DAVID Y. IGE GOVERNOR OF HAWAII





STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621 HONOLULU, HAWAII 96809

Testimony of SUZANNE D. CASE Chairperson

Before the House Committee on WATER, LAND, & HAWAIIAN AFFAIRS

Friday, January 31, 2020 9:00 AM State Capitol, Conference Room 325

In consideration of HOUSE BILL 2555 RELATING TO THE NA WAI EHA WATERSHED

House Bill 2555 proposes to provide an appropriation from the Land Conservation Fund towards State acquisition of 11,020 acres at the heart of Maui's Nā Wai 'Ehā watershed. **The Department of Land and Natural Resources (Department) strongly supports this bill and suggests an amendment to clarify the purpose of the matching funds to be used for the purchase.**

Nā Wai 'Ehā represents significant ecological, cultural, and hydrological value to the island of Maui. Composed of breathtaking native forests, hidden valleys, and mountains reaching 5,000 feet tall, it provides habitat for over 45 endangered species. Nā Wai 'Ehā is the principal source of Maui's drinking water. Currently in private ownership, the lands of Nā Wai 'Ehā have been offered for sale, presenting a rare opportunity to place those valued lands into the public trust to ensure that their unique resources are appropriately managed in perpetuity for their public benefits.

The Department is coordinating with federal and County partners to enable the purchase of the mauka conservation lands—comprising 11,020 acres of watershed forest—for placement into the State forest reserve system, while securing into the public trust, under County ownership, the water systems and easements that lie downslope of the conservation lands and comprise additional acreage. It is our understanding that the County of Maui is seeking to secure through its budget process the significant funds needed to purchase the water system and easements. Therefore, the Department respectfully suggest that the bill be amended as follows:

SECTION 2. There is appropriated out of the land conservation fund the sum of \$ or so much thereof as may be necessary for fiscal year 2020-2021 for the land acquisition of

SUZANNE D. CASE
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

ROBERT K. MASUDA

M. KALEO MANUEL
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 eleven thousand twenty acres of the Na Wai Eha watershed in Wailuku, Maui; provided that no funds shall be made available under this Act unless the county of Maui provides matching funds of at least \$______ for the purpose for which this sum is appropriated, or for the purchase of the associated water systems and easements offered by the seller. This project is deemed necessary to qualify for federal aid financing and/or reimbursement. The sum appropriated is anticipated to be supplemented by federal funds.

The sum appropriated shall be expended by the department of land and natural resources for the purposes of this Act.

Thank you for the opportunity to comment on this measure.

Michael P. Victorino Mayor

Sananda K. Baz Managing Director





OFFICE OF THE MAYOR

COUNTY OF MAUI 200 S. HIGH STREET WAILUKU, MAUI, HAWAII 96793

www.mauicountv.gov

January 30, 2020

TESTIMONY OF MICHAEL P. VICTORINO MAYOR
COUNTY OF MAUI

BEFORE THE HOUSE COMMITTEE ON WATER, LAND & HAWAIIAN AFFAIRS

Friday, January 31, 2020, 9:00 a.m. Conference Room 325

HB2555 RELATING TO NA WAI EHA WATERSHED

Honorable Ryan I. Yamane, Chair Honorable Chris Todd Honorable Members of the House Committee on Water, Land & Hawaiian Affairs

Thank you for this opportunity to testify in **FULL SUPPORT** of HB2555.

The purpose of this bill is to appropriate funds for the acquisition of the Na Wai Eha Watershed in Wailuku, Maui. This watershed is essential to the public water system of Maui in that it supplies 70% of our drinking water. This watershed also contains native ohia forest, and 45 endangered plant and wildlife species. The proposed acquisition will ensure protection of this important ecosystem as well as the region's historical, cultural and natural characteristics.

The County of Maui has granted funds to control invasive plant and animal species within the watershed. Intact native forests are the hydrologic engine that drive groundwater recharge, stream flow and our drinking water supply. State control of this critical watershed would ensure adequately funded and consistent watershed management. Na Wai Eha is also a strong candidate to receive federal funding through the Forest Legacy Program.

I strongly urge you to pass this measure, HB2555.

Sincerely,

Michael P Vist

Michael P. Victorino, Mayor, County of Maui

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Vice-Chair Keani N.W. Rawlins-Fernandez

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COUNTY COUNCIL

COUNTY OF MAUI 200 S. HIGH STREET WAILUKU, MAUI, HAWAII 96793 www.MauiCounty.us

January 29, 2020

TO:

The Honorable Ryan I. Yamane, Chair

House Committee on Water, Land, and Hawaiian Affairs

FROM:

Alice L. Lee

Council Char

SUBJECT: HEARING OF JANUARY 31, 2020; TESTIMONY IN SUPPORT OF HB

2555, RELATING TO THE NA WAI EHA WATERSHED.

Thank you for the opportunity to testify in **support** of this important measure. The purpose of this measure is to appropriate money out of the land conservation fund for the acquisition of 11,020 acres of the Na Wai Eha watershed in Wailuku, Maui.

The Maui County Council has not had the opportunity to take a formal position on this measure. Therefore, I am providing this testimony in my capacity as an individual member of the Maui County Council.

I support this measure for the following reasons:

- 1. The Na Wai Eha watershed in Wailuku, Maui, provides significant ecological, cultural, and hydrological value to the island of Maui. It is composed of native koa, ohia, and lama forests, hidden valleys and mountains reaching 5,000 feet, the habitat for over 45 endangered species, and the principal source of Maui's drinking water.
- 2. An 11,000-acre portion of this critical watershed is up for sale, which presents a rare opportunity to preserve an enormous section of the West Maui Mountains in perpetuity for public recreation and other benefits.

For the foregoing reasons, I **support** this measure.

ocs:proj:legis:20legis:20testimony:hb2555_paf20-054a_jbf

HB-2555

Submitted on: 1/29/2020 5:18:52 PM

Testimony for WLH on 1/31/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing	
Councilmember Yuki Lei Sugimura	Maui County Council	Support	No	

Comments:

I support the preservation of this critical watersheds. The State of Hawaio's action to move to acquire these conservation lands will ensure this be held in conservation in perpetuity.

I would like to suggest a bold move for the State of Hawaii to acquire the entire Wailuku Water Company, including these watersheds and Executive Order it to the County of Maui for resident and agriculture use in non conservation use.

Yuki lei Sugimura

Councilmember, Water, Infrastructure and Transportation Committee

MICHAEL P. VICTORINO Mayor

JEFFREY T. PEARSON, P.E. Director

HELENE KAU Deputy Director





DEPARTMENT OF WATER SUPPLY

COUNTY OF MAUI 200 SOUTH HIGH STREET WAILUKU, MAUI, HAWAI'I 96793

January 30, 2020

Testimony of the County of Maui Department of Water Supply In Consideration of H.B. 2555 relating to Na Wai Eha Watershed

Before the Committee on
WATER, LAND & HAWAIIAN AFFAIRS
Friday, January 31, 2020
9:00 AM

State Capitol, House Conference Room 325

The County of Maui supports the proposed Bill H.B. No. 2555 to appropriate funds for acquisition of the Na Wai Eha watershed in Wailuku, Maui. This critical watershed provides about 70% of the drinking water for the island of Maui through the Maui County Department of Water Supply (MDWS) public water system. This mostly forested watershed contains pristine native ohia forest and is home to 45 endangered plant and wildlife species. The landowner has already sold over 4,000 acres to private entities. The proposed state acquisition will ensure protection of these important ecosystem as well as the region's historical, cultural and natural values.

Over the last two decades, MDWS has invested over \$6.5M in grant funds through watershed protection partnerships to control invasive plant and animal species within the Na Wai Eha watershed and Mauna Kahalawai. Intact native forests are the hydrologic engine that sustains groundwater recharge and stream flow and our drinking water supply. State control of these critical watersheds would ensure adequately funded and consistent watershed management. Na Wai Eha is also a strong candidate to receive federal funding through the Forest Legacy Program to further enhance this acquisition.

Thank you for your consideration of our viewpoint on this matter.

Respectfully submitted,

JEFFREY T. PEARSON, P.E.

Director of Water Supply



January 31, 2020

Honorable Ryan I. Yamane Chairperson, Committee on Water, Land & Hawaiian Affairs House of Representatives, State of Hawaii Honolulu, Hawaii 96813

RE: House Bill 2555
Relating to the Na Wai Eha Watershed
In Strong Support

Aloha Chair Yamane;

My name is Avery B. Chumbley, I appear before the Committee today as the President of Wailuku Water Company LLC (WWC), the existing fee simple landowner of the subject property contained in HB 2555, we stand in strong support of the proposed measure.

The purpose of this measure is to provide a portion of the necessary funds from the State Land Conservation Fund for the creation of a trifecta partnership between the County of Maui and the State of Hawaii, gaining access to Federal aid financing and/or reimbursement.

For the past 18 plus years and throughout five (5) separate Maui County Mayoral terms, WWC has been in on and off active negotiations with the County of Maui as a willing and motivated seller of these critical Forest Reserve Watershed Lands, as most recently demonstrated by the attached August 19, 2019 letter to the DLNR. While WWC or its predecessor companies have been the stewards of

these significant cultural and ecologically valuable lands since the late 19th. Century, I have long maintained that these historical lands properly belong in public hands and not subject to a sell-off to continued private ownership. As supported in a February 24, 2002, Maui News Editorial attached for your convenience.

The historical, spiritual and cultural value of these valleys is well noted in the history of the Hawaiian culture, for example, the Battle of Kepaniwai fought in 1790 known as one of the most fierce and bitter battles in Hawaiian history, took place in Iao Valley on these very lands. Additionally, the famous Iao Needle State Monument rising abruptly 1,200 feet from the valley floor averaging over 1,800 visitors per day also sits on these privately owned lands of WWC. The Valleys of Waiehu and Waihee similarly have historical and cultural values and have been well documented through traditional use by Hawaiians.

I do have a couple of suggested language amendments for a possible HD 1 should you choose to move this measure on to the Finance Committee. While the initial acreage of the four (4) main watershed TMK's were 15,288 plus acres, WWC did a transaction in the late 1990s with the county of Maui Department of Water Supply in which approx. 2,123 acres were transferred to the County as an undivided interest in the Waihee parcel for a potable well development project.

Most recently in early 2018 WWC was forced to sell off an additional approx. 4,267.8 acres of these Watershed lands to fund continued operations of the surface water delivery system due to 12 years of continued financial losses resulting from the unresolved longstanding contested case before the Commission on Water Resource Management and the suspension docket before the Public Utilities Commission. Thus, the balance of acreage available should be stated as 8,898.7 acres.

Even today, the ongoing function of the WWC surface water system continues to operate in the red and is burning the cash reserves from the above-noted land sale, I would suggest adding some additional language that "Time is of the Essence". If this acquisition process drags on to the sunset date as noted in the measure of June 30, 2022, WWC will have long been forced to shut down its operations and sell off the remaining 8,898 acres to a new private owner. That would be a loss of a rare opportunity for the public to take control of a major and significant part of the Island.

Lastly and in closing, I have attached a color copy of the subject conservation lands noted as "West Maui Forest Reserve" this visual map exhibit will provide you with a better understanding of their location and significance to the Island of Maui. I urge you to overcome the quagmire of a lack of political will which I have endured for the past 18 years and ensure these historical, spiritual and cultural lands are protected in perpetuity for the future generation of all Hawaii.

With Regards:

Avery B. Chumbley, President Wailuku Water Company LLC





Na Wai Eha

August 19, 2019
Department of Land & Natural Resources
Division of Forestry and Wildlife
Attn: Leah Laramie
1151 Punchbowl St., Room 325
Honolulu, HI 96813

Re: Wailuku Water Co. LLC Maui lands

Dear Ms Laramie: LEAN

I confirm that Wailuku Water Company LLC is the owner of various parcels of land located in Maui Hawaii in the West Maui Forest Reserve, all Conservation designated watershed lands, TMK: (2) 3-5-03:01, TMK: (2) 3-3-03:03, TMK: (2) 3-2-14:01 that the State of Hawaii Department of Land and Natural Resources (DLNR), Division of Forestry and Wildlife have expressed interest in acquiring. These lands include the historic lao Needle rising over 1,200 feet in lao Valley. This letter is to confirm that the parcels are for sale by Wailuku Water Company, and if mutually acceptable prices and terms can be negotiated, Wailuku Water Company would be a willing seller.

Avery B. Chumbley

President

Wailuku Water Co. LLC

Cc: Scott Fritz

Maui Branch Manager, Division of Forestry and

Wildlife

Maui News Editorial

Sunday, February 24, 2002

C. Brewer land worth buying

In a perfect world, government would be confined to doing what private enterprise could not or would not. In this perfect world, county government would be largely a supervisor of the private delivery of services, an instigator/facilitator of projects involving coalitions of private enterprises, and planning for the needs of the future.

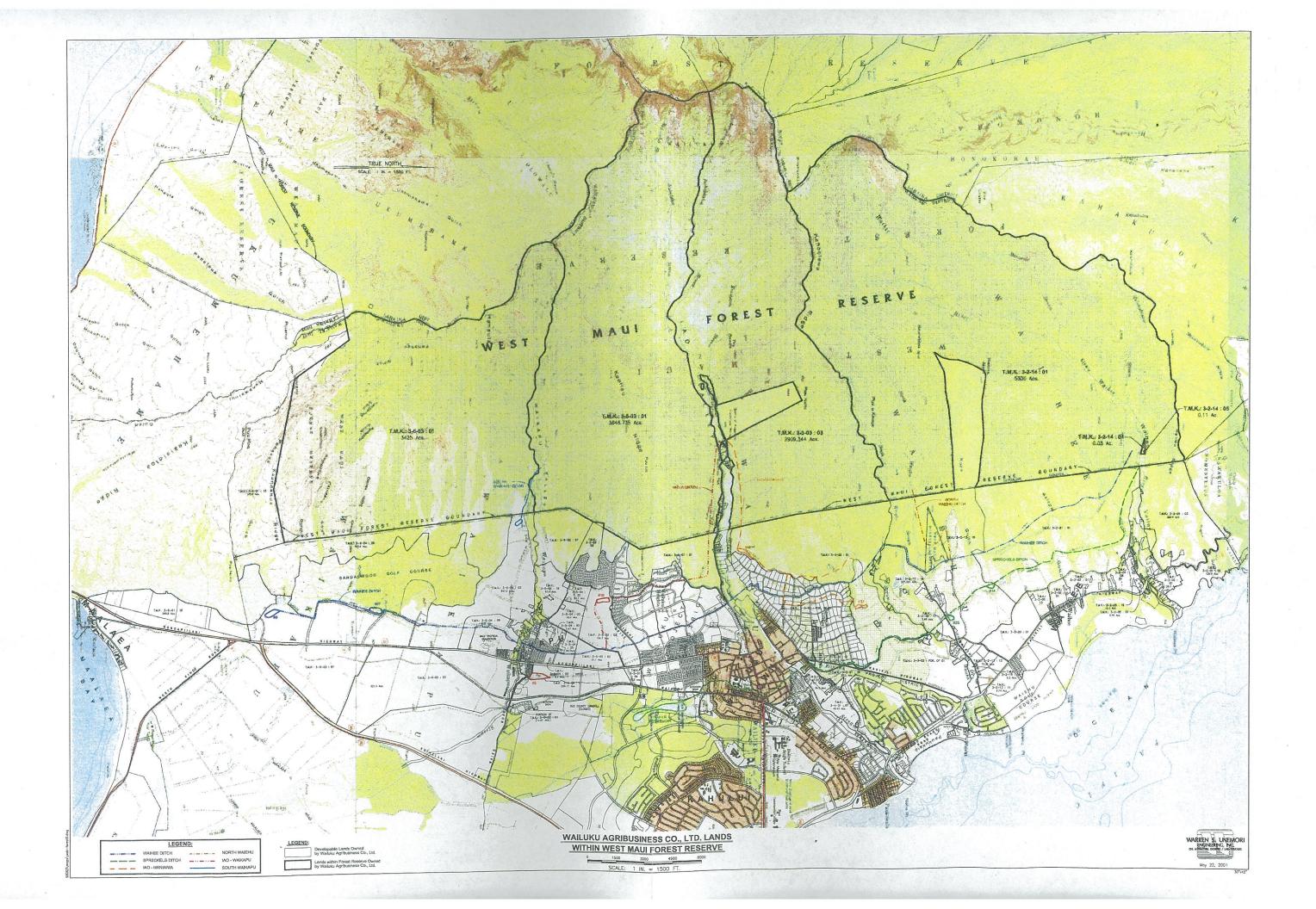
Of course, Maui in 2002 is far from being a perfect world and county government is called upon daily to provide a wide range of taxpayer-funded services. It could be argued that this daily demand is one of the reasons those in county government seem to seldom look very far into the future, never mind the real need to make plans stretching 25, 50 and 100 years beyond today.

Mayor James "Kimo" Apana's notion of forming a public-private partnership to buy 20,800 acres of conservation and agricultural land from C. Brewer is visionary and seems to fit into the kind of perfect world described above. C. Brewer, incorporated in 1826 under the monarchy, has put a \$100 million price tag on its Maui property, which includes 13,200 acres of conservation land.

Apana has suggested — and it may be a political trial balloon — the county partner with "several major landowners and with government entities." He acknowledged the Office of Hawaiian Affairs would be one. On Maui, major landowners would include Alexander & Baldwin along with Maui Land & Pineapple Co. A&B is known to be interested in the land it leases from C. Brewer for sugar cane and ML&P would like to have more pineapple land closer to its Kahului cannery.

As envisioned by Apana, the deal could result in the county, i.e., the public, owning vital watershed and recreation land in lao and Waihee valleys while keeping agriculture going in Central Maui. That should also work toward limiting urban sprawl and the further erosion of Maui's basic character.

The C. Brewer sale is a rare opportunity for the public to take control of a major part of the island. It's worth pursuing, for Maui today and tomorrow. The major obstacle is political will, and that will be determined by just how much support the public is willing to give the proposal.



<u>HB-2555</u> Submitted on: 1/28/2020 7:21:50 PM

Testimony for WLH on 1/31/2020 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing	
Benton Kealii Pang, Ph.D.	Individual	Support	No	

Comments:



The Trust For Public Land's Testimony Regarding HB2555

House Committee on Water, Land & Hawaiian Affairs, Conf. Room 325 Friday, January 31, 2020, 9:00 a.m.

Aloha e Chair Yamane, Vice-Chair Todd, and Committee Members:

HB2555 proposes that the State purchase the ecologically, hydrologically, culturally important lands known as Na Wai 'Eha with funds from the Land Conservation Fund, which supports the State's Legacy Land Conservation Program ("Legacy Program"). The Trust for Public Land supports the conservation of Na Wai 'Eha for public benefit, but we note that the acquisition can also be accomplished by supporting the Governor's request for an increase of the spending ceiling for the Legacy Land Conservation Program ("Legacy Program") in the FY21 supplemental budget from \$5.1 million to \$10.2 million (LNR101 Land Conservation Fund) in honor of the program's 15th anniversary. This would benefit Na Wai 'Eha as well as other worthy projects on Maui and Hawai'i Island. A more detailed case statement and diverse supporter list of over 60 large landowners, private businesses, and community groups, is attached, ranging from Alexander & Baldwin to the Sierra Club.

The Trust for Public Land was part of a coalition legislators and community and environmental groups that worked together to enact the Legacy Program in 2005, which sets aside funding from the real estate conveyance tax to conserve land and special places throughout Hawai'i Nei. 2020 marks the program's 15th anniversary. The Legacy Program has conserved significant cultural sites, watersheds that produce our drinking, important habitat for native species, agricultural land that increases our food security, and beaches and coastal areas enjoyed by all. Each year, there are many more worthy projects than there is available funding.

Over \$20 million of unspent money has built up in the Land Conservation Fund supporting the Legacy Program because:

- (1) The spending ceiling set by the Legislature in its budget bill of \$5.1 million is lower than the amount deposited in the fund (\$6,8 million or 10% of the real estate conveyance tax, whichever is lower). DLNR is only authorized to spend \$5.1 million, which is less than what is going into the fund (\$6.8 million); and
- (2) Monies for projects that do not close are returned to the fund.

This has caused an unallocated pool of money of over \$20 million to build up in the fund that the DLNR and the Legacy Program cannot spend or use for land conservation, as the Legislature and supporters of the program originally intended.

The Legacy Commission has identified and recommended 11 projects (including Na Wai 'Eha) for funding for FY21, but only two projects can be funded at the existing spending ceiling level.

Mahalo -

Hawaiian Islands State Director Edmund C. Olson Trust Fellow

THE TRUST FOR PUBLIC LAND

HAWAI'I 1003 Bishop St. Pauahi Tower, Ste. 740 Honolulu, HI 96813 T: 808.524.8694 tpl.org

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Join Us in Celebrating the Legacy Program's 15th Anniversary!

The following community organizations, businesses, and landowners have joined together in support of the Governor's request to increase the Legacy Program's spending ceiling from \$5.1M to \$10.2M for FY21 (LNR101, Land Conservation Fund in budget bills) in honor of the 15th anniversary of the Legacy Program and its legacy of Aloha 'Āina:

'Ahahui Mālama I Ka Lōkahi Ala Kahakai Trail Association

Alexander & Baldwin Aloha 'Āina Health Center

Aloha KuamoʻoʻĀina Blue Planet Foundation Castle & Cooke Hawaiʻi

Cave Conservancy of Hawai'i

Dole Food Company

Friends of Amy B. H. Greenwell Ethnobotanical Garden

Gill 'Ewa Lands LLC

Hawaiian Islands Land Trust

Hawai'i Agriculture Research Center

Hawai'i Alliance For Community Based Economic

Development

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Hō'ala 'Āina Kūpono

Ho'omalu Ka'ū

Hui Kawainui-Kailua Ka Wai Ola

James Campbell Company LLC

KAHEA

Kailua Historical Society

Ka Makani O Kohala 'Ohana

Kamehameha Schools

Ka 'Ohana O Honu'apo

Kauluakalana

Ke Ao Hali'i

Kīpahulu 'Ohana, Inc

Kohala Lihikai

Kōkua Kalihi Valley Comprehensive Family Services

Kona Historical Society

Kua'āina Ulu 'Auamo (KUA)

Kuahiwi Ranch

KUPU

Land Use Research Foundation

Livable Hawaii Kai Hui

Maika'i Kamakani O Kohala

Mālama Learning Center

MA'O Organic Farm

Maui Nui Makai Network

Maunalua Fishpond Heritage Center

Moku O Keawe Land Conservancy

Moloka'i Land Trust

Nā Mamo O Mū'olea

National Tropical Botanical Garden The Nature Conservancy Hawai'i North Shore Community Land Trust

The Outdoor Circle

Pacific American Foundation

Paepae o He'eia Pono Pacific Pūlama Lana'i

Sierra Club of Hawai'i Stanford Carr Development

Sunset Ranch

The Surfrider Foundation, Hawai'i Chapters

The Trust for Public Land Hawai'I

Ulupalakua Ranch The Ulupono Initiative Wailupe 'Ohana Council Waipā Foundation

YMCA of Honolulu

IMPACT OF INCREASING THE LEGACY LAND SPENDING CEILING



CONSERVE OVER 15.000 ACRES

of cultural, natural, & agricultural landscapes

PROTECT OVER 2.4 MILES OF PRISTINE COASTLINE





PRESERVE 2 VITAL WATERSHEDS

on Maui & Moloka'i

MĀLAMA CULTURAL SITES

'Ili'ili'ōpae the largest heiau on Moloka'i, a fishing village, & an ancient defensive cave on Hawai'i Island





CONSERVE ECOSYSTEMS

Kaʻaluʻalu Bay, Kapenako spring, anchialine ponds, coastal habitat, & native forest

SUPPORT LOCAL AGRICULTURE

Over 1,900 acres of ag land, stream restoration for kalo cultivation, & 4 grazing/ ranching leases



The State of Hawai'i Legacy Land Conservation Program: 15 Years of Aloha 'Āina

Celebrate By Raising The Legacy Program Spending Ceiling

In celebration of the 15th anniversary of the State Legacy Land Conservation Program ("the Legacy Program"), a coalition of community organizations, landowners, and businesses listed in the insert support doubling the spending ceiling for FY21 from \$5.1M to \$10.2M in the Legislature's annual budget bill.

Lands with important cultural, natural, and agricultural resources are sometimes, despite land use laws, threatened with development, destruction, or made inaccessible to the public. The Legacy Program is a win-win approach to these conflicts.

The Legacy Program is a completely voluntary program where private landowners voluntarily consent to the purchase of or conservation of their lands. The Legacy Program provides grants to public agencies and non-profit community organizations to purchase and voluntarily conserve land to protect unique and threatened natural and cultural resources: e.g., historic

sites, coastlines, native forest, watersheds, scenic open space, agricultural and ranch land, and recreational, fishing, and hunting areas.

In 2005, the Legislature enacted the program with nearly unanimous bipartisan support by its members and by an enthusiastic cross section of community, conservation, and affordable housing groups.

The Legislature prophetically recognized that an "alarmingly small amount of money is invested each year to protect our natural capital base" and that the "preservation, protection, and enhancement of the State's land, coastal areas, and natural resources are of central importance for current and future residents and for the state economy."

The Legacy Program has since protected 36 special places and over 21,000 acres throughout Hawai'i nei and leveraged two-thirds of funding from county, federal, or private sources.



Ka Iwi Coast, O'ahu: 182 acres of scenic coastline protected in 2017 with funds from the Legacy Program and the City and County of Honolulu Clean Water & Natural Lands Program after 40 years of grassroots advocacy.

How The Legacy Program Works

For 15 years, the State's Legacy Program has protected treasured lands across Hawai'i in a fiscally responsible, transparent, and community-supported manner.

Applicants to the Legacy Program go through a rigorous vetting process administered by the Legacy Land Conservation Commission ("the Commission") made up of nine volunteer Governor-appointed commissioners with subject matter expertise (e.g., Hawaiian culture, native plants and animals, agriculture) and geographical representation from all the islands. The Commission analyzes detailed applications, conducts site visits, consults with the House Speaker and Senate President, ranks projects, and makes funding recommendations to the State Board of Land and Natural Resources.

Once an applicant is awarded funding, Legacy Program staff then work with the State Attorney General's department and the Land Division to ensure that the State's investment of funding is protected and documented via appraisals, deed restrictions, conservation easement restrictions, title review, and contractual grant agreement requirements.

A Legacy of Aloha 'Āina

These 44 special places have benefited from the Legacy Program:

HAWAI'I ISLAND

- ◆ Amy B.H. Greenwell Ethnobotanical Garden, Kona
- ♦ Hilo Forest Reserve
- ♦ Kahuku Coastal Property, Ka'ū
- ♦ Kaiholena, North Kohala
- ♦ Kaiholena South, North Kohala
- ♦ Kalukalu Ranch, Kealakekua
- ♦ Kapanaia, Kohala*
- ♦ Kauhola Point, North Kohala
- ♦ Kawā I & 2, Ka'ū
- ♦ Kīpuka Kanohina, Ka'ū
- ♦ Kuamo'o Battlefield & Burial Grounds, Kona
- Lapakahi State Historical Park, North Kohala
- Pāo'o, North Kohala
- Uchida Farm, Kealakekua
- ♦ Waikapuna, Ka'ū

MAUI

- ♦ Kahanu, Hāna
- ♦ Mokae to Maka'alae Lands, Hāna, Maui*
- Nu'u, Southeast Maui

MOLOKA'I

- Kainalu Ranch, East Moloka'i
- Kawaikapu, East Moloka'i
- ◆ Pua'ahala Watershed, Kamalō

KAUA'I

- Black Pot Beach Expansion, Hanalei
- ♦ Halulu Fishpond Access, Waipā*
- ♦ Kaluanono, Waipā*

O'AHU

- ♦ Hakipu'u Lo'i Kalo*
- ◆ Hāwea Heiau & Keawāwa Wetlands, East Honolulu
- ✦ Helemano Wilderness Recreation Area, Central O'ahu
- ♦ Honouliuli Forest Reserve, West O'ahu
- ♦ Ho'oulu Ola, Kalihi*
- ♦ Kalauao Valley, 'Ewa
- ♦ Kānewai Spring, East Honolulu
- ♦ Kunia Hawai'i Agricultural Research Center
- MA'O Organic Farm Palikea Expansion, Wai'anae
- ◆ MA'O Organic Farm Takahashi Farm Expansion, Wai'anae
- Maunawila Heiau, Hau'ula
- ♦ Pia Valley, East Honolulu*
- ♦ Pu'ukua, Waimea Valley
- ◆ Pu'u o Ehu Hāmākua Marsh
- ♦ Ulupō Heiau Buffer, Kailua*
- Sunset Ranch, North Shore
- ◆ Turtle Bay Makai Kahuku Kawela Forever, North Shore
- ◆ Turtle Bay Mauka Agricultural Lands, North Shore
- ♦ Waimea Native Forest, North Shore

^{*}Pending projects that have not yet closed or been completed.

21,000+

acres protected across five islands

36

properties conserved in perpetuity, and another 8 properties awaiting completion

42

participating community partners, including counties, state agencies, and nonprofit organizations

\$1=\$3

every state dollar is matched by \$2 of other federal, county, or private funding

15

years in operation, the Legacy Program has protected some of Hawai'i's most treasured places

What Is The Legacy Program's Spending Ceiling?

The State of Hawai'i dedicates a portion of revenue from the real estate conveyance tax (a tax paid by the seller whenever land is sold) to the Legacy Land Conservation Fund ("the Legacy Fund"). Ten percent or \$6.8 million, whichever is less, of the real estate conveyance tax goes into the Legacy Fund.

The Legislature has generally imposed a \$5.1M "spending ceiling" that is lower than the \$6.8M that goes into the Legacy Fund annually.

After administration/staffing costs and the \$1.5M debt service for the Turtle Bay Makai conservation project, only about \$3.2M has been available for competitive grants for land conservation projects statewide each year since 2016.

Meanwhile, over \$20M has built up unspent in the Legacy Fund, as the amount flowing into the fund (\$6.8M) exceeds the annual spending ceiling (\$5.1M) or projects are discontinued.



Over 2,300-acres known as Waikapuna located in Kaʻū, Hawaiʻi Island was recently acquired by the Ala Kahakai Trail Association, funded by the County of Hawaiʻi's Open Space Program and the State's Legacy Program, conserving over 2.3 miles of the Ala Kahakai National Historic Trail, an ancient fishing village, and hundreds of cultural sites. The Kaʻū community has been working for decades to protect their beloved 80-mile coast to honor their kūpuna and perpetuate their rural lifestyle.

What Is The Impact Of Increasing The Spending Ceiling for FY21?

Each year, the number of applicants to the Legacy Program has increased with non-profits and public agencies competing for funding. For FY21, the Legacy Commission recommended 11 projects for full funding. But under the spending ceiling, only two projects can be fully funded.

While community demand for protecting land has intensified, land and prices and development pressures have increased, the spending ceiling has remained the same, resulting in missed opportunities for many worthy and timesensitive land acquisitions.

In his FY21 Executive Budget, the Governor is requesting a one-year increase of the Legacy Program spending ceiling from \$5.1M to \$10.2M. A total of \$8.1M would be available for competitive land acquisition grants allowing four more special places to be conserved in Hawai'i.

This would <u>not</u> increase the conveyance tax. The spending ceiling increase would draw upon existing unspent funds (now over \$20M) and would <u>not</u> affect other parts of the State budget.

The proposed spending ceiling increase could contribute to the purchase and protection of the top six ranked projects in FY21, conserving extremely valuable and sensitive cultural and natural landscapes, watersheds, native habitat, agricultural lands, and coastlines facing acute and imminent threats of development in Maka'alae (Hāna, Maui), Kiolaka'a (Ka'ū, Hawai'i), Manāka'a (Ka'ū Hawai'i), Mokae (Hāna, Maui), Mapulehu (East Moloka'i), and Na Wai 'Eha (Maui).

Commission's Recommended Ranking of FY21 Legacy Program Projects

I) Makaʻalae, Hāna, Maui	\$1.587M
2) Kiolaka'a, Ka'ū, Hawai'i	\$1.475M
Total available for grants under current \$5.1M spending ceiling (includes partial funding of \$138K for Manākaʻa)	\$3.2M
3) Manāka'a Fishing Village, Ka'ū, Hawai'i	\$875K
4) Mokae, Hāna, Maui	\$1.8633M
5) Mapulehu, East Molokaʻi	\$300K
6) Nā Wai 'Ehā	\$2M
	•
The projects (above) that will go unfunded if spending ceiling is not raised from \$5.1M to \$10.2M	\$8.1M
unfunded if spending ceiling is not	\$8.1M \$500K
unfunded if spending ceiling is not raised from \$5.1M to \$10.2M	•
unfunded if spending ceiling is not raised from \$5.1M to \$10.2M 7) Haloa 'Āina, Kealakekua, Hawai'i	\$500K
unfunded if spending ceiling is not raised from \$5.1M to \$10.2M 7) Haloa 'Āina, Kealakekua, Hawai'i 8) Halulu Fishpond, Waipā, Kaua'i	\$500K \$600K

Due to overall funding constraints, these important projects recommended for funding by the Commission will not receive funds in FY21.



Nearly an acre added to the Hanalei Black Pot Beach Park in 2010, with funds from the Legacy Program and Kaua'i Open Space Fund.



Mokae, Hāna, Maui - 32.7 acres of shoreline that could be saved if the spending ceiling is increased for FY21.