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IN REPLY REFER TO:

Statement of
Craig K. Hirai
Hawaii Housing Finance and Development Corporation
Before the

HOUSE COMMITTEE ON HOUSING

February 7, 2017 at 9:00 a.m.
State Capitol, Room 423

In consideration of
H.B. 1334
RELATING TO LAND TRANSFER.

The HHFDC **supports the intent** of providing more land and resources for affordable housing development.

However, we defer to the University of Hawaii as to their plans for the parcels cited in H.B. 1334 and whether residential development of these specific parcels is feasible and in the best interests of the State given their current uses.

Thank you for the opportunity to testify.



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
House Committee on Housing
February 7, 2017 at 9:00 a.m.

by
Jan Gouveia
Vice President for Administration
University of Hawai'i System

HB 1334 – RELATING TO LAND TRANSFER

Chair Brower, Vice Chair Nakamura and Members of the Committee:

Thank you for the opportunity to present testimony in opposition to HB 1334 – Relating to the University of Hawaii.

HB 1334 seeks to transfer two parcels of land (TMK #(1) 3-2-33:001 and #(1) 3-2-30:002) held by the University of Hawai'i ("University") to the Hawai'i Housing Finance and Development Corporation to promote their mandate of providing affordable housing. The University purchased this land from Leahi Foundation through an order of condemnation "for the construction, establishment and expansion of Leahi Hospital." Since that time, the parcels in question have been managed under the auspices of Hawai'i Health Systems Corporation ("HHSC").

TMK # (1) 3-2-33:001 currently serves as the home to Leahi Hospital's Information Technology (IT) department and a parking structure that is actively used. The University has recently begun discussions with HHSC to relocate these activities onto the main lot that supports Leahi Hospital. Once relocation is successful, the University plans to monetize the property and/or develop it in alignment with the University's mission and purpose.

TMK # (1) 3-2-30:002 currently has no structures on it. However, according to HHSC and the State Department of Defense (DOD), this site is under consideration for a Veterans Long Term Care Facility and is subject to state and federal funding. While the University has not made any formal land commitment for this purpose at this time, we are working with these agencies to reasonably determine if these plans are likely to be realized in the near future. If the answer is in the negative, then the University plans to monetize the property and/or develop it in alignment with the University's mission and purpose.

Finally, the immediate measure serves to take land that the University paid for without compensation. It also dismisses the active and ongoing efforts of HHSC, DOD and the University to amicably address the University's desire to develop the lots in question without adversely impacting Leahi Hospital's operations and longer-term plans.

Based on the foregoing, the University strongly opposed HB 1334.