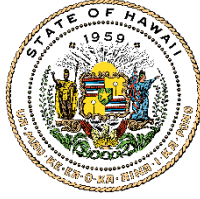


JOSH GREEN, M.D.
GOVERNOR | KE KIA'ĀINA

SYLVIA LUKE
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAII'
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MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES
ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

Testimony of
DAWN N.S. CHANG
Chairperson

Before the Senate Committee on
WAYS AND MEANS

Wednesday, February 28, 2024
10:02 AM
State Capitol, Conference Room 211

In consideration of
SENATE BILL 2280, SENATE DRAFT 1
RELATING TO FINANCING

Senate Bill 2280, Senate Draft 1 proposes to appropriate funds for the capital improvement projects for Heeia Kea Harbor, Oahu and Uncle Billy's in Hilo, Hawaii. **The Department of Land and Natural Resources (Department) acknowledges the intent of this bill and provides recommendations for the two projects in this measure provided that its passage does not replace or adversely impact priorities indicated in the Executive Supplemental Budget request.**

On page 2, line 19, item 5, *Heeia Kea Harbor, Oahu*, the Department notes that it currently does not have any public-private partnership to complete this project. Hence, the Department recommends a general obligation bond (MOF C) or special fund appropriation under Program ID LNR 801 which will allow for the timely completion of the project.

On page 4, line 20, item 8, *Uncle Billy's in Hilo, Hawaii*, a public-private partnership would also not work for this project because there is no revenue generation planned for the parcel at this time; therefore, there is no incentive for a private party to invest in the demolition. The Department recommends using the request and language¹ of the \$6,100,000 in general obligation bonds (MOF C) included in the Executive Supplemental Budget request under Program ID LNR101. This funding will allow the removal of the underground structures and contaminated soil to restore the property to a

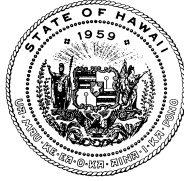
¹ PLANS, DESIGN, AND CONSTRUCTION FOR DEMOLITION AND REMOVAL OF BELOW-GROUND STRUCTURES AND OTHER RELATED WORK AT UNCLE BILLY'S HOTEL (TMKS (3) 2-1-005:033, 034, 035, 045)

condition suitable for the creation of public open space or other uses as may be determined by the Department.

Moreover, there is no plan to redevelop the land under the Uncle Billy's site at this time,² which is a small coastal property in the tsunami inundation zone that is also susceptible to impacts from sea level rise. Furthermore, once the land is cleared of all improvements and soil contamination is mitigated, the Department could consider a public-private partnership for the redevelopment of the site to the extent permitted by Chapter 171, Hawaii Revised Statutes, or other applicable law, if the Board of Land and Natural Resources were to authorize such action.

Mahalo for the opportunity to comment on this measure.

² The parcel is only 1.83 acres, a shoreline property and within the SMA with setback and many other permit requirements for any redevelopment and construction. Any proposed redevelopment of the site would require Land Board approval at an open sunshine meeting.



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**Testimony in SUPPORT of SB 2280 SD1
RELATING TO FINANCING**

SENATOR DONOVAN M. DELA CRUZ, CHAIR
SENATE COMMITTEE ON WAYS AND MEANS

Wednesday, February 28, 2024, 10:02AM, Room 211

- 1 **Department Position:** The Department is in strong support of item #10 of this measure.
- 2 **Department Testimony:** The Behavioral Health Administration (BHA) provides the following
- 3 testimony on behalf of the Department.
- 4 Item #10 of this measure would appropriate \$2.5M, provided that funding shall be
- 5 through a public private partnership, for a capital improvement project to design, plan, and
- 6 construct kauhale style locked facility for patients awaiting court evaluation at the Hawaii State
- 7 Hospital (HSH).
- 8 Housing individuals in this style of facility would allow HSH to provide the appropriate
- 9 level of care for individuals who are awaiting court evaluation. These individuals generally do
- 10 not need a hospital level of care and would be better served outside of the hospital
- 11 environment.
- 12 Thank you for the opportunity to testify in support of this measure.

JOSH GREEN, M.D.
GOVERNOR OF HAWAII
KE KIA'ĀINA O KA MOKU'ĀINA 'O HAWAII



KENNETH S. FINK, M.D., M.G.A, M.P.H
DIRECTOR OF HEALTH
KA LUNA HŌOKELE

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**Testimony in SUPPORT of SB 2280 SD1
RELATING TO FINANCING**

SENATOR DONOVAN M. DELA CRUZ, CHAIR
SENATE COMMITTEE ON WAYS AND MEANS

Wednesday, February 28, 2024, 10:02AM, Room 211

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HAWAII HEALTH SYSTEMS

C O R P O R A T I O N

"Quality Healthcare For All"

COMMITTEE ON WAYS AND MEANS **Senator Donovan M. Dela Cruz, Chair** **Senator Sharon Y. Moriwaki, Vice-Chair**

February 28, 2024
10:02 AM
Hawaii State Capitol
Room 211 & Via Videoconference

Support of SB 2280, SD1 RELATING TO FINANCING

Appropriates funds for capital improvement projects in the State

Edward N. Chu
President and Chief Executive Officer
Hawai'i Health Systems Corporation

On behalf of the Hawai'i Health Systems Corporation (HHSC) Corporate Board of Directors, thank you for the opportunity to present testimony in **support** of SB 2280 S.D.1 that appropriates funds for capital improvement projects in the State.

HHSC is appreciative of the continuing support by the Legislature to address the urgent need for capital improvement project appropriations (CIP) to address the aging infrastructure of HHSC's facilities. The two projects for HHSC included in this measure, the Ka'u Hospital Wastewater Treatment Plant project and the Kona Community Hospital Construction of Imaging Suite project, are critical to the provision of healthcare to our rural communities on the island of Hawai'i. We commend the Legislature for promoting alternative methods of financing for critical infrastructure needs at facilities across the State of Hawai'i.

Thank you for the opportunity to provide testimony on this matter.