JOSH GREEN, M.D. GOVERNOR CHAD K. FARIAS EXECUTIVE DIRECTOR



STATE OF HAWAI'I SCHOOL FACILITIES AUTHORITY 75 AUPUNI STREET, STE. BASEMENT HILO, HAWAI'I 96720

February 22, 2023

## Testimony providing SUPPORT of SB832 SD1 RELATING TO EDUCATION

## SENATOR DONOVAN DELA CRUZ, CHAIR SENATE COMMITTEE ON WAYS AND MEANS Hearing Date: 02/22/2023 Room Number 211

The School Facilities Authority (SFA) is in **support** of S.B. 832 SD1, RELATING TO THE SCHOOL FACILITIES AUTHORITY.

The SFA is statutorily empowered to redevelop our schools into the 21st Century schools that our keiki deserve. This includes a variety of different opportunities such as vertical schools, teacher and workforce housing, and community services.

In looking at ways to find the maximum benefit for our keiki in our land assets, the SFA appreciates the Legislature's consideration of additional powers and authority to facilitate this. As we look to tackle additional issues such as teacher housing, we are finding that the majority of our schools are improperly zoned for such development.

The SFA appreciates the Legislature's continued commitment to ensuring that title of lands that schools sit on transfers in a timely and efficient manner. Land control is an important component in being able to effectuate the work being asked of the SFA.

The SFA also appreciates the consideration of an additional authority to allow us to partner with other State agencies to effectuate some of this work. Examples of State partners include the Department of Education, Hawaii Public Housing Authority, and Hawaii Housing Finance and Development Corporation.

Thank you for the opportunity to provide testimony.



## **ON THE FOLLOWING MEASURE:** S.B. NO. 832, S.D. 1, RELATING TO EDUCATION.

## **BEFORE THE:**

SENATE COMMITTEE ON WAYS AND MEANS

DATE:Wednesday, February 22, 2023TIME: 9:30 a.m.LOCATION:State Capitol, Room 211TESTIFIER(S):WRITTEN TESTIMONY ONLY.<br/>(For more information, contact Laura Maeshiro,<br/>Deputy Attorney General, at 586-1470)

Chair Dela Cruz and Members of the Committee:

The Department of the Attorney General provides the following comments.

The purposes of this bill are to (1) add three new sections to chapter 302A, Hawaii Revised Statutes (HRS), to (a) authorize any county to sell, lease, grant, or convey real property to the School Facilities Authority (SFA) upon certain conditions as may be agreed upon by the county and the SFA, and upon the holding of a public hearing (page 1, line 4, to page 2, line 3); (b) exempt the SFA from taxes (page 2, lines 4-6); and (c) authorize state and county agencies to render services to the SFA upon request (page 2, lines 7-9); (2) authorize the SFA to engage in commercial enterprise activities for the purpose of revenue generation (page 7, lines 3-4); (3) authorize the SFA to contract to manage leasing and management of housing projects (page 7, lines 5-6); and (4) establish a deadline for the transfer of certain parcels of property to the Department of Education from the City and County of Honolulu as required by Act 272, Session Laws of Hawaii 2019 (page 7, line 20, to page 8, line 20).

The Department respectfully requests that the sentence on page 1, lines 5-10, be amended as follows, for clarity:

Notwithstanding the provision of any law or charter to the contrary, any county, by resolution of its local governing body, without public auction, sealed bids, or public notice, may sell, lease for a term not exceeding sixty-five years, grant, or convey to the authority any real property owned by [it] <u>the county</u> that the authority certifies to be necessary for [its] <u>the authority's</u> purposes.

Thank you for the opportunity to provide comments.