

**Josh Green, M.D.**  
Governor

**Sylvia Luke**  
Lt. Governor

**James Kunane Tokioka**  
DBEDT Director

**Dane K. Wicker**  
DBEDT Deputy Director

**Walter Thoemmes**  
Stadium Authority Chair

**Michael R. Yadao**  
Stadium Authority Executive Director



Statement of  
**MICHAEL R. YADAO**  
Stadium Authority  
Department of Business, Economic Development, and Tourism  
before the

**HOUSE COMMITTEE ON FINANCE**

Thursday, April 2, 2026  
02:00 PM  
State Capitol, Conference Room 308

In consideration of  
**S.B. 2599, SD2, HD2**  
**RELATING TO DEVELOPMENT.**

Chair Todd, Vice Chair Takenouchi and members of the Committee.

The Stadium Authority supports Senate Bill 2599, SD2, HD2 which redesignates the Stadium Development District as the Halawa Community Development District and refines the governance and operational framework necessary to realize the New Aloha Stadium Entertainment District (NASED).

S.B. 2599, SD2, HD2 clarifies the roles of the Stadium Authority and the HCDA, reducing administrative friction and accelerating project timelines. The creation of a dedicated Special Fund ensures that revenues generated within the district stay in the district to support long-term maintenance and infrastructure. By refining permitting powers, the bill facilitates the delivery of much-needed housing and its integration with the Skyline rail system.

Thank you for the opportunity to testify.



**HAWAII COMMUNITY  
DEVELOPMENT AUTHORITY**

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JOSH GREEN, M.D.  
GOVERNOR

SYLVIA LUKE  
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CHAIRPERSON

CRAIG K. NAKAMOTO  
EXECUTIVE DIRECTOR

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Statement of  
**CRAIG K. NAKAMOTO**  
**Executive Director**  
Hawai'i Community Development Authority  
before the  
**HOUSE COMMITTEE ON FINANCE**

Thursday, April 2, 2026  
2:00 P.M.  
State Capitol, Conference Room 308 & Videoconference

In consideration of  
**S.B. 2599, S.D. 2, H.D. 2**  
**RELATING TO DEVELOPMENT.**

Chairperson Todd, Vice Chairperson Takenouchi, and Members of the Committee. The Hawai'i Community Development Authority (HCDA) **supports** S.B. 2599, S.D. 2, H.D. 2, and respectfully offers **clarifying revisions**. All page and line references in this testimony refer to the H.D. 2 version of S.B. 2599.

First, restore the deleted language on page 17, lines 19 to 20 for the following reasons. In Act 252 (SLH, 2025), the deleted language (to be restored) was included in Section 206E-3, *Hawaii Revised Statutes*, to create a "sub-board" that governed the Chapter 206E, Part X, "Transit-oriented Development Infrastructure Improvement Program" only—this sub-board was intended by Act 252 to be a governing body that is separate from the current 17-member authority board. For clarity and consistency purposes, we respectfully request that the following bold language be revised as shown:

**“ . . . . on the island of Maui; [and, for the purposes of part X of this chapter only,]- . . . “**

Thus, our suggested revisions are to remove the strikeout and brackets for the language on page 17, lines 19 to 20.

Second, for consistency with the statutory structure of Section 206E-3, HRS, we respectfully request that the language modifying Section 206E-3, HRS, be reorganized by:

(a) deleting in its entirety the bold language shown below starting with “two representatives . . . .” and ending with “9-9-078” at page 18, lines 1 to 11 as shown below:

~~“ . . . . and two representatives of the Halawa community development district, consisting of one resident of the district, and one owner of a small business or officer or director of a nonprofit organization selected from the areas represented by the following Oahu tax map key numbers, as currently defined and as may be amended by the city and county of Honolulu real property assessment division: 1-1-010 to 1-1-011, 1-1-023 to 1-1-024, 9-8-001 to 9-8-002, 9-8-008, 9-8-011 to 9-8-019, 9-8-025 to 9-8-046, 9-8-053 to 9-8-054, 9-8-056 to 9-8-058, 9-8-60 to 9-8-073, 9-9-002 to 9-9-012, and 9-9-014 to 9-9-078. . . . ”~~

(b) inserting in its entirety the above bold language onto page 17, line 18 after the phrase, “. . . . on the island of Maui; . . . .” as shown below:

“on the island of Maui; **two representatives of the Halawa community development district, consisting of one resident of the district, and one owner of a small business or officer or director of a nonprofit organization selected from the areas represented by the following Oahu tax map key numbers, as currently defined and as may be amended by the city and county of Honolulu real property assessment division: 1-1-010 to 1-1-011, 1-1-023 to 1-1-024, 9-8-001 to 9-8-002, 9-8-008, 9-8-011 to 9-8-019, 9-8-025 to**

**9-8-046, 9-8-053 to 9-8-054, 9-8-056 to 9-8-058, 9-8-60 to 9-8-073, 9-9-002 to 9-9-012, and 9-9-014 to 9-9-078;** and, for the purposes of part X of this chapter only . . . . “ (language to be inserted is underlined)

For the abundance of clarity, after the above revisions are made, page 17, starting from line 19 and continuing to page 18, should read as follows without Ramseyer format or track change format in bold:

“ . . . . on the island of Maui; two representatives of the Halawa community development district, consisting of one resident of the district, and one owner of a small business or officer or director of a nonprofit organization selected from the areas represented by the following Oahu tax map key numbers, as currently defined and as may be amended by the city and county of Honolulu real property assessment division: 1-1-010 to 1-1-011, 1-1-023 to 1-1-024, 9-8-001 to 9-8-002, 9-8-008, 9-8-011 to 9-8-019, 9-8-025 to 9-8-046, 9-8-053 to 9-8-054, 9-8-056 to 9-8-058, 9-8-60 to 9-8-073, 9-9-002 to 9-9-012, and 9-9-014 to 9-9-078; and, for the purposes of part X of this chapter only, two experts on transit-oriented development, to be appointed one each by the president of the senate and the speaker of the house of representatives; and the following ex officio, nonvoting members: the chairpersons of the respective senate and house of representatives standing committees having jurisdiction over transportation, and the chairpersons of the respective senate and house of representatives standing committees having jurisdiction over housing.

All members except the director of finance; director of transportation; county directors of planning or planning and

**permitting; director of business, economic development, and tourism; chairperson of the board of land and natural resources; the two experts on transit-oriented development appointed by the . . . “**

Thank you for the opportunity to provide supporting testimony and to respectfully offer for the committee’s consideration the clarifying amendments described above.

April 1, 2026

The Honorable Christopher Todd, Chair  
The Honorable Jenna Takenouchi, Vice Chair  
and Members of the Committee on Finance

Subject: Testimony: SB2599, SD2, HD2 Relating to Development  
Hearing: April 2, 2026 at 2:00 PM

Dear Chair Todd, Vice Chair Takenouchi, and Members of the Committee:

Stanford Carr Development respectfully requests the **deferral** of Senate Bill 2599, SD2, HD2, which redesignates the Stadium Development District as the Halawa Community Development District and seeks to strengthen the policy and administrative framework for implementing the New Aloha Stadium Entertainment District (NASED).

We recently made our legal counsel aware of this measure, and they have not had the chance to complete a comprehensive review. Upon cursory review, however, it appears to add an additional layer of requirements and considerations to the development of the new stadium and the surrounding lands. ***We are concerned that the unintended consequence of this measure will be to slow down the momentum that the project currently has***, and request that this measure be deferred pending an analysis as to the potential impact of the measure on the overall development process, and the impact on the timely delivery of the stadium and surrounding lands.

***We are also concerned that these additional requirements may make the project unfinanceable.***

Additionally, there is an inconsistency and possible overlap in areas of responsibility to the extent that infrastructure and public facilities are integral parts of any development.

Although SB2599, SD2, HD2 references pending agreements, it lacks explicit language that states the measure will not affect agreements executed and/or that are contemplated prior to its enactment.

Examples of conflicts between the proposed language and the approved business terms include:

- Section 5, page 14, HRS §109-3.5(a)(1), which defines revenues of the Stadium Development Special Fund to include stadium operations, leases, concessions, food and beverage, parking, sponsorships, utilities, infrastructure, and development;

- Section 5, page 15, HRS §109-3.5(b)(1) and (2), which authorizes use of the Stadium Development Special Fund for development, operation, repair and maintenance of the new stadium, and related commercial activities; and
- Section 8, page 29, which amends HRS §206E-14 by removing language that allows leases of up to ninety-nine years.

If this measure moves forward, we would suggest that Section 4, HRS §109-2(3) be modified to read as follows:

"(3) To acquire and hold title to real and personal property, and to condemn such lands, easements and other encumbrances as it deems necessary and appropriate to facilitate the expeditious development of the stadium and the area surrounding the stadium;"

Given these concerns, Stanford Carr Development *respectfully urges the Committee to defer this measure* to provide additional time for an in-depth review. We thank you for the opportunity to submit this testimony.

Sincerely,



Stanford S. Carr

## INTRODUCTION

### *Toward a Modern Framework for Land Stewardship and Governance in Hawai'i*

Hawai'i stands at a critical inflection point in how land is governed, managed, and stewarded. Across multiple sectors—development, infrastructure, conservation, and public use—decision-making authority over land has increasingly consolidated within centralized systems. While often well-intended, these frameworks have not consistently aligned with community-based stewardship models or the cultural and historical realities unique to Hawai'i.

Large-scale land control structures—whether for development, infrastructure, or other state-directed purposes—carry long-term consequences that extend far beyond their initial scope. They shape access, define opportunity, and determine how lands are utilized for generations. As these systems expand, it becomes essential to ensure they do not unintentionally replicate patterns that have historically excluded Native Hawaiian voices and broader community input from meaningful participation in land governance.

At the same time, Hawai'i faces mounting pressures: housing demand, economic diversification, environmental resilience, and the need for sustainable land use. These challenges require coordinated solutions—but coordination must not come at the expense of transparency, accountability, or cultural alignment. Instead, this moment calls for a recalibration of governance models to better reflect both present needs and foundational principles of stewardship.

This paper is offered as a forward-looking contribution to that effort. It does not seek to disrupt for disruption's sake, but rather to advance a structured, thoughtful approach to land governance—one that integrates modern policy tools with long-standing cultural frameworks. The goal is to move beyond fragmented or siloed decision-making toward a more balanced system that recognizes the importance of access, responsibility, and shared benefit.

Ultimately, the question before us is not simply how land is managed, but who participates in that management and under what framework. By advancing a more inclusive, transparent, and culturally grounded model of governance, Hawai'i can better position itself to meet the challenges ahead while honoring the principles that define it.

This introduction is intended to provide context for the analysis and proposals that follow.



KIA'I IWI ALAKA'I

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## *Strategic Redistribution of Live-Fire Training in the Pacific*

### **I. EXECUTIVE SUMMARY**

#### **Strategic Redistribution of Live-Fire Training in the Pacific**

#### **A Readiness Optimization, Fiscal Correction, and Cultural Stewardship Framework**

The United States military is approaching a structural inflection point in how it conducts training operations across the Indo-Pacific theater. The convergence of evolving military doctrine, increasing environmental and regulatory constraints, and demonstrable long-term fiscal liabilities has exposed fundamental inefficiencies in the current model of concentrated high-impact training—particularly within the State of Hawai‘i.

Hawai‘i occupies a uniquely critical role within U.S. defense posture. It serves as the headquarters of the United States Indo-Pacific Command, a central node for force projection, logistics, and coordination across the Pacific. Its geographic position, infrastructure, and integration into joint and allied operations make it indispensable to national security.

At the same time, Hawai‘i is not merely a strategic asset—it is a living cultural landscape shaped by centuries of stewardship, genealogy, and responsibility. Lands currently utilized for training are embedded within systems of cultural significance, environmental sensitivity, and historical continuity. This dual reality—strategic necessity and cultural

depth—creates a policy environment that cannot be addressed through traditional operational assumptions alone.

The current training model concentrates high-impact live-fire activities within this environment. While historically expedient, this concentration now produces a cascading set of consequences that are increasingly difficult to manage, both operationally and fiscally.

First, environmental compliance requirements—particularly under the National Environmental Policy Act—have expanded in scope, duration, and complexity. High-impact training in sensitive environments requires extensive Environmental Impact Statements, supplemental analyses, cultural consultation, and biological assessments. These processes introduce multi-year timelines, significant administrative costs, and heightened vulnerability to legal challenge.

Second, the regulatory and legal environment has matured to a point where compliance is no longer a procedural hurdle but a structural constraint. Judicial precedent and enforcement expectations, including those reflected in cases such as *Ching v. Case*, signal increasing willingness to require strict adherence to lease conditions and environmental protections. This introduces additional layers of operational uncertainty and potential restriction.

Third, and most critically, the long-term fiscal consequences of sustained high-impact training in sensitive environments are no longer theoretical. They are demonstrated.

The case of Kaho‘olawe provides the clearest precedent. Following decades of military use, remediation efforts have required approximately \$400–\$450 million in federal investment. Despite this expenditure, significant portions of the island remain inaccessible due to unexploded ordnance and environmental degradation. Full restoration has not been achieved, and may not be achievable.

This precedent establishes a critical reality:

The true cost of high-impact training is not confined to the period of use. It extends across decades, and in some cases generations.

Within Hawai‘i, similar conditions—live-fire activity, sensitive terrain, cultural resources, and ecological complexity—suggest that continued concentration of high-impact training will produce comparable long-term liabilities.

The current model therefore represents a convergence of:

- Maximum compliance cost
- Maximum regulatory friction

- Maximum legal exposure
- Maximum long-term liability

All concentrated within a single geography.

This is not an efficient allocation of training activity.

It is a legacy model that has not yet been updated to reflect modern operational doctrine or fiscal reality.

### The Central Proposal

This paper proposes a strategic redistribution of high-impact live-fire training activities away from Hawai‘i to more suitable environments across the Pacific and continental United States, paired with a repositioning of Hawai‘i as a high-value hub for:

- Command and control integration
- Simulation and hybrid training environments
- Joint and allied interoperability exercises
- Logistics and rapid deployment coordination
- Disaster response and humanitarian readiness

This redistribution does not reduce training capacity.

It enhances it.

By aligning training type with appropriate geography, the United States can:

- Increase training realism through access to larger maneuver environments
- Reduce scheduling bottlenecks and range saturation
- Improve throughput and operational tempo
- Decrease compliance burden and administrative delay

Most importantly, it interrupts the accumulation of long-term environmental and financial liabilities.

### The Fiscal Argument

The strongest argument for redistribution is not immediate cost savings.

It is cost avoidance.

Using the Kaho‘olawe precedent as a baseline, and applying conservative modeling assumptions, continued high-impact training in Hawai‘i could expose the federal government to:

- \$200M–\$500M in cumulative cost over a 10-year horizon
- \$500M–\$1B+ in long-term liability over a 20-year horizon

These figures reflect not only remediation, but:

- Compliance costs
- Legal exposure
- Operational inefficiency
- Restricted land usability

By contrast, a redistribution model significantly reduces the accumulation of these liabilities, producing a flatter and more predictable cost trajectory.

### The Readiness Argument

Modern warfare in the Indo-Pacific is inherently distributed. It involves multi-domain coordination across vast distances, requiring flexibility, scalability, and integration across multiple environments.

Training concentrated within a constrained island geography does not fully replicate these conditions.

Redistributed training does.

It enables:

- Large-scale maneuver exercises
- Multi-location coordination
- Realistic joint-force integration
- Increased frequency of training cycles

At the same time, Hawai‘i’s role becomes more strategically focused—serving as the coordination center for these distributed operations.

### The Cultural and Political Alignment

Kupuna ‘ike—ancestral knowledge—emphasizes balance, foresight, and responsibility. These principles are increasingly reflected in modern regulatory frameworks and public expectations.

A redistribution model aligns military operations with these principles, not by reducing capability, but by avoiding unnecessary impact in the most sensitive environments.

This reduces conflict, stabilizes relationships with local communities, and creates a more predictable operating environment.

## Final Position

The United States is not choosing between readiness and stewardship.

It is choosing between:

- Maintaining a legacy model with escalating cost and constraint

or

- Adopting a modern model that improves readiness while stabilizing long-term obligations

Train where it makes operational sense. Spend where it delivers the greatest value. Avoid costs we already know are coming.

## II. STRATEGIC CONTEXT

### **Cultural Foundations, Operational Reality, and Structural Misalignment**

The strategic context surrounding military training in Hawai‘i cannot be understood through a single lens. It requires the simultaneous consideration of three distinct but increasingly interconnected domains:

1. Cultural and stewardship obligations rooted in ‘ike kupuna
2. Evolving military doctrine within the Indo-Pacific theater
3. Institutional and regulatory maturation shaping land use and accountability

These domains are not operating independently. They are converging in a way that fundamentally alters the feasibility, cost, and sustainability of maintaining high-impact training concentrations within Hawai‘i.

#### Cultural Landscape and Stewardship Reality

Hawai‘i is not a neutral training environment. It is a place where land is understood not as a commodity, but as a living system of relationships—between people, ancestors, and the environment.

Kupuna ‘ike—ancestral knowledge—frames land use through principles that include:

- Intergenerational responsibility: decisions made today carry consequences beyond the present
- Balance and restraint: not all technically possible actions are culturally appropriate
- Irreversibility awareness: certain impacts, once made, cannot be undone

These principles have historically existed outside formal policy structures. That is no longer the case.

They are now embedded—directly or indirectly—within:

- Environmental review processes
- Cultural consultation requirements
- Legal challenges and public advocacy
- Institutional expectations placed on state and federal agencies

What was once moral guidance has become operational constraint.

#### Institutionalization of Cultural Considerations

Cultural considerations are increasingly internal to the decision-making framework governing military land use.

Training environments in Hawai‘i are subject to:

- Longer approval timelines
- Greater scrutiny of activity type and intensity
- Increased likelihood of challenge or delay

#### Indo-Pacific Operational Reality

Modern doctrine emphasizes:

- Distributed operations
- Multi-domain integration
- Rapid deployment across dispersed environments

#### Limitations of the Hawai'i-Centric Model

- Limited maneuver space
- Range congestion
- Environmental constraints

This creates a mismatch between training environment and operational reality.

#### Structural Misalignment

Hawai'i's optimal role is command and coordination, yet it is used for high-impact training.

Consequences include:

- Operational inefficiency
- Administrative and legal friction
- Fiscal exposure

#### Strategic Conclusion

Hawai'i's role is evolving. The issue is not whether it remains central—but how that centrality is expressed.

### **III. PROBLEM STATEMENT**

#### **Demonstrated Liability, Regulatory Convergence, and Structural Cost Inefficiency**

The continued concentration of high-impact live-fire training in Hawai'i is no longer simply an operational choice. It is now a condition defined by converging constraints, demonstrated precedent, and predictable long-term cost exposure.

This section establishes that the current model is not only inefficient—it is structurally unsustainable when evaluated across three integrated dimensions:

1. Demonstrated long-term liability (precedent)
2. Regulatory and legal convergence (present conditions)
3. Stacked fiscal exposure (future trajectory)

Demonstrated Liability: The Kaho'olawe Precedent

The most instructive case available is Kaho'olawe.

Following decades of use as a military training range, the island required:

- Extensive unexploded ordnance (UXO) removal
- Environmental stabilization and erosion control
- Cultural and archaeological site protection

Federal and state investment in remediation has reached approximately \$400–\$450 million.

Despite this level of expenditure:

- Large portions of the island remain unsafe for unrestricted access
- UXO contamination persists
- Full ecological and cultural restoration has not been achieved

This demonstrates that remediation is expensive, prolonged, and often incomplete.

Regulatory Convergence

Modern training operates under:

- NEPA environmental review
- Cultural consultation requirements
- Biological and ecological protections

These introduce:

- Multi-year timelines
- High administrative cost
- Litigation risk

#### Legal Enforcement

Oversight entities such as DLNR are expected to enforce lease conditions.

Judicial precedent (e.g., Ching v. Case) reinforces accountability.

#### Stacked Cost Structure

Costs include:

- Operational cost
- Compliance cost
- Administrative cost
- Legal cost
- Deferred remediation liability

#### Lifecycle Cost Reality

Costs accumulate over time:

- Early phase: manageable
- Mid phase: increasing friction
- Late phase: large-scale remediation

Modeled Exposure:

- 10-year: \$200M–\$500M+
- 20-year: \$500M–\$1B+

#### Strategic Conclusion

The current model is increasingly costly, constrained, and exposed.

It is not sustainable over the long term.

#### IV. SCENARIO ANALYSIS

##### Comparative Futures: Cost, Readiness, and Risk Across Training Models

Scenario	Readiness	Compliance Cost	Legal Exposure	20-Year Liability
Status Quo	Constrained	High	High	\$500M–\$1B+
Partial Redistribution	Improved	Moderate	Moderate	\$300M–\$600M
Full Redistribution	Optimized	Reduced	Low	Minimal / Controlled

The purpose of this section is to move from problem identification to decision framing.

The current conditions outlined in Section III do not, by themselves, dictate a solution. They establish constraints and risks. What follows is a structured evaluation of three distinct strategic pathways.

These scenarios are evaluated across:

- Operational effectiveness (readiness)
- Cost trajectory (short- and long-term)
- Regulatory and legal exposure
- Strategic sustainability

##### Scenario A — Status Quo

High-impact training continues in Hawai‘i.

Operational constraints:

- Range congestion
- Limited maneuver space
- Scheduling delays

Regulatory outlook:

- Expanding NEPA requirements
- Increased legal exposure

Fiscal trajectory:

- 10-year: \$200M–\$500M+
- 20-year: \$500M–\$1B+

Conclusion:

Highest long-term cost and risk.

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### Scenario B — Partial Redistribution

Some training relocated, but core structure unchanged.

Operational improvements:

- Reduced congestion (limited)
- Slight flexibility increase

Fiscal trajectory:

- 10-year: \$150M–\$300M
- 20-year: \$300M–\$600M

Conclusion:

Slows cost growth but does not change trajectory.

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### Scenario C — Full Strategic Redistribution (Recommended)

High-impact training relocated to suitable environments.

Hawai‘i repositioned as:

- Command hub
- Simulation center
- Logistics node

Operational benefits:

- Increased realism
- Higher training frequency
- Distributed coordination

Fiscal trajectory:

- 10-year: \$100M–\$200M
- 20-year: Minimal / Controlled

Conclusion:

Most efficient, stable, and strategically aligned model.

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Comparative Summary:

Status Quo → High cost, high risk

Partial → Moderate improvement

Full Redistribution → Optimized outcome

Final Determination:

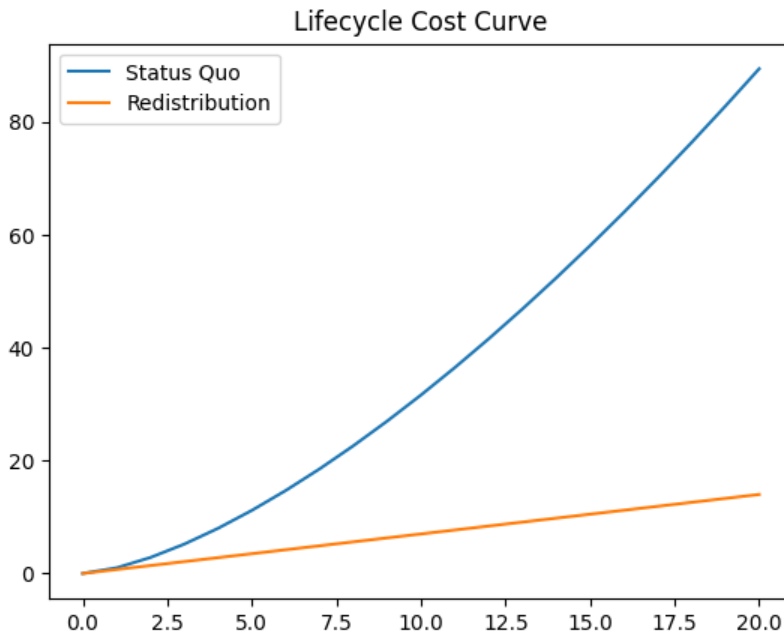
Full redistribution is not a compromise.

It is the optimal configuration.

## V. FISCAL MODEL & COST AVOIDANCE

### Lifecycle Cost Reality, Liability Accumulation, and Federal Budget Implications

Scenario	10-Year Cost	20-Year Liability
Status Quo	\$200M–\$500M+	\$500M–\$1B+
Partial	\$150M–\$300M	\$300M–\$600M
Redistribution	\$100M–\$200M	Minimal



The fiscal argument for redistributing high-impact live-fire training away from Hawai'i is frequently misunderstood when framed as a question of immediate cost savings.

The correct framework is cost avoidance across a multi-decade lifecycle.

Under the current model, the majority of financial impact is deferred, accumulating over time and materializing as:

- Environmental remediation obligations
- UXO clearance programs
- Land restoration and stabilization
- Long-term monitoring and restricted use

These costs are legally enforceable, politically unavoidable, and historically demonstrated.

## Lifecycle Cost Structure

### 1. Direct Operational Cost

- Personnel
- Equipment
- Logistics

### 2. Compliance Cost

- EIS under NEPA
- Cultural surveys
- Biological assessments

### 3. Administrative Cost

- Documentation
- Coordination
- Public process

### 4. Legal Cost

- Litigation
- Delays
- Settlements

### 5. Deferred Liability

- UXO clearance
- Remediation
- Cultural restoration

## Kaho‘olawe Benchmark

- \$400–\$450M remediation
- Incomplete restoration
- Ongoing restrictions

### Key Insight:

The absence of immediate cost does not mean absence of total cost.

## Cost Curve Dynamics

Early Phase: manageable

Mid Phase: rising friction

Late Phase: large liabilities

### Modeled Exposure:

#### Scenario A:

- 10-year: \$200M–\$500M+
- 20-year: \$500M–\$1B+

#### Scenario B:

- 10-year: \$150M–\$300M
- 20-year: \$300M–\$600M

#### Scenario C:

- 10-year: \$100M–\$200M
- 20-year: Minimal

#### Cost Avoidance vs Savings

Savings = short-term

Avoidance = long-term impact

Congress responds to avoided large liabilities.

#### Budget Impact

Status quo:

- Unpredictable
- Escalating

Redistribution:

- Stable
- Controlled

#### Hidden Subsidy

- Land degradation lowers apparent cost
- True cost is masked

#### Strategic Conclusion

The United States is choosing when cost is incurred:

Status quo → delayed and amplified

Redistribution → controlled and reduced

#### Final Position

The most expensive model is the one that appears cheapest upfront.



## VI. STRATEGIC REDISTRIBUTION MODEL

### Operational Design, Geographic Alignment, and Phased Implementation

Unit Type	Current Location	Proposed Location	Frequency
Infantry Battalion	Pohakuloa Training Area (PTA)	Guam / CNMI	2x/year
Artillery Units	PTA	Yuma Proving Ground (AZ)	1–2x/year
Combined Arms Exercises	PTA	JBLM + Pacific Ranges	Annual
Command Exercises	Hawai‘i	Hawai‘i (retain)	Continuous
Logistics/Deployment	Hawai‘i	Hawai‘i (expand)	Continuous

The preceding sections establish three conclusions:

1. The current Hawai‘i-centric model produces increasing cost and constraint
2. Long-term liabilities are demonstrated and predictable
3. Distributed operations require distributed training environments

This section answers the critical question:

What replaces the current model?

The answer is not reduction. It is reconfiguration.

Core Design Principle

Match training activity to the environment best suited to support it.

The central flaw in the current model is not the existence of training in Hawai‘i. It is the type of training being concentrated there.

High-impact live-fire activities require:

- Large maneuver space
- Repetition without long recovery cycles
- Minimal environmental and regulatory friction

Hawai‘i does not optimally provide these conditions.

Training Typology

Category 1 — High-Impact Live-Fire

- Infantry maneuver

- Combined arms
- Repetitive weapons training

#### Category 2 — Simulation and Hybrid

- Command post exercises
- Multi-domain simulation
- Virtual/live integration

#### Category 3 — Command and Coordination

- Joint exercises
- Theater-level planning
- Allied interoperability

#### Category 4 — Logistics and Deployment

- Mobilization
- Disaster response
- Supply chain coordination

#### Strategic Allocation

##### Hawai'i becomes a high-value hub:

- Command and control
- Simulation
- Coordination
- Logistics

##### Key site:

Pohakuloa Training Area (PTA)

##### Operational Shift at PTA:

- Reduce live-fire intensity
- Expand simulation
- Integrate multi-domain exercises

#### Relocation Targets

##### Pacific:

- Guam
- Northern Mariana Islands

##### CONUS:

- Yuma Proving Ground
- Joint Base Lewis-McChord

#### Operational Benefits

1. Increased scale
2. Increased frequency
3. Reduced recovery constraints
4. Multi-location coordination

#### Strategic Effect

Hawai'i shifts from impact zone to command node.

#### Phased Implementation

Phase 1 (0–2 years):

- Identify training to relocate
- Begin transition

Phase 2 (2–5 years):

- Reduce live-fire in Hawai'i
- Expand simulation

Phase 3 (5+ years):

- Full redistribution
- Hawai'i as command hub

#### Risk Management

- Gradual transition
- Redundant training sites
- Flexible scaling

#### Infrastructure

Leverages existing ranges. Minimal new build required.

#### Final Position

The most effective training architecture distributes activity intelligently.

## **VII. LAND VALUATION & TRUE COST ACCOUNTING**

### **Correcting Distorted Valuation, Aligning Incentives, and Exposing Hidden Subsidy**

A central but often overlooked issue in federal land use policy—particularly in the context of military training—is how land is valued after prolonged use.

This is not a technical detail.

It is a structural flaw that directly impacts:

- Budget decisions
- Training allocation
- Perceived cost efficiency
- Long-term federal liability

The Core Distortion

Under current practice, land used for high-impact training is often evaluated at its current condition when:

- Lease renewals are considered
- Fair market valuations are conducted
- Federal land use decisions are assessed

When that land has been subject to:

- Live-fire activity
- UXO contamination
- Environmental degradation

...the result is a fundamental distortion:

The cost of damage is absorbed into reduced land value rather than attributed to the activity that caused it.

Why This Matters

This creates a feedback loop:

1. Land is used
2. Land degrades
3. Land value drops
4. Cost appears lower
5. Training appears efficient

Result:

The more damage that occurs, the lower the apparent cost.

## Hidden Subsidy

This creates a hidden subsidy:

- Damage not priced
- Liability deferred
- Cost masked

## Baseline Condition Principle

Land should be valued at baseline condition at time of original use.

Components:

- Original environmental condition
- Cultural value
- Highest and best use

Key Principle:

A user should not benefit from value reduction caused by its own use.

## Application

Current Model:

- Lower apparent cost
- Deferred liability

Baseline Model:

- True cost revealed
- Full impact internalized

## Kaho‘olawe Case

- \$400–\$450M remediation
- Incomplete recovery
- Permanent impacts

Insight:

Current valuation masks cost. Baseline reveals it.

## Fiscal Impact

- Accurate lifecycle accounting
- Better decision-making
- Elimination of hidden subsidy

## Policy Integration

Can be applied to:

- Lease renewals
- Federal agreements
- Oversight frameworks

DLNR Role:

- Enforce lease conditions
- Ensure accountability

Congressional Relevance

- Federal asset management
- Liability exposure
- Budget transparency

Key Insight:

If land is undervalued, liability is underestimated.

Strategic Alignment

Without reform:

- Cost appears low
- Redistribution optional

With reform:

- Cost visible
- Redistribution compelling

Conclusion

You cannot manage what you do not measure accurately.

## VIII. READINESS & NATIONAL SECURITY

### Enhancing Operational Effectiveness Through Distributed Training Architecture

Risk Factor	Status Quo	Redistribution	Net Effect
Regulatory Risk	High	Low	Reduced
Legal Exposure	High	Reduced	Lower Liability
Operational Efficiency	Constrained	Improved	Higher Throughput
Cost Stability	Unstable	Stable	Predictable Budget
Community Conflict	Elevated	Reduced	Improved Relations

Any proposal to modify military training posture must ultimately be evaluated against a single standard:

Does it enhance or degrade readiness?

This section establishes clearly:

Strategic redistribution of high-impact training enhances readiness across the Indo-Pacific theater.

Not marginally. Structurally.

#### Redefining Readiness in the Indo-Pacific Context

Traditional readiness assumptions:

- Centralized training
- Fixed ranges
- Predictable environments

Modern reality:

- Distributed operations
- Multi-domain integration
- Rapid mobility
- Decentralized command

Implication:

Training must reflect real operational conditions.

Limitations of Current Model

- Limited maneuver space
- Range congestion
- Compliance delays

Result:

Less flexibility, reduced realism, lower scalability.

### Distributed Training Benefits

#### 1. Expanded maneuver capability

- Battalion-level realism
- Combined arms

#### 2. Increased frequency

- Less friction
- More repetition

#### 3. Multi-location coordination

- Distributed exercises
- Real-world alignment

### Hawai'i's Role

- Command integration hub
- Simulation center
- Logistics platform

PTA role:

- Hybrid training
- Multi-domain coordination

Strategic Translation:

Hawai'i becomes the nerve center, not the impact zone.

### Friction Reduction

Current issues:

- NEPA delays
- DLNR enforcement pressure
- Legal exposure

Redistribution:

- Faster timelines

- Reduced legal risk
- Predictable scheduling

#### Operational Impact:

- Higher tempo
- Less downtime
- Greater consistency

#### Stability Advantage

#### Status quo:

- Conflict
- Uncertainty

#### Redistribution:

- Stability
- Predictability
- Long-term access

#### Key Insight:

Stability is a prerequisite for readiness.

#### Allied Alignment

- Japan
- Guam
- Australia

Distributed training reflects coalition reality.

#### Risk Mitigation

- Phased transition
- Redundant locations
- Scalable operations

#### Core Question:

Does this reduce readiness?

#### Answer:

No. It improves it.

Why:

- Larger environments
- More flexibility
- Less friction
- Better alignment

Final Position

Train better, not less.

Distributed training strengthens readiness and aligns it with real-world conditions.

## INTRODUCTION

### *Toward a Modern Framework for Land Stewardship and Governance in Hawai'i*

Hawai'i stands at a critical inflection point in how land is governed, managed, and stewarded. Across multiple sectors—development, infrastructure, conservation, and public use—decision-making authority over land has increasingly consolidated within centralized systems. While often well-intended, these frameworks have not consistently aligned with community-based stewardship models or the cultural and historical realities unique to Hawai'i.

Large-scale land control structures—whether for development, infrastructure, or other state-directed purposes—carry long-term consequences that extend far beyond their initial scope. They shape access, define opportunity, and determine how lands are utilized for generations. As these systems expand, it becomes essential to ensure they do not unintentionally replicate patterns that have historically excluded Native Hawaiian voices and broader community input from meaningful participation in land governance.

At the same time, Hawai'i faces mounting pressures: housing demand, economic diversification, environmental resilience, and the need for sustainable land use. These challenges require coordinated solutions—but coordination must not come at the expense of transparency, accountability, or cultural alignment. Instead, this moment calls for a recalibration of governance models to better reflect both present needs and foundational principles of stewardship.

This paper is offered as a forward-looking contribution to that effort. It does not seek to disrupt for disruption's sake, but rather to advance a structured, thoughtful approach to land governance—one that integrates modern policy tools with long-standing cultural frameworks. The goal is to move beyond fragmented or siloed decision-making toward a more balanced system that recognizes the importance of access, responsibility, and shared benefit.

Ultimately, the question before us is not simply how land is managed, but who participates in that management and under what framework. By advancing a more inclusive, transparent, and culturally grounded model of governance, Hawai'i can better position itself to meet the challenges ahead while honoring the principles that define it.

This introduction is intended to provide context for the analysis and proposals that follow.



KIA'I IWI ALAKA'I

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## *Strategic Redistribution of Live-Fire Training in the Pacific*

### **I. EXECUTIVE SUMMARY**

#### **Strategic Redistribution of Live-Fire Training in the Pacific**

#### **A Readiness Optimization, Fiscal Correction, and Cultural Stewardship Framework**

The United States military is approaching a structural inflection point in how it conducts training operations across the Indo-Pacific theater. The convergence of evolving military doctrine, increasing environmental and regulatory constraints, and demonstrable long-term fiscal liabilities has exposed fundamental inefficiencies in the current model of concentrated high-impact training—particularly within the State of Hawai‘i.

Hawai‘i occupies a uniquely critical role within U.S. defense posture. It serves as the headquarters of the United States Indo-Pacific Command, a central node for force projection, logistics, and coordination across the Pacific. Its geographic position, infrastructure, and integration into joint and allied operations make it indispensable to national security.

At the same time, Hawai‘i is not merely a strategic asset—it is a living cultural landscape shaped by centuries of stewardship, genealogy, and responsibility. Lands currently utilized for training are embedded within systems of cultural significance, environmental sensitivity, and historical continuity. This dual reality—strategic necessity and cultural

depth—creates a policy environment that cannot be addressed through traditional operational assumptions alone.

The current training model concentrates high-impact live-fire activities within this environment. While historically expedient, this concentration now produces a cascading set of consequences that are increasingly difficult to manage, both operationally and fiscally.

First, environmental compliance requirements—particularly under the National Environmental Policy Act—have expanded in scope, duration, and complexity. High-impact training in sensitive environments requires extensive Environmental Impact Statements, supplemental analyses, cultural consultation, and biological assessments. These processes introduce multi-year timelines, significant administrative costs, and heightened vulnerability to legal challenge.

Second, the regulatory and legal environment has matured to a point where compliance is no longer a procedural hurdle but a structural constraint. Judicial precedent and enforcement expectations, including those reflected in cases such as *Ching v. Case*, signal increasing willingness to require strict adherence to lease conditions and environmental protections. This introduces additional layers of operational uncertainty and potential restriction.

Third, and most critically, the long-term fiscal consequences of sustained high-impact training in sensitive environments are no longer theoretical. They are demonstrated.

The case of Kaho‘olawe provides the clearest precedent. Following decades of military use, remediation efforts have required approximately \$400–\$450 million in federal investment. Despite this expenditure, significant portions of the island remain inaccessible due to unexploded ordnance and environmental degradation. Full restoration has not been achieved, and may not be achievable.

This precedent establishes a critical reality:

The true cost of high-impact training is not confined to the period of use. It extends across decades, and in some cases generations.

Within Hawai‘i, similar conditions—live-fire activity, sensitive terrain, cultural resources, and ecological complexity—suggest that continued concentration of high-impact training will produce comparable long-term liabilities.

The current model therefore represents a convergence of:

- Maximum compliance cost
- Maximum regulatory friction

- Maximum legal exposure
- Maximum long-term liability

All concentrated within a single geography.

This is not an efficient allocation of training activity.

It is a legacy model that has not yet been updated to reflect modern operational doctrine or fiscal reality.

### The Central Proposal

This paper proposes a strategic redistribution of high-impact live-fire training activities away from Hawai‘i to more suitable environments across the Pacific and continental United States, paired with a repositioning of Hawai‘i as a high-value hub for:

- Command and control integration
- Simulation and hybrid training environments
- Joint and allied interoperability exercises
- Logistics and rapid deployment coordination
- Disaster response and humanitarian readiness

This redistribution does not reduce training capacity.

It enhances it.

By aligning training type with appropriate geography, the United States can:

- Increase training realism through access to larger maneuver environments
- Reduce scheduling bottlenecks and range saturation
- Improve throughput and operational tempo
- Decrease compliance burden and administrative delay

Most importantly, it interrupts the accumulation of long-term environmental and financial liabilities.

### The Fiscal Argument

The strongest argument for redistribution is not immediate cost savings.

It is cost avoidance.

Using the Kaho‘olawe precedent as a baseline, and applying conservative modeling assumptions, continued high-impact training in Hawai‘i could expose the federal government to:

- \$200M–\$500M in cumulative cost over a 10-year horizon
- \$500M–\$1B+ in long-term liability over a 20-year horizon

These figures reflect not only remediation, but:

- Compliance costs
- Legal exposure
- Operational inefficiency
- Restricted land usability

By contrast, a redistribution model significantly reduces the accumulation of these liabilities, producing a flatter and more predictable cost trajectory.

### The Readiness Argument

Modern warfare in the Indo-Pacific is inherently distributed. It involves multi-domain coordination across vast distances, requiring flexibility, scalability, and integration across multiple environments.

Training concentrated within a constrained island geography does not fully replicate these conditions.

Redistributed training does.

It enables:

- Large-scale maneuver exercises
- Multi-location coordination
- Realistic joint-force integration
- Increased frequency of training cycles

At the same time, Hawai‘i’s role becomes more strategically focused—serving as the coordination center for these distributed operations.

### The Cultural and Political Alignment

Kupuna ‘ike—ancestral knowledge—emphasizes balance, foresight, and responsibility. These principles are increasingly reflected in modern regulatory frameworks and public expectations.

A redistribution model aligns military operations with these principles, not by reducing capability, but by avoiding unnecessary impact in the most sensitive environments.

This reduces conflict, stabilizes relationships with local communities, and creates a more predictable operating environment.

## Final Position

The United States is not choosing between readiness and stewardship.

It is choosing between:

- Maintaining a legacy model with escalating cost and constraint

or

- Adopting a modern model that improves readiness while stabilizing long-term obligations

Train where it makes operational sense. Spend where it delivers the greatest value. Avoid costs we already know are coming.

## II. STRATEGIC CONTEXT

### **Cultural Foundations, Operational Reality, and Structural Misalignment**

The strategic context surrounding military training in Hawai‘i cannot be understood through a single lens. It requires the simultaneous consideration of three distinct but increasingly interconnected domains:

1. Cultural and stewardship obligations rooted in ‘ike kupuna
2. Evolving military doctrine within the Indo-Pacific theater
3. Institutional and regulatory maturation shaping land use and accountability

These domains are not operating independently. They are converging in a way that fundamentally alters the feasibility, cost, and sustainability of maintaining high-impact training concentrations within Hawai‘i.

#### Cultural Landscape and Stewardship Reality

Hawai‘i is not a neutral training environment. It is a place where land is understood not as a commodity, but as a living system of relationships—between people, ancestors, and the environment.

Kupuna ‘ike—ancestral knowledge—frames land use through principles that include:

- Intergenerational responsibility: decisions made today carry consequences beyond the present
- Balance and restraint: not all technically possible actions are culturally appropriate
- Irreversibility awareness: certain impacts, once made, cannot be undone

These principles have historically existed outside formal policy structures. That is no longer the case.

They are now embedded—directly or indirectly—within:

- Environmental review processes
- Cultural consultation requirements
- Legal challenges and public advocacy
- Institutional expectations placed on state and federal agencies

What was once moral guidance has become operational constraint.

#### Institutionalization of Cultural Considerations

Cultural considerations are increasingly internal to the decision-making framework governing military land use.

Training environments in Hawai‘i are subject to:

- Longer approval timelines
- Greater scrutiny of activity type and intensity
- Increased likelihood of challenge or delay

#### Indo-Pacific Operational Reality

Modern doctrine emphasizes:

- Distributed operations
- Multi-domain integration
- Rapid deployment across dispersed environments

#### Limitations of the Hawai'i-Centric Model

- Limited maneuver space
- Range congestion
- Environmental constraints

This creates a mismatch between training environment and operational reality.

#### Structural Misalignment

Hawai'i's optimal role is command and coordination, yet it is used for high-impact training.

Consequences include:

- Operational inefficiency
- Administrative and legal friction
- Fiscal exposure

#### Strategic Conclusion

Hawai'i's role is evolving. The issue is not whether it remains central—but how that centrality is expressed.

### **III. PROBLEM STATEMENT**

#### **Demonstrated Liability, Regulatory Convergence, and Structural Cost Inefficiency**

The continued concentration of high-impact live-fire training in Hawai'i is no longer simply an operational choice. It is now a condition defined by converging constraints, demonstrated precedent, and predictable long-term cost exposure.

This section establishes that the current model is not only inefficient—it is structurally unsustainable when evaluated across three integrated dimensions:

1. Demonstrated long-term liability (precedent)
2. Regulatory and legal convergence (present conditions)
3. Stacked fiscal exposure (future trajectory)

Demonstrated Liability: The Kaho'olawe Precedent

The most instructive case available is Kaho'olawe.

Following decades of use as a military training range, the island required:

- Extensive unexploded ordnance (UXO) removal
- Environmental stabilization and erosion control
- Cultural and archaeological site protection

Federal and state investment in remediation has reached approximately \$400–\$450 million.

Despite this level of expenditure:

- Large portions of the island remain unsafe for unrestricted access
- UXO contamination persists
- Full ecological and cultural restoration has not been achieved

This demonstrates that remediation is expensive, prolonged, and often incomplete.

Regulatory Convergence

Modern training operates under:

- NEPA environmental review
- Cultural consultation requirements
- Biological and ecological protections

These introduce:

- Multi-year timelines
- High administrative cost
- Litigation risk

#### Legal Enforcement

Oversight entities such as DLNR are expected to enforce lease conditions.

Judicial precedent (e.g., Ching v. Case) reinforces accountability.

#### Stacked Cost Structure

Costs include:

- Operational cost
- Compliance cost
- Administrative cost
- Legal cost
- Deferred remediation liability

#### Lifecycle Cost Reality

Costs accumulate over time:

- Early phase: manageable
- Mid phase: increasing friction
- Late phase: large-scale remediation

Modeled Exposure:

- 10-year: \$200M–\$500M+
- 20-year: \$500M–\$1B+

#### Strategic Conclusion

The current model is increasingly costly, constrained, and exposed.

It is not sustainable over the long term.

#### IV. SCENARIO ANALYSIS

##### Comparative Futures: Cost, Readiness, and Risk Across Training Models

Scenario	Readiness	Compliance Cost	Legal Exposure	20-Year Liability
Status Quo	Constrained	High	High	\$500M–\$1B+
Partial Redistribution	Improved	Moderate	Moderate	\$300M–\$600M
Full Redistribution	Optimized	Reduced	Low	Minimal / Controlled

The purpose of this section is to move from problem identification to decision framing.

The current conditions outlined in Section III do not, by themselves, dictate a solution. They establish constraints and risks. What follows is a structured evaluation of three distinct strategic pathways.

These scenarios are evaluated across:

- Operational effectiveness (readiness)
- Cost trajectory (short- and long-term)
- Regulatory and legal exposure
- Strategic sustainability

##### Scenario A — Status Quo

High-impact training continues in Hawai‘i.

Operational constraints:

- Range congestion
- Limited maneuver space
- Scheduling delays

Regulatory outlook:

- Expanding NEPA requirements
- Increased legal exposure

Fiscal trajectory:

- 10-year: \$200M–\$500M+
- 20-year: \$500M–\$1B+

Conclusion:

Highest long-term cost and risk.

---

### Scenario B — Partial Redistribution

Some training relocated, but core structure unchanged.

Operational improvements:

- Reduced congestion (limited)
- Slight flexibility increase

Fiscal trajectory:

- 10-year: \$150M–\$300M
- 20-year: \$300M–\$600M

Conclusion:

Slows cost growth but does not change trajectory.

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### Scenario C — Full Strategic Redistribution (Recommended)

High-impact training relocated to suitable environments.

Hawai‘i repositioned as:

- Command hub
- Simulation center
- Logistics node

Operational benefits:

- Increased realism
- Higher training frequency
- Distributed coordination

Fiscal trajectory:

- 10-year: \$100M–\$200M
- 20-year: Minimal / Controlled

Conclusion:

Most efficient, stable, and strategically aligned model.

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Comparative Summary:

Status Quo → High cost, high risk

Partial → Moderate improvement

Full Redistribution → Optimized outcome

Final Determination:

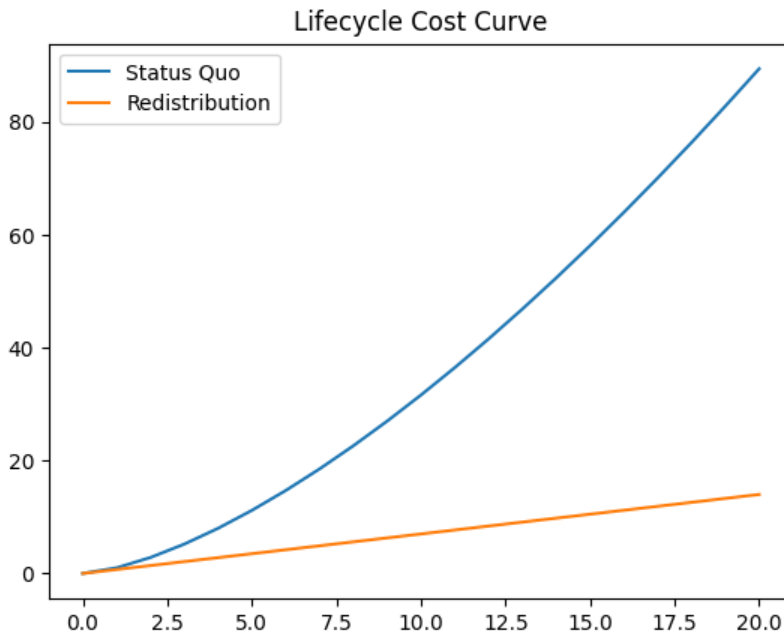
Full redistribution is not a compromise.

It is the optimal configuration.

## V. FISCAL MODEL & COST AVOIDANCE

### Lifecycle Cost Reality, Liability Accumulation, and Federal Budget Implications

Scenario	10-Year Cost	20-Year Liability
Status Quo	\$200M–\$500M+	\$500M–\$1B+
Partial	\$150M–\$300M	\$300M–\$600M
Redistribution	\$100M–\$200M	Minimal



The fiscal argument for redistributing high-impact live-fire training away from Hawai'i is frequently misunderstood when framed as a question of immediate cost savings.

The correct framework is cost avoidance across a multi-decade lifecycle.

Under the current model, the majority of financial impact is deferred, accumulating over time and materializing as:

- Environmental remediation obligations
- UXO clearance programs
- Land restoration and stabilization
- Long-term monitoring and restricted use

These costs are legally enforceable, politically unavoidable, and historically demonstrated.

## Lifecycle Cost Structure

### 1. Direct Operational Cost

- Personnel
- Equipment
- Logistics

### 2. Compliance Cost

- EIS under NEPA
- Cultural surveys
- Biological assessments

### 3. Administrative Cost

- Documentation
- Coordination
- Public process

### 4. Legal Cost

- Litigation
- Delays
- Settlements

### 5. Deferred Liability

- UXO clearance
- Remediation
- Cultural restoration

## Kaho‘olawe Benchmark

- \$400–\$450M remediation
- Incomplete restoration
- Ongoing restrictions

### Key Insight:

The absence of immediate cost does not mean absence of total cost.

## Cost Curve Dynamics

Early Phase: manageable

Mid Phase: rising friction

Late Phase: large liabilities

### Modeled Exposure:

#### Scenario A:

- 10-year: \$200M–\$500M+
- 20-year: \$500M–\$1B+

#### Scenario B:

- 10-year: \$150M–\$300M
- 20-year: \$300M–\$600M

#### Scenario C:

- 10-year: \$100M–\$200M
- 20-year: Minimal

#### Cost Avoidance vs Savings

Savings = short-term

Avoidance = long-term impact

Congress responds to avoided large liabilities.

#### Budget Impact

Status quo:

- Unpredictable
- Escalating

Redistribution:

- Stable
- Controlled

#### Hidden Subsidy

- Land degradation lowers apparent cost
- True cost is masked

#### Strategic Conclusion

The United States is choosing when cost is incurred:

Status quo → delayed and amplified

Redistribution → controlled and reduced

#### Final Position

The most expensive model is the one that appears cheapest upfront.



## VI. STRATEGIC REDISTRIBUTION MODEL

### Operational Design, Geographic Alignment, and Phased Implementation

Unit Type	Current Location	Proposed Location	Frequency
Infantry Battalion	Pohakuloa Training Area (PTA)	Guam / CNMI	2x/year
Artillery Units	PTA	Yuma Proving Ground (AZ)	1–2x/year
Combined Arms Exercises	PTA	JBLM + Pacific Ranges	Annual
Command Exercises	Hawai'i	Hawai'i (retain)	Continuous
Logistics/Deployment	Hawai'i	Hawai'i (expand)	Continuous

The preceding sections establish three conclusions:

1. The current Hawai'i-centric model produces increasing cost and constraint
2. Long-term liabilities are demonstrated and predictable
3. Distributed operations require distributed training environments

This section answers the critical question:

What replaces the current model?

The answer is not reduction. It is reconfiguration.

Core Design Principle

Match training activity to the environment best suited to support it.

The central flaw in the current model is not the existence of training in Hawai'i. It is the type of training being concentrated there.

High-impact live-fire activities require:

- Large maneuver space
- Repetition without long recovery cycles
- Minimal environmental and regulatory friction

Hawai'i does not optimally provide these conditions.

Training Typology

Category 1 — High-Impact Live-Fire

- Infantry maneuver

- Combined arms
- Repetitive weapons training

#### Category 2 — Simulation and Hybrid

- Command post exercises
- Multi-domain simulation
- Virtual/live integration

#### Category 3 — Command and Coordination

- Joint exercises
- Theater-level planning
- Allied interoperability

#### Category 4 — Logistics and Deployment

- Mobilization
- Disaster response
- Supply chain coordination

#### Strategic Allocation

##### Hawai'i becomes a high-value hub:

- Command and control
- Simulation
- Coordination
- Logistics

##### Key site:

Pohakuloa Training Area (PTA)

##### Operational Shift at PTA:

- Reduce live-fire intensity
- Expand simulation
- Integrate multi-domain exercises

##### Relocation Targets

##### Pacific:

- Guam
- Northern Mariana Islands

##### CONUS:

- Yuma Proving Ground
- Joint Base Lewis-McChord

##### Operational Benefits

1. Increased scale
2. Increased frequency
3. Reduced recovery constraints
4. Multi-location coordination

#### Strategic Effect

Hawai'i shifts from impact zone to command node.

#### Phased Implementation

Phase 1 (0–2 years):

- Identify training to relocate
- Begin transition

Phase 2 (2–5 years):

- Reduce live-fire in Hawai'i
- Expand simulation

Phase 3 (5+ years):

- Full redistribution
- Hawai'i as command hub

#### Risk Management

- Gradual transition
- Redundant training sites
- Flexible scaling

#### Infrastructure

Leverages existing ranges. Minimal new build required.

#### Final Position

The most effective training architecture distributes activity intelligently.

## **VII. LAND VALUATION & TRUE COST ACCOUNTING**

### **Correcting Distorted Valuation, Aligning Incentives, and Exposing Hidden Subsidy**

A central but often overlooked issue in federal land use policy—particularly in the context of military training—is how land is valued after prolonged use.

This is not a technical detail.

It is a structural flaw that directly impacts:

- Budget decisions
- Training allocation
- Perceived cost efficiency
- Long-term federal liability

The Core Distortion

Under current practice, land used for high-impact training is often evaluated at its current condition when:

- Lease renewals are considered
- Fair market valuations are conducted
- Federal land use decisions are assessed

When that land has been subject to:

- Live-fire activity
- UXO contamination
- Environmental degradation

...the result is a fundamental distortion:

The cost of damage is absorbed into reduced land value rather than attributed to the activity that caused it.

Why This Matters

This creates a feedback loop:

1. Land is used
2. Land degrades
3. Land value drops
4. Cost appears lower
5. Training appears efficient

Result:

The more damage that occurs, the lower the apparent cost.

## Hidden Subsidy

This creates a hidden subsidy:

- Damage not priced
- Liability deferred
- Cost masked

## Baseline Condition Principle

Land should be valued at baseline condition at time of original use.

Components:

- Original environmental condition
- Cultural value
- Highest and best use

Key Principle:

A user should not benefit from value reduction caused by its own use.

## Application

Current Model:

- Lower apparent cost
- Deferred liability

Baseline Model:

- True cost revealed
- Full impact internalized

## Kaho‘olawe Case

- \$400–\$450M remediation
- Incomplete recovery
- Permanent impacts

Insight:

Current valuation masks cost. Baseline reveals it.

## Fiscal Impact

- Accurate lifecycle accounting
- Better decision-making
- Elimination of hidden subsidy

## Policy Integration

Can be applied to:

- Lease renewals
- Federal agreements
- Oversight frameworks

DLNR Role:

- Enforce lease conditions
- Ensure accountability

Congressional Relevance

- Federal asset management
- Liability exposure
- Budget transparency

Key Insight:

If land is undervalued, liability is underestimated.

Strategic Alignment

Without reform:

- Cost appears low
- Redistribution optional

With reform:

- Cost visible
- Redistribution compelling

Conclusion

You cannot manage what you do not measure accurately.

## VIII. READINESS & NATIONAL SECURITY

### Enhancing Operational Effectiveness Through Distributed Training Architecture

Risk Factor	Status Quo	Redistribution	Net Effect
Regulatory Risk	High	Low	Reduced
Legal Exposure	High	Reduced	Lower Liability
Operational Efficiency	Constrained	Improved	Higher Throughput
Cost Stability	Unstable	Stable	Predictable Budget
Community Conflict	Elevated	Reduced	Improved Relations

Any proposal to modify military training posture must ultimately be evaluated against a single standard:

Does it enhance or degrade readiness?

This section establishes clearly:

Strategic redistribution of high-impact training enhances readiness across the Indo-Pacific theater.

Not marginally. Structurally.

#### Redefining Readiness in the Indo-Pacific Context

Traditional readiness assumptions:

- Centralized training
- Fixed ranges
- Predictable environments

Modern reality:

- Distributed operations
- Multi-domain integration
- Rapid mobility
- Decentralized command

Implication:

Training must reflect real operational conditions.

Limitations of Current Model

- Limited maneuver space
- Range congestion
- Compliance delays

Result:

Less flexibility, reduced realism, lower scalability.

#### Distributed Training Benefits

##### 1. Expanded maneuver capability

- Battalion-level realism
- Combined arms

##### 2. Increased frequency

- Less friction
- More repetition

##### 3. Multi-location coordination

- Distributed exercises
- Real-world alignment

#### Hawai'i's Role

- Command integration hub
- Simulation center
- Logistics platform

PTA role:

- Hybrid training
- Multi-domain coordination

Strategic Translation:

Hawai'i becomes the nerve center, not the impact zone.

#### Friction Reduction

Current issues:

- NEPA delays
- DLNR enforcement pressure
- Legal exposure

Redistribution:

- Faster timelines

- Reduced legal risk
- Predictable scheduling

#### Operational Impact:

- Higher tempo
- Less downtime
- Greater consistency

#### Stability Advantage

#### Status quo:

- Conflict
- Uncertainty

#### Redistribution:

- Stability
- Predictability
- Long-term access

#### Key Insight:

Stability is a prerequisite for readiness.

#### Allied Alignment

- Japan
- Guam
- Australia

Distributed training reflects coalition reality.

#### Risk Mitigation

- Phased transition
- Redundant locations
- Scalable operations

#### Core Question:

Does this reduce readiness?

#### Answer:

No. It improves it.

Why:

- Larger environments
- More flexibility
- Less friction
- Better alignment

Final Position

Train better, not less.

Distributed training strengthens readiness and aligns it with real-world conditions.