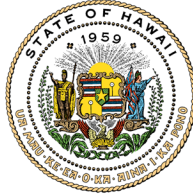


JOSH GREEN, M.D.
GOVERNOR | KE KIA'ĀINA

SYLVIA LUKE
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAII'
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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

Wednesday, April 8, 2026
1:55 PM
State Capitol, Room 308

In consideration of
HOUSE CONCURRENT RESOLUTION 14

AUTHORIZING THE ISSUANCE OF A PERPETUAL, NON-EXCLUSIVE EASEMENT COVERING A PORTION OF STATE SUBMERGED LANDS AT WAIALAE, HONOLULU, OAHU, FOR EXISTING DRAINAGE PURPOSES, AND FOR USE, OPERATION, REPAIR, AND MAINTENANCE OF THE EXISTING IMPROVEMENTS CONSTRUCTED THEREON.

House Concurrent Resolution 14 requests authorization to issue a perpetual, non-exclusive easement covering 12,700 square feet, more or less, of State submerged lands identified as Tax Map Key (TMK) (1) 3-5-023:041 fronting the Kahala Hotel & Resort property identified as TMK (1) 3-5-023:039 located in Waialae, Honolulu, Oahu, for use, operation, repair, and maintenance of existing drainage improvements constructed thereon, pursuant to Section 171-53, Hawaii Revised Statutes (HRS). **The Department of Land and Natural Resources (Department) supports this concurrent resolution and offers the following comments.**

The improvements subject to this measure, two (2) lagoon outfalls and one (1) stormwater outfall, were installed as a part of the original hotel development in the 1960s. The construction of all three pipelines predated both the creation of the Conservation District as well as the Special Management Area (SMA). In 1975, an extension of the Koko Head lagoon outfall pipe was approved via Conservation District Use Permit (CDUP) OA-634. The Department also notes that the two lagoon outfalls operate under a state Department of Health (DOH) National Pollutant Discharge Elimination System (NPDES) Permit (No. HI00219420) and by letter dated January 26, 2015, DOH confirmed that the stormwater discharge pipe did not require an NPDES permit.

Resorttrust Hawaii, LLC (RTH) operates the Kahala Hotel & Resort on the abutting property pursuant to a ground lease with Kamehameha Schools. RTH also holds a revocable permit

(RP) for the maintenance of TMK (1) 3-5-023:041. The issue of the pipelines was brought up during the 2022 annual RP renewal process. RTH has worked in good faith with the Department to resolve the encroachments and at its meeting on September 13, 2024, under agenda item D-7, the Board of Land and Natural Resources approved the issuance of perpetual, non-exclusive easements for the purposes stated above subject to Section 171-53, HRS, which requires "...prior approval of the Governor and the prior authorization of the Legislature by concurrent resolution".

The Department hired the appraisal firm Medusky & Co., Inc. which determined the one-time payment fair market value of the easement is \$9,700. If the Legislature and the Governor approve the requested easements, RTH will pay for the easement at the appraised fair market value.

The Department would like to clarify that the requested easement is in fact three (3) separate easements within the same TMK, but in different locations consisting of easement D-1 (stormwater outfall) with an area of 2,983 square feet, more or less; easement D-2 (Diamond Head lagoon outfall) with an areas of 2,190 square feet, more or less; and easement D-3 (Koko Head lagoon outfall) with an area of 7,527 square feet, more or less for a total area of 12,700 square feet, more or less. Therefore, the Department respectfully requests the resolution to be amended as follows:

Page 2, lines 11-13:

"WHEREAS, the total easement area is approximately 12,700 square feet, and is comprised of three separate easements of approximately 2,983 square feet, 2,190 square feet, and 7,527 square feet, respectively, to be confirmed by the Department of Accounting and General Services' Survey Division;"

Page 2, lines 23-24:

"Natural Resources is hereby authorized to issue [a] three, perpetual, non-exclusive easements covering [a] portions of the subject"

Mahalo for the opportunity to comment on this measure.