



STATE OF HAWAII
DEPARTMENT OF EDUCATION
P.O. BOX 2360
HONOLULU, HAWAII 96804

LATE

Date: 02/28/2019

Time: 01:15 PM

Location: 414

Committee: Senate Water and Land

Department: Education

Person Testifying: Dr. Christina M. Kishimoto, Superintendent of Education

Title of Bill: SB 1303, SD1 RELATING TO PUBLIC LANDS.

Purpose of Bill:

Department's Position:

The Department of Education (Department) supports SB 1303, SD1. Through Act 155, Sessions Law of Hawaii (SLH) 2013, the Department was directed to develop underutilized assets to help facilitate twenty-first century school improvements. With the passage of Act 206, SLH 2017 and Act 210, SLH 2018, the fee for specified public school properties is to be transferred to the state and Department, respectively.

The Department recognizes the value of an extended lease term for project financing and the efficiency of conveying public school lands to the Department for direct authority over property development. This bill seeks to amend these Acts to better accommodate both. The Department believes these changes will ensure more timely results and greater potential for development.

Thank you for this opportunity to present testimony on this measure.

The Hawaii State Department of Education seeks to advance the goals of the Strategic Plan which is focused on student success, staff success, and successful systems of support. This is achieved through targeted work around three impact strategies: school design, student voice, and teacher collaboration. Detailed information is available at www.hawaiipublicschools.org.



SB1303 SD1
RELATING TO PUBLIC LANDS
Senate Committee on Water and Land

February 28, 2019

1:15 p.m.

Room 414

The Office of Hawaiian Affairs (OHA) **OPPOSES** Part 1 of SB1303 SD1, which may inadvertently result in leases that inhibit the state's fiduciary obligations under the public trust and the Public Land trust, and that may facilitate the alienation of "ceded" lands to which Native Hawaiians maintain unrelinquished claims.

Part I of this measure proposes to extend from 55 years to 99 years the lease limit imposed by Act 155 (Reg. Sess. 2013). While OHA understands that the purported purpose of this Part is to provide prospective lessees with additional flexibility in securing financing for the development of state lands, OHA cannot support such a proposal.

Act 155, now codified in Haw. Rev. Stat. (HRS) §302A-1151.1, created a **pilot program** and allowed the Department of Education (DOE), in consultation with the Board of Education (BOE), to encumber and lease three public school land sites for up to 55 years, to generate funds for 21st century schools. The DOE has since used Act 155's pilot program to successfully lobby during the 2018 legislative session to have the City and County of Honolulu transfer title to the DOE certain county lands on which DOE schools are located, and also to exclude all lands to which DOE holds title from the definition of public lands in HRS §171-2, thereby removing many of the safeguards of HRS Chapter 171 in the disposition of DOE lands. See Act 210, Session Laws Hawaii 2018. Through SB1303 SD1, the DOE now seeks to further amend Act 155's pilot program to dramatically increase the Act's maximum allowable lease period from 55 years to 99 years.

OHA appreciates that the DOE may benefit from the exploration of revenue generating opportunities, particularly given its critical mission to educate Hawai'i's keiki. However, OHA is opposed to the length of the proposed 99-year leases for public lands under Act 155, which would likely include Public Land Trust lands as well as "ceded" lands, taken through the unlawful overthrow of the Hawaiian Kingdom, and to which Native Hawaiians maintain unrelinquished claims. The extremely long-term multi-generational leases proposed by SB1303 SD1 may inhibit multiple future generations from ensuring the best and most appropriate use of public lands and Public Land Trust lands; the lack of transparency and accountability mechanisms included under HRS Chapter 171 for all DOE lands exacerbates such concerns. In addition, extremely long leases of public lands by private entities may inadvertently create a sense of entitlement on the part of

lessees that has led and may continue to lead to the alienation of public lands, including “ceded” lands. **OHA objects to the sale or alienation of “ceded” lands except in limited circumstances, and has significant concerns over any proposal that may facilitate the diminution of the “ceded” lands corpus.**

OHA notes that Act 155 already allows for Act 155 leases to be extended pursuant to HRS §171-36, which authorizes lease extensions for commercial leases in order to qualify lessees for any state or private lending institution loan, private loan guaranteed by the State, or other financing purposes. Notably, HRS §171-36 would still limit the aggregate length of a lease and any extension to 65 years, to avoid granting private entities such extensive control and use of public lands and resources.

For the foregoing reasons, OHA urges the Committee to **REMOVE** Part I from SB1303 SD1.

Mahalo nui for the opportunity to testify on this measure.



**TEESTIMONY TO THE SENATE COMMITTEE ON WATER AND LAND
State Capitol, Conference Room 414
415 South Beretania Street
1:15 PM**

February 28, 2019

RE: SENATE BILL NO. 1303 SD 1, RELATING TO PUBLIC LANDS

My name is Gladys Quinto Marrone, CEO of the Building Industry Association of Hawaii (BIA-Hawaii). Chartered in 1955, the Building Industry Association of Hawaii is a professional trade organization affiliated with the National Association of Home Builders, representing the building industry and its associates. BIA-Hawaii takes a leadership role in unifying and promoting the interests of the industry to enhance the quality of life for the people of Hawaii. Our members build the communities we all call home.

BIA-Hawaii is in **strong support** of S.B. 1303 SD1, which proposes to amend prior legislation. The bill proposes the following:

- Part I: Allows the Department of Education (DOE) to lease public school lands for a term of not more than ninety-nine years per lease.
- Part II: Amends Act 206, Session Laws of Hawaii 2017, to allow the City and County of Honolulu to transfer lands under existing DOE facilities directly to the DOE, rather than to the Department of Land and Natural Resources.

We understand that the purpose of Act 155 was to optimize the use of public school lands to generate opportunities to improve public school facilities and infrastructure to meet the challenges of the twenty-first century, and to improve the overall quality of education in Hawaii. In particular, Act 155 established a pilot program to generate revenue from uses for public purposes, such as workforce housing, to build and retrofit twenty-first century schools, and create more school-centered communities. The pilot program laid important groundwork for a statewide approach and plan to optimize public school lands and modernize public school facilities.

This bill addresses some of the challenges the DOE faces in attempting to redevelop its school facilities. One of the major challenges was the ownership of the land under the DOE facilities. Act 206 addressed this by allowing DOE to own lands in-fee. As a landowner, we understand that DOE has been working with the Hawaii Housing Finance and Development Corporation (HHFDC) to assist in the redevelopment of the DOE facilities. DOE's success in the implementation of Act 155 will provide opportunities increase the supply of housing on existing urban lands throughout the state.

We are in strong support of S.B. 1303, and appreciate the opportunity provide comments.



Testimony to the Senate Committee on Water and Land

Thursday, February 28, 2019 at 1:15 P.M.

Conference Room 414, State Capitol

RE: SB 1303 SD 1, RELATING TO PUBLIC LANDS

LATE

Chair Kahele, Vice Chair Keith-Agaran, and Members of the Committee:

The Chamber of Commerce Hawaii (“The Chamber”) **supports** S.B. 1303 SD 1, which proposes to amend prior legislation. The bill proposes the following:

- Part I: Allows the department of education to lease public school lands for a term of not more than ninety-nine years per lease.
- Part II: Amends Act 206, Session Laws of Hawaii 2017, to allow the city and county of Honolulu to transfer lands under existing department of education (DOE) facilities directly to the department of education, rather than to the department of land and natural resources.

The Chamber is Hawaii’s leading statewide business advocacy organization, representing about 2,000+ businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the “Voice of Business” in Hawaii, the organization works on behalf of members and the entire business community to improve the state’s economic climate and to foster positive action on issues of common concern.

We understand that the purpose of Act 155 was to optimize the use of public school lands to generate opportunities to improve public school facilities and infrastructure to meet the challenges of the twenty-first century and to improve the overall quality of education in Hawaii. Act 155 established a pilot program to generate revenue from uses for public purposes, such as workforce housing, to build and retrofit twenty-first century schools, and create more school-centered communities. The pilot program laid important groundwork for a statewide approach and plan to optimize public school lands and modernize public school facilities.

The bill addresses some of the challenges the DOE faces in attempting to redevelop its school facilities. One of the major challenges was the ownership of the land under the DOE facilities. Act 206 addressed this by allowing DOE to own lands in fee. As a landowner, we understand that DOE has been working with the Hawaii Housing Finance and Development Corporation (HHFDC) to assist in the redevelopment of the DOE facilities.

DOE’s success in the implementation of Act 155 will provide opportunities increase the supply of housing on existing urban lands throughout the state.



We support SB 1303 SD1, and appreciate the opportunity provide comments.



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February 28, 2019

COMMITTEE ON WATER AND LAND

Senator Kaiali'i Kahele, Chair

Senator Gilbert S. C. Keith-Agaran, Vice Chair

SB 1303 SD1

RELATING TO PUBLIC LANDS

Aloha Chair Kahele, Vice Chair Keith-Agaran and Committee Members;

Hawaii's Thousand Friends (HTF), a non-profit statewide organization dedicated to ensuring that land use planning and decisions protect the environment, human health and natural and cultural resources, opposes SB 1302 SD1, which seeks among other things to extend public land leases from the current 55-years to 99-years and optimize the use of public school lands.

HTF opposes the wholesale transfer of so called underutilized land under and adjacent to Oahu public schools to the Department of Education for development.

When schools were first planned they were designed with the needs of the students and community in mind. That is why many of Oahu's public schools have playgrounds and parks attached to them. These open spaces not only benefit the school children but also provide park facilities for a community including open fields for sports teams to practice and play games. So no, land that is open within and/or adjacent to a public school is not underutilized.

Given that developers no longer are required to put in parks as part of a housing development the open park lands of schools are often the only park among hundreds of homes and condominiums.

Leasing public school land for a century is a clear give-away of public land. Once established, it is impossible to imagine under what circumstances a lessee would turn over property that they have in essence owned and developed over 99 years.

Don't give away keiki playgrounds and community parkland to development. Hold SB 1303 SD1 in committee.

SB-1303-SD-1

Submitted on: 2/23/2019 10:40:26 AM

Testimony for WTL on 2/28/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Regina Gregory	Individual	Oppose	No

Comments:

SB-1303-SD-1

Submitted on: 2/24/2019 11:03:43 AM

Testimony for WTL on 2/28/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Suzanne Skjold	Individual	Oppose	No

Comments:

Aloha,

I do NOT support this bill unless there are strong codes included on the allowable use AND benefits to public education, that that it includes assurances all funds raised from such leases directly benefit ONLY the DOE.

Thank you fdor making sure any change to this law has its intended purpose.

Suzanne Skjold

SB-1303-SD-1

Submitted on: 2/25/2019 7:45:24 PM

Testimony for WTL on 2/28/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Jeannine Johnson	Individual	Oppose	No

Comments:

SB-1303-SD-1

Submitted on: 2/26/2019 12:54:42 PM

Testimony for WTL on 2/28/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Rosanna	Individual	Oppose	No

Comments:

I, Rosanna Prieto, of Kapalama, O'ahu oppose SB1303 SD1. School lands are a safe place for students and communities to gather. It is unwise to commercially develop school lands. There are no direct benefits to our keiki or commitment to their safety in auctioning off their educational learning space. School lands have parks, playgrounds, fields for community sports, etc. There is no use for commercial development that directly benefits the local community in the same way these public lands serve with the presence of schools.

Furthermore, proposing to commercially lease school lands for 99 years is an affront to the local movement towards sustainability and community based values. A 99 year lease for commercial or housing development continues the erasure of local families from Hawaii's landscape as no leasee would give up property they have leased and developed for just under a century. Under no circumstance is the Dept. of Education adept at navigating commercial or real estate development of public lands. There are other ways to allocate funding to the DOE if that is the purpose of this bill. I assume the purpose of the bill is not to facilitate business development at the expense of our children's education or safe community spaces, therefore I rest assured that this bill will not pass. Mahalo for your time and understanding.

SB-1303-SD-1

Submitted on: 2/27/2019 12:30:15 PM

Testimony for WTL on 2/28/2019 1:15:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Dylan P. Armstrong	Individual	Support	No

Comments: