

# SB2036

Measure Title:	AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS AND MAKING AN APPROPRIATION FOR THE PURCHASE OF EAST KAUAI WORKFORCE AFFORDABLE HOUSING.
Report Title:	Kauai County Council Package; Affordable Housing; GO Bonds (\$)
Description:	Authorizes the issuance of general obligation bonds. Appropriates moneys to the county of Kauai to ensure the availability of affordable rental housing on the east side of the island of Kauai.
Companion:	<a href="#"><u>HB1575</u></a>
Package:	Kauai County Council
Current Referral:	HOU, WAM
Introducer(s):	KOUCHI (Introduced by request of another party)

DAVID Y. IGE  
GOVERNOR



**WRITTEN ONLY**

WESLEY K. MACHIDA  
DIRECTOR

RODERICK K. BECKER  
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM  
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
OFFICE OF THE PUBLIC DEFENDER

**STATE OF HAWAII  
DEPARTMENT OF BUDGET AND FINANCE**

P.O. BOX 150  
HONOLULU, HAWAII 96810-0150

ADMINISTRATIVE AND RESEARCH OFFICE  
BUDGET, PROGRAM PLANNING AND  
MANAGEMENT DIVISION  
FINANCIAL ADMINISTRATION DIVISION  
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

**TESTIMONY BY WESLEY K. MACHIDA  
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
TO THE SENATE COMMITTEE ON HOUSING  
ON  
SENATE BILL NO. 2036**

February 11, 2016  
3:00 P.M.

**AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS AND MAKING  
AN APPROPRIATION FOR THE PURCHASE OF EAST KAUAI WORKFORCE  
AFFORDABLE HOUSING**

Senate Bill No. 2036 authorizes the issuance of general obligation bonds and appropriates moneys to the County of Kauai to ensure the availability of affordable rental housing on the east side of the island of Kauai.

The Department has a comment on this bill. To the extent that funding for this project is not in the proposed Executive Budget, should this bill proceed or pass the Legislature, an amount for the corresponding annual debt service will need to be included in the Legislature's version of the budget.

Thank you for the opportunity to provide our testimony on this bill.

**COUNTY COUNCIL**

Mel Rapozo, Chair  
Ross Kagawa, Vice Chair  
Mason K. Chock  
Gary L. Hooser  
Arryl Kaneshiro  
KipuKai Kuali'i  
JoAnn A. Yukimura



**OFFICE OF THE COUNTY CLERK**

Jade K. Fountain-Tanigawa, County Clerk  
Scott K. Sato, Deputy County Clerk

Telephone (808) 241-4188  
Fax (808) 241-6349  
Email [cokcouncil@kauai.gov](mailto:cokcouncil@kauai.gov)

**Council Services Division**  
4396 Rice Street, Suite 209  
Līhu'e, Kaua'i, Hawai'i 96766

February 9, 2016

**TESTIMONY OF KIPUKAI KUALI'I  
COUNCILMEMBER, KAUAI COUNTY COUNCIL**

**ON  
SB 2036, AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS  
AND  
MAKING AN APPROPRIATION FOR THE PURCHASE OF  
EAST KAUAI WORKFORCE AFFORDABLE HOUSING**

Senate Committee on Housing

Thursday, February 11, 2016

3:00 p.m.

Conference Room 225

Dear Chair Harimoto and Members of the Committee:

Thank you for this opportunity to provide testimony in strong support of SB 2036, Authorizing the Issuance of General Obligation Bonds and Making An Appropriation for the Purchase of East Kaua'i Workforce Affordable Housing. My testimony is submitted in my individual capacity as a member of the Kaua'i County Council, Chair of the Kaua'i County Council Economic Development & Intergovernmental Relations Committee, and member of the National Association of Counties Board of Directors.

This measure is included in the 2016 Kaua'i County Council Legislative Package, and I wholeheartedly support this measure that would greatly assist the County of Kaua'i in addressing the growing need for affordable housing for our residents. The County of Kaua'i has the first right of refusal to purchase the workforce units at Courtyards at Waipouli (Courtyards), which enables the units to be affordable to qualified families. The Courtyards was originally built to satisfy a zoning condition to provide workforce housing affordable to qualified families. The affordability requirement of the Courtyards at Waipouli project expires in 2019, allowing the units to be sold and/or rented at market rates, and thereby decreasing the number of available affordable housing units. Authorizing the issuance of General Obligations Bonds and appropriating moneys for the purchase of properties on the east side of Kaua'i will ensure the availability of affordable rental housing for qualified families.

For the reasons stated above, I urge the Senate Committee on Housing to support this measure. Should you have any questions, please feel free to contact me or Council Services Staff at (808) 241-4188.

Sincerely,

**KIPUKAI KUALI'I**  
Councilmember, Kaua'i County Council

AMK:mn

**COUNTY COUNCIL**

Mel Rapozo, Chair  
Ross Kagawa, Vice Chair  
Mason K. Chock  
Gary L. Hooser  
Arryl Kaneshiro  
KipuKai Kualii  
JoAnn A. Yukimura



**OFFICE OF THE COUNTY CLERK**

Jade K. Fountain-Tanigawa, County Clerk  
Scott K. Sato, Deputy County Clerk

Telephone (808) 241-4188  
Fax (808) 241-6349  
Email [cokcouncil@kauai.gov](mailto:cokcouncil@kauai.gov)

Council Services Division  
4396 Rice Street, Suite 209  
Lihue, Kauai, Hawaii 96766

February 9, 2016

**TESTIMONY OF MEL RAPOZO  
COUNCIL CHAIR, KAUAI COUNTY COUNCIL  
ON**

**SB 2036, AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS  
AND MAKING AN APPROPRIATION FOR THE PURCHASE OF  
EAST KAUAI WORKFORCE AFFORDABLE HOUSING**

Senate Committee on Housing  
Thursday, February 11, 2016  
3:00 p.m.

Conference Room 225

Dear Chair Harimoto and Members of the Committee:

Thank you for this opportunity to provide testimony in strong support of SB 2036, Authorizing the Issuance of General Obligation Bonds and Making An Appropriation for the Purchase of East Kauai Workforce Affordable Housing. My testimony is submitted in my capacity as Chair of the Kauai County Council.

This measure is included in the 2016 Kauai County Council Legislative Package, and I wholeheartedly support this measure that would greatly assist the County of Kauai in addressing the growing need for affordable housing for our residents. The County of Kauai has the first right of refusal to purchase the workforce units at Courtyards at Waipouli (Courtyards), which enables the units to be affordable to qualified families. The Courtyards was originally built to satisfy a zoning condition to provide workforce housing affordable to qualified families. The affordability requirement of the Courtyards at Waipouli project expires in 2019, allowing the units to be sold and/or rented at market rates, and thereby decreasing the number of available affordable housing units. Authorizing the issuance of General Obligations Bonds and appropriating moneys for the purchase of properties on the east side of Kauai will ensure the availability of affordable rental housing for qualified families.

For the reasons stated above, I urge the Senate Committee on Housing to support this measure. Should you have any questions, please feel free to contact me or Council Services Staff at (808) 241-4188.

Sincerely,

MEL RAPOZO  
Council Chair, Kauai County Council

AMK:lc

**COUNTY COUNCIL**

Mel Rapozo, Chair  
Ross Kagawa, Vice Chair  
Mason K. Chock  
Gary L. Hooser  
Arryl Kaneshiro  
KipuKai Kualii  
JoAnn A. Yukimura



**OFFICE OF THE COUNTY CLERK**

Jade K. Fountain-Tanigawa, County Clerk  
Scott K. Sato, Deputy County Clerk

Telephone (808) 241-4188  
Fax (808) 241-6349  
Email [cokcouncil@kauai.gov](mailto:cokcouncil@kauai.gov)

**Council Services Division**  
4396 Rice Street, Suite 209  
Lihue, Kauai, Hawaii 96766

February 9, 2016

**TESTIMONY OF JOANN A. YUKIMURA  
COUNCILMEMBER, KAUAI COUNTY COUNCIL  
ON**

**SB 2036, AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION BONDS  
AND MAKING AN APPROPRIATION FOR THE PURCHASE OF  
EAST KAUAI WORKFORCE AFFORDABLE HOUSING**

Senate Committee on Housing

Thursday, February 11, 2016

3 p.m.

Conference Room 225

Dear Chair Harimoto and Members of the Committee:

Thank you for this opportunity to submit testimony in support of SB 2036, Authorizing the Issuance of General Obligation Bonds and Making an Appropriation for the Purchase of East Kauai Workforce Affordable Housing. My testimony is submitted in my individual capacity as a member of the Kauai County Council and as Chair of the Kauai County Council Housing & Transportation Committee.

This measure is included in the 2016 Kauai County Council Legislative Package, meaning that a majority of the County Council voted for it. I wholeheartedly support this measure as it would greatly assist Kauai County in addressing the critical and ever-growing need for affordable housing for residents.

Courtyards at Waipouli (Courtyards) was built to satisfy a zoning condition. Eighty-two (82) workforce housing affordable to qualified families were required—but only for ten years. The affordability requirement of the Courtyards at Waipouli expires in 2019, allowing the units to be sold and/or rented at market rates, and thereby decreasing the number of affordable housing units available on the Eastside and on Kauai. Tenants will be effectively evicted when market rents are required of those who are living there now. The County of Kauai has the first right of refusal to purchase the workforce housing units. Authorizing the issuance of General Obligation Bonds and appropriating moneys for the purchase of properties on the east side of Kauai will enable the County to purchase the Courtyards project and keep those units affordable in perpetuity for generations of local qualified families.

Chair Harimoto and Members of the Committee

RE: SB 2036, Authorizing the Issuance of General Obligation Bonds and Making an Appropriation for the Purchase of East Kaua'i Workforce Affordable Housing

February 9, 2016

Page 2

For the reasons stated above, I urge the Senate Committee on Housing to support this measure. Should you have any questions, please feel free to contact me or Council Services Staff at (808) 241-4188.

Sincerely,

A handwritten signature in black ink, reading "JoAnn A. Yukimura". The signature is written in a cursive, flowing style.

JOANN A. YUKIMURA  
Councilmember, Kaua'i County Council

AMK:aa