

LATE



SB2539

RELATING TO THE HAWAII COMMUNITY DEVELOPMENT AUTHORITY

Senate Committee on Human Services

Senate Committee on Economic Development, Government Operations and Housing

February 6, 2014

1:15 p.m.

Room 016

The Office of Hawaiian Affairs (OHA) **OPPOSES** SB2539, which allows the Hawai'i Community Development Authority (HCDA) to sell reserved housing in fee simple outside of the process established by Act 176, Session Laws of Hawaii 2009. Act 176 settled a decade-long lawsuit in which OHA argued that the state cannot reduce the ceded lands corpus until Native Hawaiian claims to the ceded lands have been resolved.

Act 176 was enacted to "establish a more comprehensive process for the sale of state-owned land, and to reserve a larger oversight role for the legislature to assure that key information about certain sales or exchanges of land is shared with the legislature." In recognition of the finality and permanence of the sale of Hawai'i's precious and limited public lands, the Legislature established procedural mechanisms to provide transparency and accountability in the disposition of such lands. These mechanisms include timely notice to OHA, as well as prior approval by a supermajority of the Hawai'i State Legislature before public lands can be sold.

As a part of this comprehensive process, any state agency proposing to sell public land must submit to OHA three months prior to the start of the legislative session a draft of the agency's resolution seeking legislative approval of the proposed sale. These resolutions must include a statement as to whether the land in question is ceded, and an explanation of how the agency made this determination. This allows OHA time to determine whether the subject land is ceded land or was acquired by the state in exchange for ceded land.

This bill would contradict the legislative intent of Act 176 by allowing HCDA to sell reserved housing outside of this comprehensive process; remove legislative oversight of these sales; and make it more difficult for OHA to protect the ceded lands corpus by creating a separate process that does not provide OHA with adequate time and information necessary to determine whether lands proposed for sale are ceded lands.

Therefore, we urge your Committees to **HOLD** SB2539. Mahalo for the opportunity to testify on this important measure.

In Support of SB 2539: Relating to the Hawaii Community Development Authority

Testimony of Julie Nishimura

Thursday, Feb. 6, 2014

Chairwoman Chun Oakland and Chairman Dela Cruz, and all Committee Members,

My name is Julie Nishimura and I support SB 2539.

I support the purpose of this bill, which is to boost the number of affordable housing units in Kakaako. Without a doubt, we need to improve housing affordability in Honolulu. I particularly appreciate this bill's intent to preserve this portion of the affordable housing inventory in perpetuity.

I also appreciate this bill's intent to grant these affordable units to people earning 80% of the area median income or lower.

Thank you for the opportunity to submit testimony.