

**UNIVERSITY OF HAWAI'I SYSTEM** 

Legislative Testimony

Testimony Presented Before the House Committee on Finance February 28, 2022 at 12:30 p.m. by Michael S. Shibata Director of Strategic Development and Partnership and Kalbert K. Young Vice President for Budget and Finance/Chief Financial Officer University of Hawai'i System

HB 2288 HD2 - RELATING TO LAND

Chair Luke, Vice Chair Yamashita, and members of the committee:

Thank you for the opportunity to present testimony today.

The University of Hawai'i (University) opposes House Bill No. 2288 HD2, relating to the transfer of a parcel of land designated as TMK (1) 3-2-030-002-0000-000, to the department of Hawaiian Home Lands. The bill does not explicitly identify the current title fee-simple owner of the property. The University owns this parcel in fee-simple. The transfer of the subject parcel would significantly affect the University's plans to increase its educational and innovation opportunities, as well as the ability to generate additional revenue streams through the monetization of University real property.

The University has already initiated plans for this parcel, including discussions of its disposition with the University Board of Regents since 2020, and recently procuring property reports, appraisals, and studies to support the University's target of future development at the site. The University is already on track with its plans to solicit proposals from developers to improve the property's condition for the surrounding neighborhood, the broader area community, and the University before the end of 2022. The selected developer would partner and collaborate with various University programs/departments, including but not limited to the University of Hawai'i System UHealthy Initiative and Office of Innovation and Commercialization; Kapi'olani Community College, including its Nursing, Health Sciences, Emergency Medical Services, Culinary Arts, and Hospitality programs; the John A. Burns School of Medicine; Nancy Atmospera-Walch School of Nursing; Thompson School of Social Work and Public Health, including its Center on Aging; Daniel K. Inouye School of Pharmacy; and the College of Education. This project is intended to develop partnership opportunities with private partner(s) and the University in the area of health care. This collaboration would provide students and trainees with experiential learning opportunities, which may include multigenerational "live-and-learn" opportunities. The partnership and collaboration would also stimulate/drive innovation in our neighborhood and community.

The subject parcel is vested in the University, a public body corporate, in fee simple absolute as part of the University trust, and is not part of the ceded land trust or the public natural resource trust. Therefore, the decision to transfer the subject parcel can only be made by the University Board of Regents, whose fiduciary responsibility includes ensuring the use and disposition of real property in the University trust for University purposes.

For these reasons, we respectfully oppose House Bill No. 2288 HD2.

Thank you for this opportunity to testify.