



GOV. MSG. NO. 1326

EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

July 6, 2021

The Honorable Ronald D. Kouchi,
President
and Members of the Senate
Thirty First State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki,
Speaker and Members of the
House of Representatives
Thirty First State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

This is to inform you that on July 6, 2021, the following bill was signed into law:

HB0776 HD1 SD2 CD1

RELATING TO THE ISSUANCE OF SPECIAL
PURPOSE REVENUE BONDS TO ASSIST PUEO
DEVELOPMENT, LLC.
ACT 198 (21)

Sincerely,

DAVID Y. IGE
Governor, State of Hawai'i

A BILL FOR AN ACT

RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST PUEO DEVELOPMENT, LLC.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that the development of
2 low- and moderate-income housing, alternative energy sources,
3 agriculture, infrastructure, and economic opportunities
4 continues to be in the public interest. Pueo Development, LLC,
5 is a Hawaii company that offers sustainable solutions for
6 developing low- and moderate-income housing, alternative energy,
7 agriculture, and infrastructure, while facilitating economic
8 opportunities through project development. Pueo
9 Development, LLC, proposes to design, build, and operate a
10 master planned development in support of a public-private
11 partnership with Waiohuli Hawaiian Homesteaders
12 Association, Inc., on an estimated one hundred fifty acres of
13 department of Hawaiian home lands land in Waiohuli, Maui. This
14 proposed development includes low- and moderate-income housing
15 units; rental housing units; elderly care units; alternative
16 energy development systems; agricultural development; and



1 infrastructure development, including roads and utilities. The
2 legislature acknowledges that this development will create
3 numerous new jobs in the State, which will in turn improve the
4 State's economy.

5 The legislature has carefully considered the use of special
6 purpose revenue bonds to support Pueo Development, LLC, and its
7 proposed development. The legislature finds that the use of
8 special purpose revenue bonds to assist Pueo Development, LLC,
9 is consistent with similar investments that the State has made
10 for other comparable master planned projects. The legislature
11 believes that the issuance of special purpose revenue bonds to
12 assist Pueo Development, LLC, will provide critical financial
13 flexibility to support the proposed development's initiatives.
14 Through the utilization of special purpose revenue bonds as a
15 means of financing the proposed development, Pueo
16 Development, LLC, will provide the public with benefits derived
17 from developing the master planned community without investment
18 or operational risk to the State or counties.

19 Accordingly, the purpose of this Act is to authorize the
20 issuance of special purpose revenue bonds and appropriate the



1 bond revenues derived therefrom for a master planned development
2 proposed by Pueo Development, LLC.

3 The legislature finds and declares that the issuance of
4 special purpose revenue bonds under this Act is in the public
5 interest and for the public health, safety, and general welfare.

6 SECTION 2. Pursuant to part IX, chapter 39A, Hawaii
7 Revised Statutes, the department of budget and finance, with the
8 approval of the governor, is authorized to issue special purpose
9 revenue bonds in a total amount not to exceed \$80,000,000, in
10 one or more series, for the purpose of assisting Pueo
11 Development, LLC, a Hawaii limited liability company, for its
12 proposed master planned development that will include low- and
13 moderate-income homes; rental housing units; elderly care units;
14 alternative energy development; agricultural development; and
15 infrastructure development, including roads and utilities. The
16 legislature hereby finds and determines that the proposed master
17 planned development constitutes a project as defined in part IX,
18 chapter 39A, Hawaii Revised Statutes, and the financing thereof
19 is assistance to the development of low- and moderate-income
20 housing.



1 SECTION 3. The special purpose revenue bonds and the
2 refunding special purpose revenue bonds issued under this Act
3 shall be issued pursuant to part IX, chapter 39A, Hawaii Revised
4 Statutes, relating to the power to issue special purpose revenue
5 bonds to assist the development of low- and moderate-income
6 housing.

7 SECTION 4. The department of budget and finance is
8 authorized, from time to time, including times subsequent to
9 June 30, 2026, to issue special purpose revenue bonds in
10 whatever principal amounts the department shall determine to be
11 necessary to refund the special purpose revenue bonds authorized
12 in section 2 and to refund special purpose revenue bonds
13 authorized in this section, regardless of whether the
14 outstanding special purpose revenue bonds or refunding special
15 purpose revenue bonds have matured or are the subject of
16 redemption or whether the refunding special purpose revenue
17 bonds shall be bonds for the multi-project programs described in
18 section 2. In making this determination, the department shall
19 comply with federal law relating to the exemption from federal
20 income taxation of the interest on bonds of the nature
21 authorized by this section.



1 SECTION 5. The authorization to issue special purpose
2 revenue bonds under this Act shall lapse on June 30, 2026.

3 SECTION 6. This Act shall take effect on July 1, 2021.

APPROVED this 06 day of JUL , 2021



GOVERNOR OF THE STATE OF HAWAII



HB No. 776, HD 1, SD 2, CD 1

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: April 27, 2021
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirty-First Legislature of the State of Hawaii, Regular Session of 2021.



Scott K. Saiki
Speaker
House of Representatives

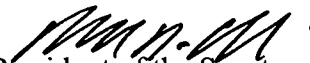



Brian L. Takeshita
Chief Clerk
House of Representatives

THE SENATE OF THE STATE OF HAWAI'I

Date: April 27, 2021
Honolulu, Hawaii 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate of the Thirty-First Legislature of the State of Hawai'i, Regular Session of 2021.


President of the Senate


Clerk of the Senate