

JOSH GREEN, M.D.
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SYLVIA LUKE
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STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAII'
DEPARTMENT OF LAND AND NATURAL RESOURCES
KA 'OIHANA KUMUWAIWAI 'ĀINA

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LAND
STATE PARKS

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

Before the Senate Committee on
Water, Land, Culture and the Arts

Monday, February 9, 2026
1:00 PM

State Capitol, Conference Room 224 and Via Videoconference

In consideration of
SENATE BILL 3288
RELATING TO THE COUNTRY CLUB APARTMENT BUILDING, HILO, HAWAII

Senate Bill 3288 proposes to appropriate funds to the Department Land and Natural Resources (Department) to demolish and remove the Country Club Apartment Building and related structures and utilities; grade, grass, and sod the site following demolition and removal; and perform any other necessary work relating to demolition and removal. **The Department strongly supports this measure.**

As written, this measure would appropriate \$15,000,000 of general funds to the Department for demolition, removal, and other associated activities deemed necessary. The Department is grateful for the inclusion of this proposed appropriation. The Department notes that the appropriation is limited to fiscal year 2026-2027 and respectfully requests that the appropriation be extended to fiscal year 2027-2028 to allow the Department to maximize use of funds.

Mahalo for the opportunity to comment on this measure.



**HAWAII COMMUNITY
DEVELOPMENT AUTHORITY**

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JOSH GREEN, M.D.
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CHAIRPERSON

CRAIG K. NAKAMOTO
EXECUTIVE DIRECTOR

Statement of
CRAIG K. NAKAMOTO
Executive Director
Hawai'i Community Development Authority
before the
SENATE COMMITTEE ON WATER, LAND, CULTURE AND THE ARTS

Monday, February 9, 2026
1:00 p.m.
State Capitol, Conference Room 224 & Videoconference

In consideration of
SB 3288
RELATING TO THE COUNTRY CLUB APARTMENT BUILDING, HILO, HAWAII.

Chairperson Lee, Vice Chairperson Inouye and members of the Committee.

The Hawai'i Community Development Authority (HCDA) **supports SB 3288**, which authorizes an appropriation to the Department of Land and Natural Resources (DLNR) to demolish and remove the Country Club Apartment Building and related structures located at 121 Banyan Drive in Hilo, Hawai'i, to advance larger community planning and redevelopment goals.

HCDA is currently preparing a community master plan for the Waiākea area in Hilo, known as Banyan Drive. As a part of that process, the State's acquisition, and repositioning of key parcels, including the Naniloa Golf Course property, are critically important to shaping future public uses such as a cultural center and other community improvements that reflect local aspirations and long-term planning objectives. The removal of obsolete structures, such as the Country Club Apartment Building, will support improved site conditions and better opportunities for revitalization consistent with the master plan.

SB 3288 also aligns with broader efforts in Hilo to redevelop underutilized lands and optimize public land assets for the benefit of the community, while providing DLNR with appropriate authority and resources to carry out necessary actions to make improvements. Thank you for the opportunity to testify.

SB-3288

Submitted on: 2/6/2026 2:41:40 PM

Testimony for WLA on 2/9/2026 1:00:00 PM

Submitted By	Organization	Testifier Position	Testify
James McCully	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Lee and Vice Chair Inouye,

I write in Strong Support for SB3288. It is unfortunate that the Legislature will have to use public funds to remove and remediate the Country Club Apartment Building at 121 Banyan Drive but it is necessary.

The community of Hilo has long watched as some of the DLNR leasehold properties on Banyan Drive deteriorated due to the historical restrictions of HRS171-36. Without an effective means of renewing or extending leases there was no incentive for lessee's to maintain or improve their properties to avoid economic obsolescence. I trust that the Legislature will take the correct lesson from the Uncle Billys and Country Club examples, that it is incumbent upon the state to have modern economic principles controlling the administration of leasehold lands. HRS171-36.5 was the necessary correction, however the implementation of that statute with rational, reasonable conditions in the new leases will determine whether the public lands can be effectively redeveloped.

Mahalo,

Jim McCully