

NEWS

The Private Deals: How the deals approved by Congress bypassed thousands of Hawaiians waiting for homes

By [Rob Perez](#) / Honolulu Star-Advertiser • Today

This story is co-published with [ProPublica](#), a nonprofit newsroom that investigates abuses of power. The Honolulu Star-Advertiser is a member of the ProPublica Local Reporting Network.

An investigation by the Honolulu Star-Advertiser and ProPublica found that the U.S. government over the past decade has transferred nearly 40 parcels of land in Hawaii to private parties, bypassing a process that normally would give Hawaiians priority access to those lands.

The private deals have a number of things in common: They run directly afoul of the intent of the Hawaiian Home Lands Recovery Act, which was meant to help compensate Hawaiians for lands taken by the federal government in the past. They were made at a time when the need for land has only intensified. They were authorized via special legislation approved by Congress, including members of Hawaii’s own delegation. And some of the acres would have been desirable for homesteads: relatively flat lands where utilities and roads were already in place.

The Navy, which previously had owned the majority of lands involved in the private deals, said it was following the law as expressed by Congress in the special legislation. The General Services Administration, which would have been responsible for offering the land to Native Hawaiians under the recovery act, would not address criticisms about bypassing that law. Current members of Hawaii’s congressional delegation, informed about the findings, said they would work to make sure such deals did not go through in the future.

Here’s where the special legislation authorized most of the private deals:

Area: Nine parcels covering more than 30 acres near Pearl Harbor in Central Oahu.

Features: Mostly flat, connected to utilities and roads. Centrally located in established neighborhoods, minutes from Honolulu’s main airport and freeway. All had existing structures on them that were run by nonprofits, including church organizations. The sites likely would make good candidates for redevelopment into housing.

How the recovery act was bypassed: Three pieces of special legislation introduced into National Defense Authorization Acts in 2009, 2011 and 2013, the first two by Sen. Daniel Inouye.

Congressional support: Sens. Inouye, Daniel Akaka, Mazie Hirono and Brian Schatz, and Reps. Neil Abercrombie, Colleen Hanabusa and Hirono each voted for at least one of the bills.

Who benefited: Eight nonprofits bought their parcels; one more, a private school operator, is waiting for an offer from the Navy.

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Interesting fact: The Pearl Harbor chapter of the Fleet Reserve Association, a veterans group, couldn't afford the \$650,000 asking price. So the association got help — a \$300,000 state grant — for the 2019 purchase.

Area: Fourteen parcels covering 201 acres in Kalaeloa, a West Oahu Navy base that closed in 1999.

Features: Mostly abandoned or undeveloped parcels on flat lands in a region where much DHHL development has been done. Roads and utility systems exist but need upgrades.

How the recovery act was bypassed: Provisions in the National Defense Authorization Act for the fiscal years 2000 and 2007.

Congressional support: Sens. Inouye and Akaka, and Reps. Abercrombie, Patsy Mink and Ed Case voted for at least one of the bills.

Who benefited: An affiliate of Hunt Cos., a Texas-based developer, got a contract to develop multiple properties, including Ford Island, a historic Navy base in Pearl Harbor. As part of that deal, Hunt acquired the titles to 14 Navy parcels in Kalaeloa and expects to receive another five, covering more than 280 acres. Hunt is drawing up plans that will allow for up to 3,000 homes on the land. It expects to spend nearly \$40 million over the next couple years to upgrade roads and other facilities.

Interesting fact: Hunt intends to sell 30 acres of this land to a local builder, which plans to construct nearly 400 homes. Prices are expected to start in the mid-\$500,000s, the builder said, which is beyond the reach of many on the homesteading waitlist.

Areas: About 2 acres split between residential lots on Maui and Hawaii island.

Features: Each of the 11 lots has a home in a residential neighborhood. The residences once housed Coast Guard personnel stationed on the islands.

How the recovery act was bypassed: A provision in the 2010 Coast Guard Authorization Act allowed the Coast Guard to sell property and use the proceeds to acquire and construct military housing. (Nine of the 11 homes were ultimately sold under that provision.)

Congressional support: Hirono voted for the bill. The Senate passed the measure by unanimous consent.

Who benefited: Individual buyers and a Maui housing nonprofit acquired the properties in 2011 and 2018.

Interesting fact: One buyer paid \$225,000 for a Hilo home on the Big Island and sold it five months later for \$325,000 in 2019.

HELP US INVESTIGATE

The Honolulu Star-Advertiser and ProPublica are spending the year investigating the homesteading program for Native Hawaiians. We’d like to hear from you if you or someone you know:

- >> Have bought into a newer subdivision under the program
- >> Worked on construction projects within the trust subdivisions

If you have something to share with us, here’s how to do it:

- >> Email Rob Perez at rperez@staradvertiser.com
- >> Text or call him at 808-479-2109

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