



# **UNIVERSITY OF HAWAII SYSTEM**

## **Legislative Testimony**

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Testimony Presented Before the  
House Committee on Health  
February 6, 2015 at 8:40am

by

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### **HB 1373 – RELATING TO LEAHI HOSPITAL**

Chair Belatti, Vice Chair Creagan, and members of the committee:

Thank you for the opportunity to testify on HB 1373, which would direct the transfer of certain parcels of land, one of which is occupied by Leahi Hospital, from the University of Hawai'i (UH) to the Hawai'i Health Systems Corporation (HHSC) and establish a working group to formulate a plan for the transfer. UH is open to discussion with HHSC, the Department of Health (DOH), and other stakeholders regarding these lands and would be happy to participate in a working group for this purpose. However, UH does not believe that it is appropriate to mandate land transfers before such discussion has taken place, and is strongly opposed to any transfer of one of the parcels adjacent to Leahi Hospital. UH therefore opposes the bill in its current form.

Initially, we note that the bill's reference to four parcels is unclear. UH currently owns six parcels in the area addressed by the bill, as shown on the attached map. Parcel A, which is occupied by Leahi Hospital, is leased to HHSC under a 25 year lease expiring in 2027. Parcel 2, which is adjacent to Parcel A on Kilauea Avenue, is leased to the Department of Health until 2041 and occupied by the Diamond Head Health Center. Parcel B and Parcels 3 and 4 are located across Kilauea Avenue from Leahi Hospital on either side of Sunset Avenue. These parcels are currently occupied and used by DOH and HHSC but do not have ground leases from the University. Finally, Parcel 1 is a vacant parcel adjacent to Leahi Hospital along Makapu'u Avenue, across from the Kapi'olani Community College (KCC) campus, and currently used in part as a gravel parking area. Parcels A and B are held by UH under Executive Order, and Parcels 1, 2, 3, and 4 were acquired by UH through eminent domain.

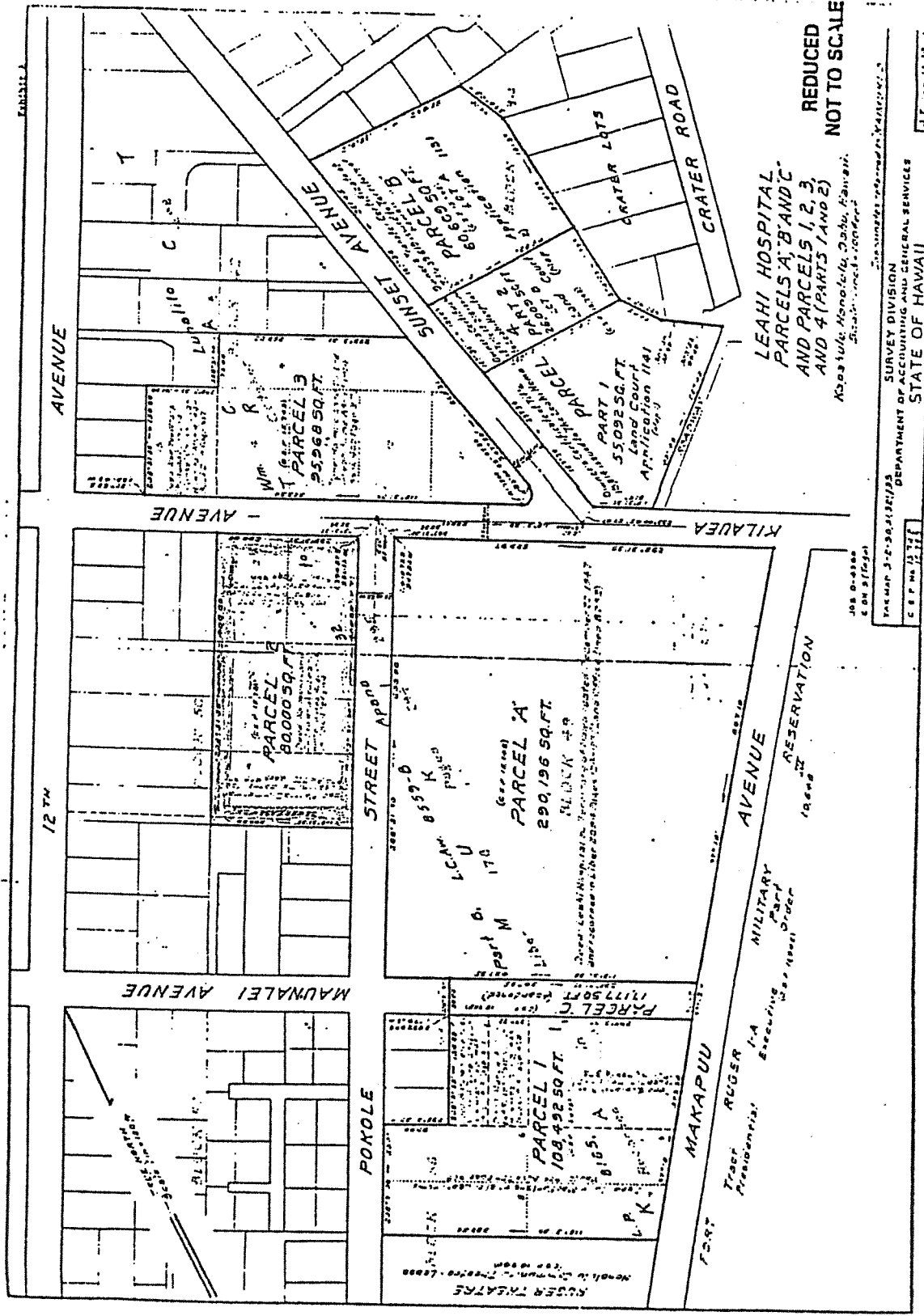
Parcel 1 is included in KCC's Long Range Development Plan for future classrooms and other campus use. KCC serves over 7500 students and is UH's largest community college by enrollment. UH is strongly opposed to any transfer of Parcel 1, as KCC's current campus offers little other potential for expansion to serve future enrollment.

UH is open to discussion regarding the other five parcels. KCC currently uses some space at Leahi Hospital for educational purposes, and there have been productive discussions regarding additional opportunities for collaboration. Those opportunities should be part of the discussion, as should opportunities for mutually beneficial land swaps involving other lands currently controlled by DOH or HHSC.

UH notes that HHSC had previously scheduled a meeting with UH leadership in July, 2013, to discuss HHSC's interest in acquiring the Leahi Hospital site. That meeting was canceled when HHSC's then-CEO was terminated and was never rescheduled. UH would be happy to resume direct conversations with leadership of HHSC and DOH at any time regarding these matters. Such discussion may be more efficient than enactment of legislation and subsequent appointment of a formal working group.

For these reasons, UH opposes HB 1373 in its current form and asks that the measure either be amended to delete language mandating land transfer and provide only for the formation of a working group, or held pending further discussion among HHSC, DOH, and UH.

Thank you for the opportunity to testify on this matter.



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NOT TO SCALE

STATE OF HAWAII  
SURVEY DIVISION  
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES  
JULY 1964