

DAVID Y. IGE
GOVERNOR



DENISE ISERI-MATSUBARA
INTERIM EXECUTIVE DIRECTOR

STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
677 QUEEN STREET, SUITE 300
Honolulu, Hawaii 96813
FAX: (808) 587-0600

IN REPLY REFER TO:

Statement of
DENISE ISERI-MATSUBARA
Hawaii Housing Finance and Development Corporation
Before the

HOUSE COMMITTEE ON HOUSING

February 13, 2020 at 10:30 a.m.
State Capitol, Room 423

In consideration of
H.B. 2297
RELATING TO PUBLIC LANDS.

The HHFDC **strongly supports** H.B. 2297, which amends the definition of "public lands" in Section 171-2, HRS, to add lands set aside by the governor to HHFDC for the primary purpose of affordable housing. Currently, only lands to which HHFDC holds title to in its corporate capacity are exempt from the definition of "public lands." This exemption will help streamline the development of affordable housing on State lands by minimizing the number of approvals from the Department of Land and Natural Resources as projects move forward from set-aside to the leasing, entitlement, financing, and development phases.

Thank you for the opportunity to testify.



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

DAVID Y. IGE
GOVERNOR
MIKE MCCARTNEY
DIRECTOR

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804
Web site: dbedt.hawaii.gov

Telephone: (808) 586-2355
Fax: (808) 586-2377

Statement of
MIKE MCCARTNEY
Director
Department of Business, Economic Development and Tourism
before the
HOUSE COMMITTEE ON HOUSING
Thursday, February 13, 2020
10:30 a.m.
State Capitol, Conference Room 423

in consideration of
HB 2297
RELATING TO PUBLIC LANDS.

Chair Brower, Vice Chair Matayoshi, and Members of the Committee.

The Department of Business, Economic Development and Tourism (DBEDT)
strongly supports HB2297, an Administration bill that would exempt lands set aside to the HHFDC by Executive Order for purposes of affordable housing development from the statutory definition of "public lands."

This exemption will help facilitate affordable housing development on State lands, including leasehold housing on land located within one-half mile of the Honolulu rail transit line.

Thank you for the opportunity to testify.

DAVID Y. IGE
GOVERNOR OF HAWAII



**STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES**

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

**Testimony of
SUZANNE D. CASE
Chairperson**

**Before the House Committee on
HOUSING**

**Thursday, February 13, 2020
10:30 AM
State Capitol, Conference Room 423**

**In consideration of
HOUSE BILL 2297
RELATING TO PUBLIC LANDS**

House Bill 2297 proposes to clarify that lands set aside to the Hawaii Housing Finance and Development Corporation (HHFDC) by the Governor or leased to the corporation by any state department and agency are exempt from the definition of “public lands”. **The Department of Land and Natural Resources (Department) offers the following comments on this measure.**

The bill proposes to exempt lands set aside or leased to HHFDC from the definition of public lands under Section 171-2, Hawaii Revised Statutes (HRS), and require legislative approval of any sale of said lands under Section 171-64.7 HRS. Lands to which the HHFDC in its corporate capacity holds title are already exempt under Section 171-2, HRS. As a result, if House Bill 2297 were to become law, HHFDC would no longer need to secure the approval of the Board of Land and Natural Resources (BLNR) for land dispositions or projects on lands set aside to HHFDC under Section 171-11, HRS, or leased to HHFDC under Section 171-95, HRS.

The Department notes that some of HHFDC’s lands are public trust lands that HHFDC manages under executive orders recommended by the BLNR and approved by the Governor. Any lands no longer needed for housing, finance, and development purposes should to be returned to the public trust administered by the Department. Therefore, the Department recommends amending this measure by adding the following new section:

SECTION 3. Lands no longer needed. Should lands held by the Hawaii housing finance and development corporation acquired from another government agency no longer be needed for housing, finance, and development purposes, said lands should be returned

SUZANNE D. CASE
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

ROBERT K. MASUDA
FIRST DEPUTY

M. KALEO MANUEL
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

to the public trust administered by the department of land and natural resources.

SECTION [~~3~~]4. New statutory material is underscored.

SECTION [4]5. This Act shall take effect upon its approval.

Thank you for the opportunity to comment on this measure.



BEFORE THE HOUSE COMMITTEE ON HOUSING

FEBRUARY 13, 2020

HOUSE BILL 2297

Relating to Public Lands

Aloha Chair Brower, Vice Chair Matayoshi, and Members of the Committee,

Ka Lāhui Hawai'i Political Action Committee (KPAC) submits the following written testimony in **STRONG OPPOSITION** to House Bill 2297 which exempts lands set aside by the Governor to the Hawaii Housing Finance and Development Corporation from the classification of 'public lands' in chapter 171, Hawai'i Revised Statutes.

The majority of the 'public lands' are held by the State of Hawai'i in the public lands trust. The majority of these 'public lands' are "ceded lands" or Hawaiian Kingdom crown and government lands. Professor Williamson Chang stated in a lecture given on October 1, 2014 entitled "Hawaii's 'Ceded Lands' and the Ongoing Quest for Justice in Hawaii" that the Joint Resolution was incapable of acquiring these Hawaiian Kingdom public lands. Despite this analysis, the former crown and government lands of the Kingdom of Hawai'i were illegally transferred to the US and as a condition of Statehood was transferred to the State of Hawai'i to be held as a public trust for 5 purposes including the betterment of the conditions of native Hawaiians as defined in the Hawaiian Homes Commission Act, 1920. The Admissions Act further states that any other object besides the 5 purposes shall constitute a breach of trust for which suit may be brought by the United States.

This proposal to exempt lands transferred to the Hawai'i Finance and Development Corporation from the 'public lands' classification could potentially be determined to be a breach of trust and will lessen public oversight and input in the future use of these lands. Furthermore, Kanaka Maoli have unrelinquished claims to about 1.8 million acres of the public lands trust which includes 'public lands'.

Respectfully submitted,

M. Healani Sonoda-Pale
Chair, Ka Lāhui Hawai'i - Komike Kalai'āina

February 12, 2020

Honorable Tom Brower, Chair
House Committee on Housing

Honorable Scot Matayoshi, Vice Chair
House Committee on Housing

State Capitol
415 South Beretania Street
Honolulu, HI 96813

RE: HB2297
Hearing of February 13, 2020 Testimony in Support
Relating to Public Lands

Chair Brower, Vice Chair Matayoshi and Committee Members,

Thank you for the opportunity to submit testimony in support of this important measure. The affordable housing shortage will only increase in the coming years. According to the 2018 Affordable rental housing report and ten-year plan, Hawai'i will need an additional 64,693 housing units by 2025 with nearly seventy percent of these units designated as low-income households, earning eighty percent or less of the area median income. To address this current and future absence, certain steps must be taken to assist the development of affordable housing.

HB2297 seeks to streamline the development approval process for affordable housing projects on State land and minimize the number of Department of Land and Natural Resources (DLNR) approvals. Currently when the Hawaii Housing Finance & Development Corporation (HHFDC) gains control of public lands for affordable housing, they must seek DLNR approval for right of entry, ground lease, subleases and financing. By removing the duplicate review and approval process to one agency, this bill would streamline the development of affordable housing on State land by a few essential months.

In closing, I strongly support HB 2297.

Sincerely,



Bert Kobayashi
Senior Advisor
Kobayashi Group LLC.

February 11, 2020

TO: Honorable Tom Brower, Chair
House Committee on Housing

Honorable Scot Matayoshi, Vice Chair
House Committee on Housing

FROM: Alana Kobayashi Pakkala

RE: **HB2297**
Hearing of February 13, 2020 Testimony in Support
Relating to Public Lands

Chair Brower, Vice Chair Matayoshi and Committee Members,

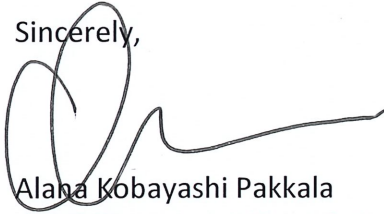
Thank you for the opportunity to testify in support of HB2297 which proposes to exempt lands set aside by the Governor to the Hawaii Housing Finance and Development Corporation (HHFDC) from classification as “public land” subject to management by the Department of Land and Natural Resources (DLNR).

In order to address Hawai'i's affordable housing shortage, drastic actions must be taken. The Joint Economic Package of bills made it clear that affordable housing is one of the State's priorities. According to a study prepared by SMS Research & Marketing Services, Hawai'i will need an additional 50,156 housing units by 2025 with nearly seventy percent of those units designated as low-income households.

Currently, when HHFDC gains control of public lands for affordable housing, they must seek DLNR approval for right of entry, ground lease, subleases and financing. Two agencies and two AGs need to review. The duplicative review and approval add 2-4 months to the process. As a real estate development company, this bill is very important to our projects, as it will streamline the development approval process for affordable housing projects by minimizing the number of DLNR approvals.

Thank you for the opportunity to provide my support for HB2297.

Sincerely,

A handwritten signature in black ink, consisting of a large, stylized 'A' followed by a long horizontal stroke that tapers to the right.

Alana Kobayashi Pakkala
Chief Operating Officer & Partner
Kobayashi Group, LLC



February 12, 2020

Representative Tom Brower, Chair
Representative Tod Z. Matayoshi, Vice Chair
House Committee on Housing

Strong Support of HB 2297 RELATING TO PUBLIC LANDS (Exempts lands set aside by the Governor to the HHFDC for the primary purpose of developing affordable housing from classification as public land subject to DLNR management and requires such lands to be subject to legislative approval prior to the sale or gift of those lands.)

HSG Hearing: Thursday, February 13, 2020, 10:30 a.m., in Conf. Rm 423

The Land Use Research Foundation of Hawaii (LURF) is a private, non-profit research and trade association whose members include major Hawaii landowners, developers and utility companies. LURF's mission is to advocate for reasonable, rational and equitable land use planning, legislation and regulations that encourage well-planned economic growth and development, while safeguarding Hawaii's significant natural and cultural resources, and public health and safety.

LURF appreciates the opportunity to express its **strong support of HB 2297** and support of the Hawaii Housing Finance and Development Corporation (HHFDC), LURF members and other homebuilders who are working to increase the number of housing units for all income levels in Hawaii.

HB 2277. This measure exempts lands set aside by the Governor to the HHFDC for the primary purpose of developing affordable housing from classification as public land subject to Department of Land and Natural Resources (DLNR) management. It also requires lands set aside by the Governor to the HHFDC for the primary purpose of developing affordable housing to be subject to legislative approval prior to the sale or gift of those lands.

LURF's Position. This bill clarifies that lands set aside to the HHFDC by a Governor's Executive Order (E.O.) for the primary purpose of affordable housing development are not "public lands" subject to the jurisdiction of the DLNR. If passed, this exemption will ensure clarity that HHFDC has jurisdiction over suitable state lands set aside to it by a Governor's E.O. and will streamline the development process for affordable housing by reducing the number of approvals required for projects located on state lands set aside to HHFDC.

For the reasons set forth above, LURF is **in support of HB 2297**, and respectfully urges your favorable consideration of this bill.

HB-2297

Submitted on: 2/11/2020 10:38:47 AM

Testimony for HSG on 2/13/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Elton Wong	Individual	Support	No

Comments:

Currently, when HHFDC gets control of public lands for affordable housing, they must seek DLNR approval for right of entry, ground lease, subleases and financing. Two agencies and two AGs need to review. The duplicative review and approval add 2-4 months to the process. This bill would remove some of the bureaucratic obstacles when developing more housing on State owned lands. I support Bill 2297.

HB-2297

Submitted on: 2/11/2020 1:50:15 PM

Testimony for HSG on 2/13/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Sandra Harano	Individual	Support	No

Comments:

I strongly support H.B. 2297 which proposes to exempt lands set aside by the Governor to the Hawaii Housing Finance and Development Corporation (HHFDC) from classification as “public land” subject to management by the Department of Land and Natural Resources.

It's my understanding that Chapter 171, HRS already exempts lands that HHFDC holds title to from the definition of “Public Lands.” Exempting lands set aside to HHFDC would create more opportunities for HHFDC to develop affordable housing on state owned lands, without having to obtain approval from the Board of Land and Natural Resources for ministerial real estate transactions/approvals (i.e. consents, leases, sub-leases, etc.). Right now, two agencies and two AGs must review documents. This duplicative review and approval can take up to 2-4 months.

This bill would remove some of the delays and bureaucratic obstacles when developing more housing on State owned lands.

HB-2297

Submitted on: 2/11/2020 3:05:31 PM

Testimony for HSG on 2/13/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Kathryn W Inouye	Individual	Support	No

Comments:

Chair Brower, Vice Chair Matayoshi and members of the Committee on Housing: I fully support this bill as it would eliminate a duplicative process that delays the provision of **affordable housing**. The process of requiring ministerial approvals to go through both HHFDC and then DLNR for state-owned lands adds approximately 3-4 months to the overall approval process. It also requires that the attorney general's office conduct a re-review of all documents for each agency approval. Thank for your positive consideration of this bill.

HB-2297

Submitted on: 2/11/2020 6:21:22 PM

Testimony for HSG on 2/13/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Steven Costa	Individual	Support	No

Comments:

HB-2297

Submitted on: 2/12/2020 7:27:17 AM

Testimony for HSG on 2/13/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Heather de la Garza	Individual	Support	No

Comments:

Thank you for the opportunity to testify in support of this important measure. In order to address Hawai'i's affordable housing shortage, drastic actions must be taken. Currently, when HHFDC gets control of public lands for affordable housing, they must seek DLNR approval for right of entry, ground lease, subleases and financing. Two agencies and two AGs need to review. The duplicative review and approval add 2-4 months to the process. This bill would remove some of the bureaucratic obstacles when developing more housing on State owned lands.

HB-2297

Submitted on: 2/12/2020 7:28:08 AM

Testimony for HSG on 2/13/2020 10:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Brian Niitani	Individual	Support	No

Comments:

Thank you for the opportunity to testify in support of this important measure. In order to address Hawai'i's affordable housing shortage, drastic actions must be taken. Currently, when HHFDC gets control of public lands for affordable housing, they must seek DLNR approval for right of entry, ground lease, subleases and financing. Two agencies and two AGs need to review. The duplicative review and approval add 2-4 months to the process. This bill would remove some of the bureaucratic obstacles when developing more housing on State owned lands.



Chamber *of* Commerce HAWAII
The Voice of Business

LATE

**Testimony to the House Committee on Housing
Thursday, February 13, 2020 at 10:30 A.M.
Conference Room 423, State Capitol**

RE: HB 2297, RELATING TO PUBLIC LANDS

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

The Chamber of Commerce Hawaii ("The Chamber") **supports** HB 2297 which proposes to exempt lands set aside by the Governor to the Hawaii Housing Finance and Development Corporation (HHFDC) from classification as public land subject to management by the Department of Land and Natural Resources.

The Chamber is Hawaii's leading statewide business advocacy organization, representing 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 Chapter 171, HRS already exempts lands that HHFDC holds title to from the definition of Public Lands. Exempting lands set aside to HHFDC would create more opportunities for HHFDC to develop affordable housing on state owned lands, without having to obtain approval from the Board of Land and Natural Resources for ministerial real estate transactions/approvals.

Thank you for the opportunity to provide testimony in support of this measure.



**HOUSE COMMITTEE ON HOUSING
State Capitol, Conference Room 423
415 South Beretania Street
10:30 AM**

February 13, 2020

RE: HOUSE BILL NO. 2297, RELATING TO PUBLIC LANDS

Chair Brower, Vice Chair Matayoshi, and members of the committee:

My name is Dwight Mitsunaga, 2020 President 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 H.B. 2297, which proposes to exempt lands set aside by the Governor to the Hawaii Housing Finance and Development Corporation (HHFDC) from classification as "public land" subject to management by the Department of Land and Natural Resources.

We understand that Chapter 171, HRS already exempts lands that HHFDC holds title to from the definition of "public lands." Exempting lands set aside to HHFDC would create more opportunities for HHFDC to develop affordable housing on state owned lands, without having to obtain approval from the Board of Land and Natural Resources for ministerial real estate transactions/approvals (i.e. consents, leases, sub-leases, etc.).

In the 2020 Legislative Session, both Chambers of the Hawaii State Legislature, and Governor Ige's Administration put forward a comprehensive package of bills to improve the quality of life for Hawaii's middle-class families. A large part of the package attempted to address housing affordability by building more units at all price points on State owned lands. This bill would remove some of the bureaucratic obstacles when developing more housing on State owned lands.

We are in strong support of H.B. 2297, and appreciate the opportunity to provide comments on the matter.

tel. 808-629-7501
fax. 808-629-7701

94-487 Akoki St. , Ste 213
Waipahu, HI 96797

www.biahawaii.org
info@biahawaii.org