



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
House Committee on Higher Education
on
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by
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HCR 312/HR 260 – Urging the University of Hawai'i to Extend its Land Lease with the High Technology Development Corporation to Continue to Operate the Mānoa Innovation Center

Chair Chang, Vice Chair Bertram and Members of the Committee:

The University of Hawaii provides the following comments on HCR 312 and HR260, which urge the University to extend our current lease with the High Technology Development Corporation (HTDC) for the Mānoa Innovation Center.

The University and HTDC entered into a 25-year lease in good faith in 1990. There are now 7 years left on this lease, which is not an unreasonable amount of time for HTDC to identify and secure a new location, particularly if the Legislature is supportive.

The University notes that our extramural research and training enterprise grew to over \$400 million dollars in 2007, which constitutes a substantial part of our contribution of over \$1.6 billion dollars a year to Hawai'i's economy. Supporting this growth in extramural research has created grave pressure on the University for additional space in close proximity to the UH-Mānoa campus.

For several years HTDC has been seeking other locations to which it could relocate. The fact that none of these initiatives have yet been successful is not a reasonable basis for the premature extension of the current lease.

The University supports the mission of HTDC and looks forward to assisting, as appropriate, in identifying and securing a new long-term home for HTDC. Possibilities include both Kakaako and West O'ahu. HTDC could also play a key role in the development of a Tech Park on O'ahu, as the Legislature is currently considering.

In addition, the University believes that if the Legislature finds the HTDC mission to be worth substantial public support, then the Legislature should consider appropriating funds accordingly rather than ask HTDC to rely on the revenues it receives through leases of the current facilities it manages.

The University is willing to play a supportive role in helping HTDC find a new home by 2015, and respectfully requests that the subject resolutions be deferred.