



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
Senate Committee on Commerce, Consumer Protection, and Health
and
Senate Committee on Ways and Means
February 20, 2020 at 11:45 a.m.
by
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SB 2574 SD1 – RELATING TO AGING

Chairs Baker and Dela Cruz, Vice Chairs Chang and Keith-Agaran, and members of the Committees:

Thank you for the opportunity to present testimony today. The University of Hawai'i (UH) needs to point out a number of issues regarding the Atherton property and the Atherton redevelopment project. SB 2574 SD1 proposes to appropriate funds to the UH to establish a UH kupuna center at the property known as the Charles Atherton House. The proposal provides for including retail and conference spaces that could support activities of the Center.

UH is currently working with the University of Hawai'i Foundation (UHF) on a project to redevelop the former Atherton YMCA site (which includes the Charles Atherton and the Mary Atherton buildings). The project conceptualizes developing student housing, an innovation center, and innovation spaces as part of the facility. The Hunt Development Group (Hunt) has been selected as the private development partner on this project.

Augmenting the current project to include senior living or intergenerational retirement and assisted living may pose a challenge for a number of reasons. First, the Atherton property is not owned by UH or the State of Hawai'i. The property is owned by the UHF. While UH does currently have a lease on the property from the UHF, that lease is planned to sunset soon. The project is being developed through a hybridized public-private partnership (P3) arrangement with Hunt as the private development partner. Changing the current project would have business and financial implications that would require agreement of the landowner and the development partner.

If the Legislature is interested in supporting a University-led senior living or assisted living educational program, an alternative site should be of consideration. For example, the University also owns the land where Leahi Hospital is located on O'ahu. The property is leased to Hawai'i Health Systems Corporation (HHSC). A concept such as proposed by SB 2574 SD1, may make more sense if such a program could be situated where senior care is already occurring. However, this type of program would require additional thought and planning by the University before we could offer an estimate for the appropriate funding that would be required to start the program.

Thank you for the opportunity to present this testimony.