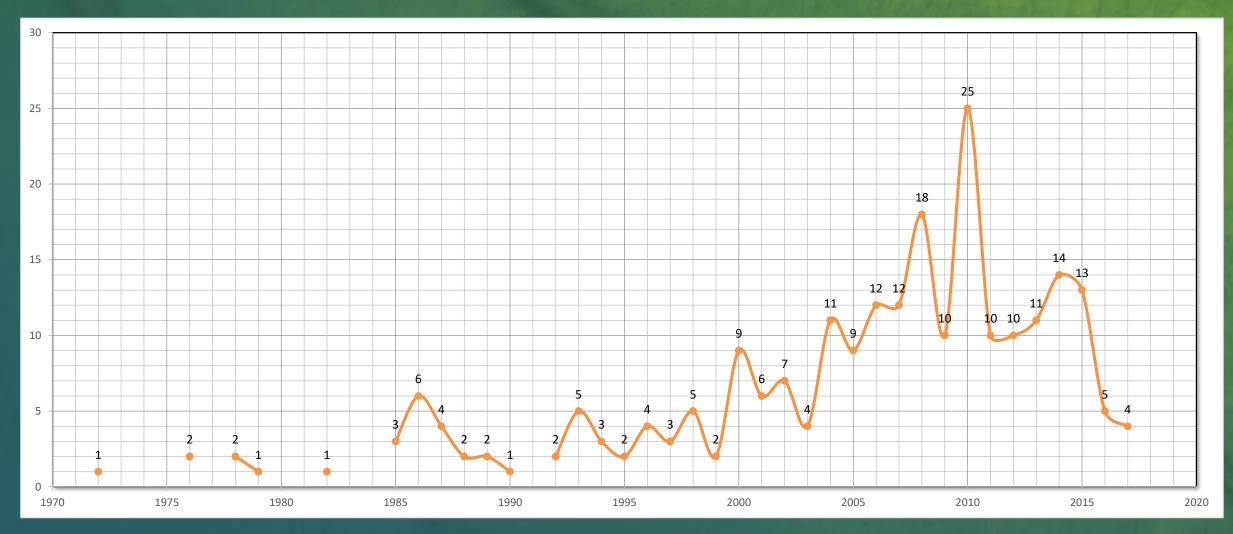
Lease Transfers FY17

FY17						
Month		A souli e e ti e se	Relationship			
	Transfers to applicant/total	Application				
	transfers	date range	Qualified Family	Friend	None	
July	2/9	1987-2001	2			
August	13/21	1986-2013	6		7	
September	1/10	2010			1	
October	10/25	1976-2016	6		4	
November	3/10	1996-2014			3	
December	6/10	2000-2008	3		3	
January	7/15	1978-2013	3		4	
February	10/23	2000-2014	4		6	
March	5/27	2000-2012	2		3	
April	12/27	1985-2016	6		6	
May	7/14	1998-2015	3		4	
June	10/30	1978-2016	6		4	
Total	86/229		41	0	45	

Lease Transfers FY18

FY18							
Month	Transfers to applicant/total transfers		Relationship				
			Qualified Family	Friend	None		
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July	8/18	1972-2006	4		4		
August	5/14	1999-2015	5				
September	8/29	2002-2013	2		6		
October	17/40	1987-2017	7		10		
November	8/27	1992-2017	1		7		
December	8/18	1985-2010	2	2	4		
Total	54/146		21	2	31		

Lease Transfers and Application Dates FY16 to FY18



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