

---

---

# 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 Development,  
9 LLC, proposes to design, build, and operate a master planned  
10 development in support of a public-private partnership with  
11 Waiohuli Hawaiian Homesteaders Association, Inc., on an  
12 estimated one hundred fifty acres of department of Hawaiian home  
13 lands land in Waiohuli, Maui. This proposed development  
14 includes low- and moderate-income housing units; rental housing  
15 units; elderly care units; alternative energy development  
16 systems; agricultural development; and infrastructure



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

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

18 Accordingly, the purpose of this Act is to authorize the  
19 issuance of special purpose revenue bonds and appropriate the  
20 bond revenues derived therefrom for a master planned development  
21 proposed by Pueo Development, LLC.



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

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

19           SECTION 3. The special purpose revenue bonds and the  
20 refunding special purpose revenue bonds issued under this Act  
21 shall be issued pursuant to parts IV and IX, chapter 39A, Hawaii



1 Revised Statutes, relating to the power to issue special purpose  
2 revenue bonds to assist the development of low- and moderate-  
3 income housing and processing enterprises.

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

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

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



**Report Title:**

SPRB; Pueo Development, LLC; DHHL; Low-Income Housing; Moderate-Income Housing; Agriculture; Processing Enterprises

**Description:**

Authorizes the issuance of special purpose revenue bonds for a master planned development proposed by Pueo Development, LLC, on Hawaiian Home Lands. (HD1)

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

