

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



DEAN MINAKAMI
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

Statement of
DEAN MINAKAMI
Hawaii Housing Finance and Development Corporation
Before the

HOUSE COMMITTEE ON WATER & LAND

February 13, 2025 at 9:30 a.m.
State Capitol, Room 411

In consideration of
H.B. 1318 HD1
RELATING TO AFFORDABLE HOUSING.

Chair Hashem, Vice Chair Lamosao, and members of the Committee.

HHFDC **supports** HB 1318 HD1, which removes from the definition of "public lands" for lands set aside by the Governor to the counties for the purpose of affordable housing. It also specifies that lands set aside by the Governor to the counties for affordable housing require legislative approval for the sale or gift of such lands.

This bill would streamline the approval process and facilitate the delivery of affordable housing on lands set aside to the counties.

Thank you for the opportunity to testify on this bill.

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

SYLVIA LUKE
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAII'
DEPARTMENT OF LAND AND NATURAL RESOURCES
KA 'OIHANA KUMUWAIWAI 'ĀINA

P.O. BOX 621
HONOLULU, HAWAII 96809

DAWN N.S. CHANG
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE
MANAGEMENT

RYAN K.P. KANAKA'OLE
FIRST DEPUTY

CIARA W.K. KAHAHANE
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

Testimony of
DAWN N.S. CHANG
Chairperson

Before the House Committee on
WATER & LAND

Thursday, February 13, 2025
9:30 AM

State Capitol, Conference Room 411 & Videoconference

In consideration of
HOUSE BILL 1318, HOUSE DRAFT 1
RELATING TO AFFORDABLE HOUSING

House Bill 1318, House Draft 1 proposes to remove from the definition of "public lands" lands set aside by the Governor to the counties for the purpose of affordable housing. The bill also proposes to specify that lands set aside by the Governor to the counties for affordable housing require legislative approval for the sale or gift of such lands. **The Department of Land and Natural Resources (Department) offers the following comments on this measure.**

The Department notes that approximately 98% of State-owned lands are ceded, so the Department believes that the counties should be bound by the same public trust fiduciary duties and obligations as the Board in its management of ceded lands under its management. Therefore, the Department requests that the proposed amended to Section 171-2, Hawaii Revised Statutes (HRS) in section 1 of the measure be revised to read as follows:

(17) Lands set aside by the governor to the counties for the purpose of affordable housing, provided that such lands shall be managed pursuant to the same public trust fiduciary duties and obligations as the Board;

Thank you for the opportunity to comment on this measure.

KAUA'I COUNTY HOUSING AGENCY

ADAM ROVERSI, DIRECTOR



DEREK S.K. KAWAKAMI, MAYOR
REIKO MATSUYAMA, MANAGING DIRECTOR

Testimony of Adam P. Roversi
Director, Kaua'i County Housing Agency

Before the
House Committee on Water & Land
Thursday, February 13, 2025, at 9:30 a.m.
Conference Room 411 & Videoconference

In consideration of
House Bill 1318, HD1 Relating to Affordable Housing

Honorable Chair Hashem, Vice Chair Lamosao, and Members of the Committee:

The Kaua'i County Housing Agency **strongly supports** HB 1318, HD1 relating to Affordable Housing that changes the definition of "public lands," by excluding state lands set aside to the Counties for the purpose of affordable housing.

Kauai County worked with the State Land Division for many years to identify unused scattered state residential parcels in existing residential communities to be developed as affordable housing. By and large the identified parcels were uncared for and overgrown, subject to regular illegal dumping of rubbish, and often the site of homeless encampments.

Beginning in 2020, in a series of executive orders, these cooperatively identified parcels were set aside to the County for the development of affordable housing under the County's existing affordable residential leasehold program. This collection of unused state lands has the capacity to provide at least twenty new affordable homes in existing communities where zoning and infrastructure are already in place.

However, the County has been unable to productively develop these parcels as the current statutory framework, despite the executive order transferring the parcels to County control, requires the County to seek Board of Land and Natural Resources approval for every lease, mortgage, easement, right of entry, or other action relating to these properties. This procedural burden makes the development of these parcels untenable.

Excluding such parcels from the definition of public lands, removes these procedural burdens while at the same time ensuring that valuable state lands may be productively utilized for much needed affordable housing for generations to come.

Thank you for the opportunity to testify in **strong support** and for your consideration.





COMMENTS ON HOUSE BILL 1318_HD1
RELATING TO AFFORDABLE HOUSING
House Committee on Housing
Hawai'i State Capitol

February 13, 2025

9:30 a.m.

Conference Room 411

Dear Chair Hashem, Vice Chair Lamosao and Members of the House Committee on Water and Land:

The Office of Hawaiian Affairs (OHA) provides these COMMENTS on HB1318_HD1. As written, this bill presents a significant risk of alienating or effectively alienating public and “ceded” lands, in violation of the legal obligations of the state with regards to the unresolved claims of Native Hawaiians to these lands. **OHA offers recommended amendments below to ensure that Native Hawaiian claims to lands set aside by the Governor to the counties for the purposes of affordable housing, and lands leased by the Board of Land and Natural Resources (BLNR) for affordable housing, are not alienated.**

OHA appreciates that the counties may benefit from greater flexibility and autonomy over the management and disposition of lands that may potentially fall within their control for affordable housing purposes. OHA understands that this measure would accordingly remove lands set aside by the Governor to the counties for the primary purpose of developing affordable housing from Board of Land and Natural Resources’ oversight and management under Chapter 171, through an amendment to the definition of “public lands” in HRS §171-2.

To ensure that lands set aside to the counties are treated consistently with other state lands removed from BLNR jurisdiction – particularly with respect the protection of our beneficiaries’ claims - OHA requests that this measure **expressly** reaffirm that current legislative approval requirements for the sale or alienation of any state lands, as found in HRS §171-64.7, also apply to the lands which may be set aside to the counties for affordable housing purposes.

The statutory requirements of HRS §171-64.7 are critical to maintaining the “ceded” lands corpus, and were enacted as a condition precedent to the settlement agreement in the OHA v. Housing and Community Development Corporation of Hawai‘i lawsuit, brought in response to the State’s actions to sell and otherwise alienate “ceded” lands. The legislative approval requirements in HRS § 171-64.7 ensure a high level of accountability and transparency in any proposed alienation of the state’s limited land base, including lands that could be removed from the “ceded” lands corpus prior to the resolution of Native Hawaiians’ unrelinquished claims.

In addition, OHA has serious concerns regarding the potential for lands set aside to the counties, as well as lands held by the BLNR, to be leased for up a century at a time, if not longer. Such extremely long-term leases have led and may continue to lead to the eventual or effective alienation of public lands, including “ceded” lands. Notably, long-term leases such as the 99-year leases that could be authorized under this measure absent amendment, have been considered tantamount to the sale of a fee interest in tribal lands on the continent, as “the land base is effectively lost for generations to come.”¹ **Therefore, should the Committee choose to move this measure, OHA respectfully asks that:**

1. Parallel language to that found on page 4, lines 8-9 be added into a new subsection (a)(13) of HRS § 171-64.7, to ensure consistent procedural requirements for any land sale or fee disposition, to read as follows:

“(13) Lands that are set aside by the governor to the counties for affordable housing.”

2. The language found on page 4, lines 8-9 be further amended to clarify that “ceded” lands be limited to lease terms consistent with the existing limitations under existing law, to read as follows:

“(17) Lands that are set aside by the governor to the counties for affordable housing, provided that lands classed as government or crown lands previous to August 15, 1895, or previously exchanged for such lands, shall be subject to the initial and aggregate lease term limitations found in this chapter.”

and

3. The new proposed statutory language found on page 5, lines 9-13, authorizing lease and lease extensions for an aggregate of 99 years, be amended to apply only to non-“ceded” lands, to read as follows:

“Residential leases of lands not classed as government or crown lands previous to August 15, 1895, or previously exchanged for such lands, may be made by the board of land and natural resources for affordable housing for an initial term of fifty-five years with the privilege of extension; provided that the aggregate of the initial terms and extension shall not exceed ninety-nine years.”

¹ Mary Christina Wood, *Protecting the Attributes of Native Sovereignty: A New Paradigm for Federal Actions Affecting Tribal Resources*, 1995 UTAH L. REV. 109, 145-46 (1995).

Mahalo nui for considering this testimony. OHA respectfully but strongly urges the Committee to adopt the amendments described above necessary to protect Native Hawaiian land claims.

HB-1318-HD-1

Submitted on: 2/11/2025 10:19:41 AM

Testimony for WAL on 2/13/2025 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Ann Leighton	Individual	Support	Written Testimony Only

Comments:

Aloha I am Annie Leighton, lifelong Kauai resident. I am in support of HB1318 as it starts to address the overwhelming commercial use of Wailua River. Because few rules exist, numerous companies and individuals are renting various watercraft - kayaks and standup paddle boards - in the river 7 days a week. Parking at the Kaumuali'i Section boat ramp is completely clogged with rental vehicles and some operators even leave their trailers there all day.

The rules governing commercial use did not accompany the management change from DOBOR to State Parks and the result is over saturation in the river: there are hundreds of people going up and back (oftentimes to Uluwehi Falls) and local residents find ourselves crowded out of recreational use.

Please pass this bill and implore DLNR Parks to implement the registration rules and have DOCRE follow up with consistent enforcement.

HB-1318-HD-1

Submitted on: 2/12/2025 10:07:26 AM

Testimony for WAL on 2/13/2025 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Makayla Holt	Individual	Support	Written Testimony Only

Comments:

Aloha,

I am in support in this bill HB 1318 because it is important to make houses in Hawaii affordable to the people who live in Hawaii.

Mahalo!