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Statement of
DEAN MINAKAMI
Hawaii Housing Finance and Development Corporation
Before the

HOUSE COMMITTEE ON HOUSING

March 21, 2025 at 9:00 a.m.
State Capitol, Room 430

In consideration of
H.C.R. 11

URGING THE HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION (HHFDC) TO CONTINUE WORKING WITH THE CITY AND COUNTY OF HONOLULU TO EFFICIENTLY TRANSFER THE ROADS WITHIN THE VILLAGES OF KAPOLEI TO THE CITY AND COUNTY OF HONOLULU.

Chair Evslin, Vice Chair Miyake, and members of the Committee.

HHFDC **supports** HCR 11.

This resolution attempts to address a 30-year-old problem that has existed at the Villages of Kapolei (VOK), where the City and County of Honolulu (City) has not accepted the dedication of infrastructure improvements constructed by an HHFDC predecessor agency. While the City enjoys the real property tax revenues derived in part from the State's infrastructure improvements, HHFDC is forced to maintain those same improvements at an average cost to the Dwelling Unit Revolving Fund of more than \$1,000,000 per year. The cost will soon increase to about \$10,000,000 per year to pay for the necessary road rehabilitation work at VOK.

These are funds that could be used for the development of new housing units and infrastructure for affordable housing throughout the State.

Two years ago, HHFDC and the City entered into a memorandum of agreement. The first phase is complete at a cost of \$15 million. It will take HHFDC ten years, at a cost of \$100 million, to improve the roadway to the City's standards.

HHFDC and the City will continue negotiations regarding the transfer of roads and we will attempt to come to an agreement by December 31, 2025.

Thank you for the opportunity to testify on this bill.