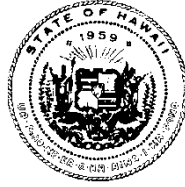


**JOSH GREEN, M.D.**  
GOVERNOR

**SYLVIA LUKE**  
LT. GOVERNOR



**DEAN MINAKAMI**  
EXECUTIVE DIRECTOR

**STATE OF HAWAII**

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT AND TOURISM  
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION  
677 QUEEN STREET, SUITE 300  
HONOLULU, HAWAII 96813  
FAX: (808) 587-0600

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

**SENATE COMMITTEE ON HOUSING**

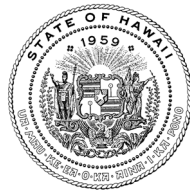
January 25, 2024 at 1:00 p.m.  
State Capitol, Room 225

In consideration of  
**S.B. 2133**  
**RELATING TO HOUSING.**

HHFDC **supports** SB 2133, which, among other things, authorizes HHFDC to issue bonds for housing project infrastructure and to finance the development of regional state infrastructure projects.

The cost of off-site infrastructure is a major barrier to the development of housing statewide. These costs are typically paid by private housing developers who, in turn, pass them on to homebuyers and renters in the form of higher prices and rents. This bill will allow HHFDC to facilitate the development of infrastructure required to support new housing projects needed across the state.

Thank you for the opportunity to testify on this bill.



JOSH GREEN, M.D.  
GOVERNOR

SYLVIA LUKE  
LIEUTENANT GOVERNOR

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

LUIS P. SALAVERIA  
DIRECTOR

SABRINA NASIR  
DEPUTY DIRECTOR

**STATE OF HAWAII**  
**DEPARTMENT OF BUDGET AND FINANCE**  
*Ka 'Oihana Mālama Mo'ohelu a Kālā*  
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

**WRITTEN ONLY**

TESTIMONY BY LUIS P. SALAVERIA  
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE  
TO THE SENATE COMMITTEE ON HOUSING  
ON  
SENATE BILL NO. 2133

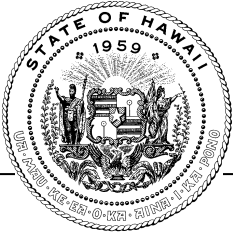
**January 25, 2024**  
**1:00 P.M.**  
**Room 225 and Videoconference**

RELATING TO HOUSING.

The Department of Budget and Finance offers the following comments on Senate Bill (S.B.) No. 2133, which authorizes the Hawaii Housing Finance and Development Corporation (HHFDC) to 1) issue bonds for housing project infrastructure and finance the development of regional state infrastructure projects; and 2) expend revenues in the regional state infrastructure subaccounts to repay bonds for regional state infrastructure projects.

Bonds issued by the State require a reliable source of revenue for the repayment of the bonds. S.B. No. 2133 is not clear as to HHFDC's revenue source for the repayment of the bonds specifically used to fund infrastructure for a housing project or projects (non-regional state infrastructure projects).

Thank you for your consideration of our comments.



**STATE OF HAWAII  
OFFICE OF PLANNING  
& SUSTAINABLE DEVELOPMENT**

**JOSH GREEN, M.D.**  
GOVERNOR

**SYLVIA LUKE**  
LT. GOVERNOR

**MARY ALICE EVANS**  
INTERIM DIRECTOR

235 South Beretania Street, 6th Floor, Honolulu, Hawaii'i 96813  
Mailing Address: P.O. Box 2359, Honolulu, Hawaii'i 96804

Telephone: (808) 587-2846  
Fax: (808) 587-2824  
Web: <https://planning.hawaii.gov/>

Statement of  
**MARY ALICE EVANS, Interim Director**

before the  
**SENATE COMMITTEE ON HOUSING**  
Thursday, January 25, 2024  
1:00 PM  
State Capitol, Conference Room 225

in consideration of  
**BILL NO SB 2133**  
**RELATING TO HOUSING.**

Chair Chang, Vice Chair Hashimoto, and Members of the Senate Committee on Housing:

The Office of Planning and Sustainable Development (OPSD) **supports** Senate Bill 2133, which authorizes the Hawaii Housing Finance and Development Corporation (HHFDC) to issue bonds for housing project infrastructure and to finance the development of regional state infrastructure projects.

Per the Legislature's direction and funding in Act 88, SLH 2021, Sec. 39, OPSD recently completed the *TOD Infrastructure Finance and Delivery Strategy*, which underscored growing housing needs statewide, and outlined a strategy to target existing and new revenue sources to fund housing production and supportive infrastructure, especially to leverage development on public lands. (see [https://files.hawaii.gov/dbedt/op/lud/Reports/TOD\\_InfraFin\\_Strategy\\_20231221.pdf](https://files.hawaii.gov/dbedt/op/lud/Reports/TOD_InfraFin_Strategy_20231221.pdf)). The study identified the need for regular, predictable revenue sources to help finance regional public infrastructure to facilitate transit-oriented development (TOD) and affordable housing production.

This bill will allow HHFDC to facilitate the development of infrastructure required to support new housing projects needed across the state, especially in well-located TOD areas.

Thank you for the opportunity to testify on this measure.

January 23, 2034

Senator Stanley Chang, Chair, Senate Housing Committee

Troy Hashimoto, Vice-chair, Senate Housing Committee

**Re: SB 2133 TO THE RENTAL HOUSING REVOLVING FUND.**

Dear Senators Chang and Hashimoto:

I am Gail Breakey, resident of Waipio Gentry and an advocate for vulnerable young children and their families. I am testifying in support of SB 2133.

Authorizes HHFDC to issue bonds for housing project infrastructure and finance the development of regional state infrastructure projects. Exempts bonds issued by HHFDC for improvements by assessments, and the interest thereon, from state, county, and municipal taxation, with certain exceptions. Includes proceeds from bonds issued for regional state infrastructure projects as a source of revenue for regional state infrastructure subaccounts. Authorizes regional state infrastructure subaccount revenues to be used to repay regional state infrastructure project bond holders.

This legislation authorizes the issue of bonds for housing infrastructure, exempts these from taxation, with some additional authorizations.

Thank you very much for the opportunity to testify in support of this legislation.

Sincerely,

A handwritten signature in black ink that reads "Gail Breakey". The signature is written in a cursive, flowing style.

Gail Breakey, RN, MPH