June 13, 2012

The Honorable Ernest Y. Martin, Chair
and Members
Honolulu City Council
530 South King Street, Room 202
Honolulu, Hawaii 96813

Dear Chair Martin and Councilmembers:

Subject: Resolution for the Sale of the Haleiwa Regional Park
Vacant Parcels, TMK: 6-2-03:17,19, 20, 22, 35, 38, inclusive

We request your approval to sell the Haleiwa Regional Park vacant parcels, adjacent to
the Jameson’s Restaurant property and the Lokoea Pond in Haleiwa. We are requesting that
the parcels be sold by a sealed bid process between the two abutting property owners, starting
at the minimum upset price of $300,000, based on an appraisal.

Description of the Haleiwa Regional Park Vacant Parcels

The parcels, as shown on the attached Exhibits A and A-1, are:

(1) Parcel 1, identified as TMK: 6-2-03:38, an area of 69,260 sq. ft. (1.59 ac.);
(2) Parcel 2, identified as TMK: 6-2-03:19, an area of 16,082 sq. ft. (.369 ac.);
(3) Parcel 3, identified as TMK: 6-2-03:17, an area of 13,546 sq. ft. (.311 ac.);
(4) Parcel 4, identified as TMK: 6-2-03:20 (por.), an area of 14,195 sq. ft. (.326 ac.);
(5) Parcel 5, identified as TMK: 6-2-03:20 (por.), an area of 7,675 sq. ft. (.176 ac.);
(6) Parcel 6, identified as TMK: 6-2-03:20 (por.), an area of 12,105 sq. ft. (.278 ac.);
(7) Parcel 7, identified as TMK: 6-2-03:22, an area of 14,028 sq. ft. (.322 ac.); and
(8) Parcel 8, identified as TMK: 6-2-03:35, an area of 2,856 sq. ft. (.066 ac.).

The total area of the 8 parcels is approximately 3.438 acres. The zoning for the parcels
is P-2, Preservation District.

Acquisition of Haleiwa Regional Park Vacant Parcels

The subject parcels were acquired in the early 1970’s by the City via eminent domain
proceedings and were intended to be used as part of a 1968 Master Plan for the Haleiwa
Regional Park. The 1968 Master Plan identified a golf course, boat storage, wildlife reserve,
cabin and tent camp grounds, ball fields, and play courts. There has been no improvements made on the property nor has there been an updated Master Plan.

**Department of Parks and Recreation**

In 2010, Mr. Andy Anderson expressed an interest in acquiring TMK: 6-2-03:38, abutting his adjacent land. The Department of Parks and Recreation (DPR) reviewed the request and their projected park development plans for Haleiwa. DPR determined that the proposed Haleiwa Regional Park across Kamehameha Highway from Haleiwa Beach Park was no longer viable. An on-site inspection of the property had raised serious concerns about the cost to develop the property and the usefulness of the land for park purposes was low as it appeared to include wetlands and is subject to flooding. Therefore, the future cost to develop the property for park use would be prohibitive. DPR recommended disposing all of its Haleiwa Regional Park property and not just TMK: 6-2-003:38 because it would have no need for any of the remaining property and could not afford to develop and continue maintaining the parcels properly.

Upon rezoning of the Haleiwa Regional Park vacant parcel(s), the property owner shall be required to develop a portion of the property as a park which shall be conveyed to a private non-profit organization to be determined that shall be responsible for the maintenance of the park for the benefit of the general public.

**Department of Planning and Permitting**

Because the Haleiwa Regional Park parcels are substandard in size by P-2 zoning development standards and because some of the parcels are landlocked, the Department of Planning and Permitting (DPP) limited the sale of the parcels to the abutting property owners, with the condition that the parcels be consolidated with an abutting property.

Any development within the parcels will be subject to compliance with provisions of the Flood Hazard District Ordinance, the Haleiwa Special District, the Special Management Area, and the North Shore Sustainable Communities Plan (Ordinance11-3, dated May 3, 2011), as well as the standards and provisions of the underlying P-2 Preservation District zoning.

**Abutting Property Owners**

All of the Haleiwa Regional Park vacant parcels were offered to all three abutting property owners:

- Dominis Garrida Anderson and Jean Milicent Anderson (hereinafter collectively referred to as “Andersons”), as the abutting property owners of TMK: 6-2-003:14;
- Kamehameha Schools, as the abutting property owner of TMK: 6-2-003:2 and TMK: 6-2-002:25, 31; and
• State of Hawaii, Department of Transportation Services, the abutting property owner of a portion of Kamehameha Highway, fronting TMK: 6-2-003:22. The State is not interested in acquiring the parcels.

Because only two abutting property owners, the Andersons and the Kamehameha Schools, are interested in acquiring the Haleiwa Regional Park vacant parcels, we recommend that the parcels be sold by a sealed bid process between the two abutting property owners starting at the minimum upset price of $300,000. The parcels will be sold to the successful bidder submitting the highest bid.

The total sale proceeds received from the sealed bidding will be deposited and expended only for the acquisition of property for park or recreational purposes pursuant to Section 46-1.5 (16), Hawaii Revised Statutes, as amended and Section 37-1.4, (c), Revised Ordinances of Honolulu, as amended.

The hard copy and diskette containing the proposed Resolution are attached. If you have any questions, please feel free to call me at ext. 83901.

Sincerely,

Michael R. Hansen, Director
Department of Budget and Fiscal Services

MRH:dm
Attachments

Approved as to Form and Legality:

Robert Carson Godbey
Corporation Counsel

Approved:

Douglas S. Chin
Managing Director
RESOLUTION

APPROVING THE SALE OF THE HALEIWA REGIONAL PARK VACANT PARCELS
BY SEALED BIDDING BETWEEN THE TWO ABUTTING PROPERTY OWNERS,
TMK: 6-2-03:17, 19, 20, 22, 35, AND 38, INCLUSIVE.

WHEREAS, Section 46-1.5(16)(C), Hawaii Revised Statutes (HRS), as
amended, authorizes the counties, under certain conditions, to dispose of real property
as the interests of the inhabitants of the county may require, and that all proceeds from
the sale of park lands shall be expended only for the acquisition of property for park or
recreational purposes; and

WHEREAS, Sections 46-61 and 101-2 HRS authorizes the counties to take
private property for public use and dispose of the excess property to the abutting
property owners; and

WHEREAS, the City owns in fee Parcels 1 to 8, inclusive, identified as
TMK: 6-2-03:17, 19, 20, 22, 35, and 38, hereinafter referred to as the Haleiwa Regional
Park vacant parcels; and

WHEREAS, the Haleiwa Regional Park vacant parcels, have a total area of
3.438 acres, and are zoned P-2, Preservation District, and are shown on Exhibits A and
A-1, attached hereto and by reference made a part of this resolution; and

WHEREAS, the Department of Parks and Recreation (DPR), which has
jurisdiction over the Haleiwa Regional Park vacant parcels determined that the Haleiwa
Regional Park project, for which the Haleiwa Regional Park vacant parcels were
acquired, was no longer a viable project; and

WHEREAS, the DPR recommended the disposition of all of the Haleiwa Regional
Park vacant parcels because they would not have any need for any of the remaining
parcels and could not afford to develop and continue maintaining the parcels properly; and

WHEREAS, the Haleiwa Regional Park vacant parcels are substandard in size
by P-2 zoning development standards and because some of the parcels are landlocked,
the Department of Planning and Permitting limited the sale of the parcels to the abutting
property owners, with the condition that the parcels be consolidated with an abutting
property; and
RESOLUTION

WHEREAS, upon rezoning of the Haleiwa Regional Park parcel(s), the property owner shall be required to develop a portion of the property as a park, which shall be conveyed to a private non-profit organization to be determined that shall be responsible for the maintenance of the park for the benefit of the general public; and

WHEREAS, the various City agencies have no objections to the sale of the Haleiwa Regional Park vacant parcels, which have been deemed surplus to the City’s needs; and

WHEREAS, the Haleiwa Regional Park vacant parcels were offered to the following three abutting property owners: (1) Dominis Garrida Anderson and Jean Milicent Anderson (hereinafter collectively referred to as “Andersons”), the abutting property owners of TMK: 6-2-03:13; (2) Kamehameha Schools, as the abutting property owner of TMK: 6-2-03:2, 6-2-02:25 and 31; and the (3) State of Hawaii, Department of Transportation Services (“State DOT”), the abutting property owner of a portion of Kamehameha Highway, fronting TMK: 6-2-03:22; and

WHEREAS, the Andersons and Kamehameha Schools indicated an interest in acquiring the Haleiwa Regional Park vacant parcels, and the State DOT is not interested in acquiring said parcels; and

WHEREAS, the Director, Department of Budget and Fiscal Services (“BFS Director”), with the concurrence of the Corporation Counsel, has recommended to the Council of the City and County of Honolulu to sell the Haleiwa Regional Park vacant parcels, by sealed bidding between the two abutting property owners, the Andersons and the Kamehameha Schools, starting at the minimum upset price of $300,000, pursuant to Sections 37-1.2, 37-1.4, and 37-1.6, Revised Ordinances of Honolulu, 1990, as amended; and

WHEREAS, the proceeds from the sale of the Haleiwa Regional Park vacant parcels shall be expended only for the acquisition of property for park or recreational purposes pursuant to said Section 46-1.5(16)(C) HRS and Section 37-1.4 ROH; now, therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu, that it approves the sale of the Haleiwa Regional Park vacant parcels, as shown on the said Exhibits A and A-1, by sealed bidding between the two abutting property owners, the Andersons and the Kamehameha Schools starting at the minimum upset price of $300,000; and
BE IT FURTHER RESOLVED that the sale be in accordance with the recommendations and terms of the Director, and/or designee, and with all applicable laws; and

BE IT FURTHER RESOLVED by the Council of the City and County of Honolulu, that the sale proceeds shall be expended only for the acquisition of property for park or recreational purposes; and

BE IT FURTHER RESOLVED that the Director, and/or designee, shall be authorized to sign the deed and other necessary documents; and

BE IT FINALLY RESOLVED that the Clerk be directed to transmit a certified copy of this resolution to the Director, Department of Budget and Fiscal Services.

INTRODUCED BY:

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DATE OF INTRODUCTION:

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Honolulu, Hawaii

Councilmembers