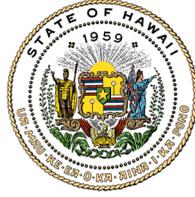


JOSH GREEN, M.D.
GOVERNOR | KE KIA'ĀINA

SYLVIA LUKE
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAII'
DEPARTMENT OF LAND AND NATURAL RESOURCES
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HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

**Testimony of
RYAN K.P. KANAKA'OLE
Acting Chairperson**

**Before the House Committee on
FINANCE**

**Tuesday, March 3, 2026
10:00 AM
State Capitol, Conference Room 308
In consideration of
HOUSE BILL 2426, HOUSE DRAFT 1
RELATING TO STATE PARKS**

House Bill 2426, House Draft 1 authorizes and appropriates funds for the expansion of Wailuku River State Park; authorizes the Department of Land and Natural Resources (Department) to exercise the power of eminent domain for the expansion of Wailuku River State Park. **The Department supports this measure provided that its passage does not replace or adversely impact priorities indicated in the Executive Supplemental Budget request.**

The Department agrees that promotion of mental and physical well-being and community connection is important. The Department appreciates the intent to expand Wailuku River State Park and preserve more open space in perpetuity. Staff from the Department have conducted a cursory site visit, and the parcels appear to possess public park values.

The Department offers the following considerations: (a) the Department cannot purchase lands at higher than appraised value; (b) due diligence will be time consuming and require significant funding; (c) upon acquisition, the Department would request CIP funds for planning, design and construction of park facilities; and (d) the Division of State Parks cannot take on additional lands and responsibilities without adequate resources so therefore would request that the Legislature establish new staff positions to maintain and manage the new acquisition.

Thank you for the opportunity to provide these comments.

HB-2426-HD-1

Submitted on: 3/2/2026 9:05:39 AM

Testimony for FIN on 3/3/2026 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Emma Waters	Individual	Support	Written Testimony Only

Comments:

As a Hilo resident, this bill to expand Wailuku State Park is near and dear to me. The public greatly benefits when there are more opportunities to walk, bike, and enjoy nature. I am writing in strong support of this bill to expand the park.

Mahalo, Emma

HB-2426-HD-1

Submitted on: 3/2/2026 11:59:50 PM

Testimony for FIN on 3/3/2026 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
aaron	Individual	Oppose	Remotely Via Zoom

Comments:

Dear Hawai'i House Finance
Committee,

March 2, 2026

My name is Aaron Lee, I have lived in Hilo for almost my entire life and I am writing to ask you to vote against House Bill 2426, regarding the expansion of the Wailuku River State Park. HB 2426 proposes the State purchase 283 acres of land in Hilo and allows the Department of Land and Natural Resources to use the power of eminent domain, all to prevent the construction of homes on the property. Mr. Kusch stated in the December 16, 2025 issue of West Hawai'i Today the impetus for this bill is that about 200 of his neighbors have "a lot of community angst about development."

HB 2426 prioritizes the relative luxury of a large, expensive State park over the basic need for more housing in Hilo. A shortage of homes is one of the reasons home prices are very high in Hawai'i when compared to wages, and a contributing factor to people, especially young families, leaving the state. HB 2426 displays a disturbing lack of foresight, a disregard for the long-term future of Hilo, poor fiscal prioritization, and generally bad judgement .

Below are some good reasons why I think you should vote against HB 2426. I'm sure there are others I haven't thought of:

- This is a bad time for the State to spend millions of dollars to acquire land, then design and build a very large park. I believe there may be upcoming shortfalls within the State budget due to Hawai'i's reliance on federal funding, and the unknown impacts of current events on this funding. The Federal government may need to refund up to \$135,000,000,000 in tariffs, with interest, which may affect funding to states. Also, military operations in the Middle East could negatively affect both federal funding and tourism, Hawai'i's main economic driver.
- HB 2426 blatantly works against the creation of more housing, which I believe is a policy goal for both State and County governments. The site has been identified by past County administrations as an ideal infill site, given the surrounding residential use and desire for a connector street from Kaumana Drive to Ainako Avenue. The site is zoned for up to one homeper-acre, which is a lesser density than the surrounding neighborhoods at typically four homes-per-acre. HB 2426 can only contribute to the longterm scarcity of

housing, and disconnect between home prices and wages, that limit affordability in east Hawai'i. Furthermore, HB 2426 will prevent the privately funded community benefits that come with the creation of more homesites.

- Removing the site from the potential supply of housing also removes potential jobs in many industries including: design, construction, building supply sales and transport, maintenance, and the recurring purchase of goods and services.
- HB 2624 was apparently written for the benefit of about 200 neighbors, to prevent homes from being built on the site. The selfish, not-in-my-backyard (NIMBY) attitude of 200 neighbors, whose property value will increase as a result of HB 2426, is a poor reason to handicap the growth of Hilo. For reference, 200 neighbors are about 0.1% of the Big Island population and .014% of the population of the State. 75-year-old homes on other islands cost \$1M+, presumably due to limited space for new housing. Hilo also has limited space for expansion and the likely construction of new homes should not be stopped by the State. HB 2426 limits housing options for future generations while inflating the value of existing homes due to the State-funded amenity of adjacent open space. This is a poor trade for the public.
- Hilo does not need 283 acres of additional park space. Most public parks in Hilo appear to be lightly used, except for the beaches. For reference, Wailoa Park, Liliuokalani Gardens and the Bayfront soccer fields are about 150 acres combined, counting ponds. There is also no lack of walkable park space in the area, with the 4.7-acre Kaumana Lani park and 3-acre Ainako Park almost adjacent to the site, and the 8.2-acre Carvalho Park within 1.5 miles. Compared to other, more densely populated areas in the state, Hilo seems to have a low resident-to-park ratio. In terms of size, Kapiolani Park on Oahu is about 300 acres with a zoo and multisport complex, and serves an island with a population density of about 1,666 people-per-acre. The Big Island has a population density of about 50 people-per-acre and provides over 100 acres of public recreational space in each major district of the island. Parks of a similar size, 200+ acres, are usually regional parks for densely populated metropolitan areas.
- The proposed site is a bad place for a park and has no features that are geologically or ecologically unique. The parcels are about a half mile from the Wailuku River, with a neighborhood between. The land sits on a hillside with a slope of 300 to 400 feet, with flowing water and a thick canopy of nonnative trees. These physical characteristics will increase the cost of developing and maintaining a park, while the amount of rain in the area may limit the use of walking trails. Two phases of the Bayfront Trails project, built on clear, relatively flat, easy-to-use land, reportedly cost about \$1.5M. I expect it will cost much more to build safe walking trails on 283 acres of wet hillside.
- The State already owns land along Wailuku River, near Boiling Pots, that could be developed into recreational space:
 - tmk 3-2-5-10-1, the Boiling Pots parcel, is 17.78 acres and not fully developed.
 - 3-2-3-29-12 and 3-2-3-28-11 are 25 acres combined, just below Boiling Pots, and should accommodate a nearly-mile-long trail.
 - 3-2-6-9-27 is 44.46 acres of DHHL land across the river from Boiling Pots.
 - 3-2-6-9-5 is 1,837 acres of DHHL land, above Parcel 27, across the river, with access from Waianuenue Avenue.
 - 3-2-5-9-4 is 167.55 acres, along the south side of Wailuku River, above Boiling Pots, with access from Waianuenue Avenue.

- There are better sites to expand park space and walking options in Hilo:
 - The Old Hilo Hospital and Carvalho Park could be further developed and use existing parking and bathrooms. The old hospital, tmk 3-2-3-26-8, is 28.51 acres between Rainbow Falls and Carvalho Park. The building is currently a shelter, with a lot of unused land between the shelter and Wailuku River. Development of these parcels should create a walkable area between Rainbow Falls and Carvalho Park.
 - The State owns land near the Panaewa Zoo that can easily accommodate walking trails, about 15 minutes from the proposed site. The Panaewa Equestrian Center, tmk 3-2-4-4-144, sits on 121 acres and is not fully developed. Parcel 3-2-4-4-25 is 318 acres behind the Equestrian Center. The Boy Scouts of America lease tmk 3-2-4-4-131, 195 acres adjacent to parcels 144 and 25. Parcel 3-2-4-8-22 is 1,159 acres, across the street from the zoo.
- If the State is considering the use of Eminent Domain to acquire land, there are better targets. Other privately owned parcels in the area have truly unique geological features, are larger and should cost less to acquire because they sit within the Conservation State Land Use District.
- HB 2426 is fiscally bad for the County of Hawai‘i, since it removes about \$34,000 in annual real property tax revenue and permanently prevents the expansion of the tax base that comes with the construction of new homes. If the property were developed into a neighborhood, the resulting homes should provide at least 20 times the current amount of property taxes. Additionally, development of the property would likely trigger County requirements for affordable housing and park space as part of the required public benefits package.
- HB 2426 will serve as a taxpayerfunded “bail-out” for the Owners, who made a bad speculative investment in real estate. I think this is a bad precedent for the State to set, which will not be received well by the residents of our state. The Owners have been in serious financial trouble due to mismanagement and graft, as reported by a few reputable news outlets in mid2023. Instead, the Owners should lower their price until someone buys the property, as has recently happened with a few other large tracts of land in east Hawai‘i.
- The Statefunded portion of HB 2426, \$2.25M for land and \$800,000 to pay consultants, would probably provide more value to the public if the money is used to maintain or further develop existing recreational facilities within the state.

Thank you for taking the time to consider my opinion on HB 2426. I tried to attached two pdfs, showing State-owned land around the Boiling Pots area of Wailuku River, and around the Panaewa Zoo. I think either of these areas are better-suited for the development of walking trails and open space.

Sincerely,

Aaron Lee

(808) 960-3138 (m)

aaron_lee@live.com