



# Hawai'i Island Chamber of Commerce

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June 4, 2021

The Honorable David Y. Ige  
Governor, State of Hawai'i  
Executive Chambers  
State Capitol  
Honolulu, Hawaii 96813

RE: SUPPORT for House Bill 499 – Relating to Lease Extensions on Public Lands

Dear Governor David Ige,

On behalf of the members of the Hawai'i Island Chamber of Commerce (HICC) and the Kanoelehua Industrial Area Association (KIAA), we would like to express our strong support for HB 499 and ask that you allow it to become law. We understand that some have raised concerns about this bill, but we strongly believe that HB 499 will ensure the long-term survival of businesses that are vital to our community.

HB 499 is based on the 2018 pilot project in Hilo for the Kanoelehua Industrial Area that allows lessees of public lands to apply for extensions to their leases. Many of these businesses were established after the devastating 1960 tsunami that ravaged Hilo and are soon facing expiring leases. Without extensions, businesses would be unable to secure financing to invest in their properties and would be forced to close at the end of their lease. HB 499 is meant to solve this problem by ensuring the long-term maintenance of public lands so that they continue to generate much needed revenue for the state.

HB 499 will also protect the jobs provided by the many businesses across the state that sit on public land. Not only are current jobs protected by HB 499, but future jobs will be created by stipulations that require "substantial improvements on existing improvements." This ensures that business owners will continually make investments to their properties that will create jobs in construction, landscaping, HVAC, engineering and the many other peripheral industries that count on these businesses to thrive. These jobs are especially important to our neighbor island communities where every opportunity to create jobs must be considered.

Another benefit of HB 499 is that it will prevent the state from inheriting neglected properties from expired leases. An example of this is Uncle Billy's Hilo Bay Hotel, which has remained vacant since 2017 and has now become a public health hazard. Once an icon on the Hilo Bay front, this dilapidated property is now a liability for the state. More expired leases will lead to more rundown buildings on public land that do nothing to contribute to our state's economy.



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The HICC and KIAA continue to advocate for our member businesses and support efforts such as HB 499, that ensure the vibrancy of our community. We respectfully urge you to allow HB 499 to become law.

With aloha,

Miles Yoshioka, Executive Officer  
Hawai'i Island Chamber of Commerce

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