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Statement of DELMOND WON Hawaii Housing Finance and Development Corporation Before the

SENATE COMMITTEE ON JUDICIARY

March 30, 2023 at 9:35 a.m. State Capitol, Room 016

In consideration of H.B. 668 HD1 SD1 RELATING TO HOUSING.

HHFDC <u>strongly supports</u> H.B. 668 HD1 SD1, which conditions the authority of Honolulu county to exercise state housing powers upon their continued compliance with provisions regarding acceptance of the dedication of infrastructure and public highways in affordable housing developments.

This bill attempts to address a 30-year-old problem that has existed in the Villages of Kapolei, where the City and County of Honolulu has still not accepted the dedication of the infrastructure improvements constructed by the state. While the City benefits from the real property tax revenues collected in part from the State's infrastructure improvements, HHFDC is relegated to continue maintaining the roads, sidewalks, and other infrastructure 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 in the Villages of Kapolei. These are funds that could otherwise be applied to new affordable housing and infrastructure for newly constructed affordable housing throughout the State.

Thank you for the opportunity to provide testimony.