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July 25, 2024

Honorable Dawn N.S. Chang, Chair  
and Honorable Members of the Board of Land and Natural Resources  
P.O. Box 621  
Honolulu, Hawaii 96809

RE: **BLNR Meeting July 26, 2024 – ITEM C.1**  
**TESTIMONY IN SUPPORT** OF RECONSIDERATION OF CONDITIONS IMPOSED  
EXECUTIVE ORDER NO. 4663 and  
RE-SET ASIDE TO THE COUNTY OF KAUAI FOR HOUSING PURPOSES

Dear Chair Chang and Honorable Members,

My name is Michael A. Dahilig and I wish to testify in support of the Board reconsidering its action at the June 28, 2024 meeting adding stipulations to a land transfer at Nawiliwili, Lihue, Kauai.

I want to be clear I am writing in my individual capacity, and believe I am qualified to submit credible testimony on the basis of my previous employment as Managing Director for the County of Kauai from December 2018 to August 2023. I had the benefit of reviewing the Board's dialogue on June 28, 2024 on YouTube and I feel compelled to correct on the record what I found to be several mischaracterizations and misrepresentations by Kauai DOFAW staff concerning the County's behavior and actions with regard to the proposed site.

During my tenure as Managing Director, I was the County official intimately involved in the dialogue and negotiations with the Ige Administration on the first approvals given to the County to implement the Legislature's Ohana Zones emergency housing initiative in late 2019. After the overwhelming success of the first phase, I further handled the dialogue and negotiations regarding the elements of the proposed land transaction before the Board today until my departure from the County in August last year.

Regardless of what has been represented, Kauai DOFAW leadership does not have clean hands over the history of this effort.

For some background, the whole of this site sat vacant since the 1950's. Over time, it was used as a passive open space, and ultimately a park whereby historically both State and County staff took turns mowing and upkeeping the area. Unfortunately, the area became over run with drug users and houseless individuals for many years prior to 2019, and Kauai Police officers were constantly called to the area because of the persistent vagrancy and illegal activities on that parcel. Over more than half a century, at no time was there any observable activity by DLNR characteristic of baseyard activities. It was a green open field with little infrastructure.

Because of the underutilization of the area leading to bad activities, this parcel was identified then-Homeless Coordinator Scott Morishige as potential for implementing the Legislature's Ohana Zones effort specifically because that law required investment specifically on government property. Also, as the legislative season was starting, there was a push to spend the Ohana Zone money appropriated the session before in short order.

At the direction of Mayor Kawakami, his administration stepped up to the plate to help implement the State's initiative. We had reached an agreement with Mr. Morishige and then-Chair Suzanne Case on allowing construction on a portion of the site. However, after receiving word of the potential for housing development in December 2019, Kauai DOFAW staff hurriedly began an effort to exercise physical control and domain over whole site as if they needed it.

They began constructing an illegal 6' chain link fence around its perimeter without a permit – in violation of County zoning and building ordinances.

It was my responsibility to oversee enforcement as Managing Director, and as DLNR is a sister agency to the County, I decided to verbally inform both Kauai DOFAW staff and then Deputy Chair Bob Masuda's office rather than formally cite the agency. This action was clearly against the law and it was subject to fines. I asked Mr. Masuda if they could cease and desist, and reported this obvious last-ditch effort to kill the project to Mr. Morishige. For months they did not remove the sloppily installed fence posts strung with temporary orange fencing along the Wehe Road side of the parcel, but they did not build anymore.

It was very clear from Kauai DOFAW Branch Chief Sherry Mann's actions that she was not pleased with the decision to place homeless housing near her offices. Throughout late 2019 until groundbreaking in February 2020, I had to provide Mr. Morishige constant information and facts about the project to help the Governor's push back the misinformation spread to neighbors, and UPW and HGEA employees by Ms. Mann about what the County's efforts actually entailed at the site versus fabricated noxious "boogieman" impacts of housing-challenged families moving into the area.

After ground breaking, and before an approved fence was completed to partition the housing site from the rest of the remaining DLNR parcel, Kauai DOFAW stockpiled large gravel immediately adjacent to where construction workers were building the homes to an observable height of over 25' and what I personally would estimate to be hundreds of cubic yards of material. This stockpile was so close to the construction site that it posed a dangerous failure hazard to people below given the inordinate height of material in such a small area, and the risk it could collapse during times of rain.

This stockpiling was once more an illegal action by Kauai DOFAW, as it was done without stockpiling permits – permits required to ensure safety and minimize damaging environmental run-off, or an NRCS soil conservation plan.

Again, as DLNR is a sister agency to the County, I decided to verbally inform Mr. Masuda rather than formally cite the agency -- that another activity was being conducted by Kauai DOFAW without any permits against the law. I told Mr. Masuda they needed to cease and desist another illegal activity -- the stockpiling -- and remove the hazard to surrounding areas. I also reported this additional harassment to Mr. Morishige - and he was not pleased. Deputy Chair Masuda thanked me for being patient while he managed the situation with Ms. Mann, and appreciated that we did not intensify the situation.

Unfortunately, while it was removed initially, the dangerous proximity stockpiling appeared another time and it was conveniently timed to right after the move in of residents at the now-completed permanent supportive housing facility in December 2020. Again, another call was made to Mr. Masuda, who felt embarrassed about the situation and apologized. I felt it was in the mutual interest of both agencies to not besmirch each other, and trusted the sincere effort by Mr. Masuda to gain control of the Kauai DOFAW facility, and the situation was rectified.

After Kealaula was in operation, and with the change of administration in November 2022, I on behalf of the County, the Governor's new houseless coordinator, and DLNR leadership entered into additional conversations on expanding Kealaula to serve more families as the housing crisis continued. We suggested the expansion given our observation that since the homes were constructed, the area within the DLNR fence was not being regularly utilized, save for the occasional parking of vehicles.

BLNR Chair Chang had asked that we explore a land swap to provide DOFAW a usable baseyard given her desire to at least meet Ms. Mann's demands. At her suggestion, I had directly contacted Ms. Mann about investigating a site in Waimea proximate to the Wastewater Treatment Plant that the County had purchased from the Faye family as part of the Waimea 400 parcel. I suggested it would be a relevant site given the large land assets in Kokee, particularly since fire risks are high in West Kauai.

Ms. Mann had me coordinate with a female subordinate. Keith Perry from the Mayor's office went with her for a site visit. A short time after that site visit in early 2023, I got a call from that employee saying that the Kauai DOFAW Branch was not interested as they wanted something in Lihue, and had no interest in Waimea. I explained to her that the County does not have many fee assets in Lihue for a baseyard, as most lands are EO-ed by DLNR to the County. She nonetheless said that Ms. Mann declined to pursue that area. We also offered our EO to the former Humane Society in Hanapepe, to no avail.

Notwithstanding Kauai DOFAW's determinations, Chair Chang had an alternative proposal that involved bringing aboard the existing DOFAW building onto a sewerline extension held by the County. We believed the relative value of the tie-in work to be conducted by the County would be a reasonable trade given the costs of DLNR putting the building on a high-capacity septic system and removing the cesspool.

I want to be clear that notwithstanding the characterization in the June 28, 2024's meeting of the County's unwillingness to dialogue and declining land swap requests, efforts to find win-wins in good faith were made at least until my departure from the County in August 2023. Further, the initial parcel in Waimea investigated in early 2023 was within FIRM Flood Map - X, outside of the floodway.

**Ultimately, I believe this pattern of rushed illegal half-baked actions and misinformation campaigns by Kauai DOFAW, to me, reflect a similarity to siblings fighting over a toy that was never played with until one of the siblings actually tries to start playing with it.**

There has been no effort by Kauai DOFAW to utilize this site for over 60 years. It in fact was becoming a public eyesore and maintenance burden. However, once an idea to use it another way for the greater good surfaces, suddenly there's these big plans and needs -- as characterized in the June 28<sup>th</sup> meeting.

And what good it has done for the dozens of families who have been placed back on their feet and have found stable housing. The request before you today is to build upon that success and amplify the state-led initiative in the most cost-efficient way possible given our collective limited resources and exponential housing need statewide.

Actions speak louder than words. I ask the Board consider this context as it hears these loud pleas for a baseyard and ask if those needs really are there -- and even if, balance that manufactured picture with the image of more people able to stay in Hawaii rather than finding stability in places like Vegas.

Mahalo and Respectfully,

Michael A. Dahilig