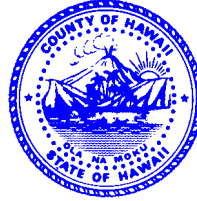


DENNIS “FRESH” ONISHI  
Council Member  
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## HAWAI‘I COUNTY COUNCIL

25 Aupuni Street, Hilo, Hawai‘i 96720

March 15, 2013

The Honorable Cindy Evans, Chair  
and Members of the House  
Committee on Water and Land

Dear Chair Evans and Committee Members,

Thank you very much for this opportunity to provide testimony in strong support of Senate Bill 1361 SD2.

The Waiākea Peninsula and its people have shaped the history of Hilo Bay from ancient times to the present. Unfortunately, the current lease structure with the Department of Land and Natural Resources gives the resort parcels on this peninsula a diminishing role. The time has come for a serious discussion about the best way to manage these parcels, if the State cannot do so effectively.

The deterioration of the properties along Banyan Drive has a major impact on the Big Island’s economy that extends far beyond the Waiākea Peninsula.

The current leases discourage active investment in the properties in Hilo’s most scenic location.

The DLNR’s mission statement is to “enhance, protect, conserve and manage Hawai‘i’s unique and limited natural, cultural and historic resources held in public trust for current and future generations of visitors and the people of Hawai‘i nei in partnership with others from the public and private sectors.” The department should focus on its core mission and leave resort management to a more responsible steward.

Please recommend approval of this bill.

Sincerely,

Dennis “Fresh” Onishi  
Hawai‘i County Council District 3



**SB1361, SD2**  
**RELATING TO BANYAN DRIVE**  
House Committee on Water and Land

March 18, 2013

8:35 a.m.

Room 325

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The Office of Hawaiian Affairs (OHA) provides the following comments on SB1361, SD 2, which requires the Department of Land and Natural Resources (DLNR) to enter into negotiations with the County of Hawai'i for the lease of lands along Banyan Drive.

OHA applauds the amendments to this bill that addressed OHA's concerns that fee simple transfer to the county could diminish the ceded land corpus and cause the state to abdicate its fiduciary obligations to Native Hawaiians. In fact, most of lands along Banyan Drive are former government or crown land that were ceded by the Republic of Hawai'i to the United States in 1898, "without the consent of or compensation to the Native Hawaiian people of Hawaii or their sovereign government[.]" P.L. 103-150 (1993).

OHA further appreciates the language in Section 1 that the legislature intends revenues from the lands along Banyan Drive to be deemed part of the pro rata portion of public land trust revenues transmitted to OHA. Because the bulk of this land falls within the public land trust established by Admission Act section 5(f), we request that this intent be specifically addressed in Section 4 "Conditions of lease."

Accordingly, we ask that the following provision be added to Section 4, paragraph (4):

The gross revenues derived by the county shall be subject to Act 178, session laws of Hawaii 2006, or any other law providing for the office of Hawaiian affairs' pro rata portion of the public land trust, pursuant to article XII, section 6, of Hawaii's constitution.

Mahalo for the opportunity to testify on this important measure.