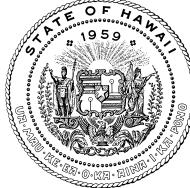


JOSH GREEN, M.D.  
GOVERNOR

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

### HOUSE COMMITTEE ON HOUSING

February 06, 2026 at 9:30 a.m.

State Capitol, Room 430

In consideration of  
**HOUSE BILL 2478**  
**RELATING TO BONDS.**

Chair Evslin, Vice Chair Miyale, and members of the Committee.

HHFDC **supports** House Bill 2476, which amends the Hawaii Revised Statutes to align with a proposed constitutional amendment authorizing counties to issue Housing Infrastructure Growth Bonds and exclude these bonds from county debt limit calculations.

HB2478 is a follow-up measure to HB2476, which proposes a constitutional amendment to authorize counties to issue Housing Infrastructure Growth Bonds and exclude these bonds from county debt limit calculations. While HB2476 establishes the constitutional authority for counties to issue bonds, HB2478 ensures that the statutes reflect this authority and provide clear guidance for implementation. Specifically, this bill updates definitions and reporting requirements in Chapter 47C, Hawaii Revised Statutes by:

1. Adding housing infrastructure growth bonds to the statutory definitions of bond types.
2. Revising county debt reporting requirements to include these bonds while recognizing their exclusion from debt limit calculations under Article VII, Section 13.
3. Providing a framework for supplemental debt summaries when counties issue new bonds, ensuring transparency and compliance.

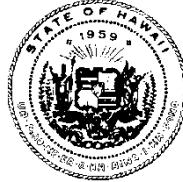
This bill is critical to operationalizing the State's strategy to accelerate housing development, as infrastructure financing is one of the biggest barriers to building affordable housing, especially in transit-oriented development areas and other priority growth areas. By enabling counties to issue housing infrastructure growth bonds and clarifying their treatment under debt limit laws,

this bill ensures counties can finance the infrastructure needed to unlock thousands of new homes without jeopardizing their fiscal health.

Together, HB2476 and HB2478 provide counties with a modern, flexible tool to fund housing-related infrastructure and advance Hawai'i's housing goals.

Thank you for the opportunity to testify.

JOSH GREEN, M.D.  
GOVERNOR  
KE KIA'ĀINA



HAKIM OUANSAFI  
EXECUTIVE DIRECTOR

BARBARA E. ARASHIRO  
EXECUTIVE ASSISTANT

IN REPLY PLEASE REFER TO:

26:OED

STATE OF HAWAII  
KA MOKU'ĀINA O HAWAII  
**HAWAII PUBLIC HOUSING AUTHORITY**  
1002 NORTH SCHOOL STREET  
POST OFFICE BOX 17907  
HONOLULU, HAWAII 96817

Statement of the  
**Hawaii Public Housing Authority**

Before the  
**HOUSE COMMITTEE ON HOUSING**

Friday, February 6, 2026  
9:30 AM – Room 430, Hawaii State Capitol

In consideration of  
**HB 2478**  
**RELATING TO BONDS**

Honorable Chair Evslin, Vice Chair Miyake and Members of the House Committee on Housing:

The Hawaii Public Housing Authority (HPHA) strongly supports this measure which conforms county debt limit statements law to permit counties to exclude housing infrastructure growth bonds from the debt limit of the counties if a constitutional amendment authorizing the use of housing infrastructure growth bonds and excluding housing infrastructure growth bonds from determinations of the counties' funded debt is ratified.

HB 2478 is the implementing legislation for its companion measure HB 2476. While the latter creates the constitutional power for counties to issue Housing Infrastructure Growth Bonds outside of debt limits, HB 2478 codifies and provides statutory guidance to put that power into practice.

To speed up housing development, we have to fix how we fund infrastructure. This bill puts the State's housing strategy into motion by giving counties a new tool to unlock thousands of new homes, especially in Transit Oriented Development areas without the debt hitting their bottom line or risking their financial security.

Thank you for the opportunity to provide this testimony and for your continued commitment to Hawaii's housing needs.

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

**SYLVIA LUKE**  
LT. GOVERNOR

**JAMES KUNANE TOKIOKA**  
DBEDT DIRECTOR

**DANE K. WICKER**  
DBEDT DEPUTY DIRECTOR

**WALTER THOEMMES**  
CHAIR, STADIUM AUTHORITY

**MICHAEL R. YADAO**  
INTERIM STADIUM MANAGER



**ALOHA STADIUM**  
*An Agency of the State of Hawaii*

Statement of  
**MICHAEL R. YADAO**  
Stadium Authority  
Department of Business, Economic Development, and Tourism  
before the

## **HOUSE COMMITTEE ON HOUSING**

Friday, February 06, 2026  
09:30 AM  
State Capitol, Conference Room 430

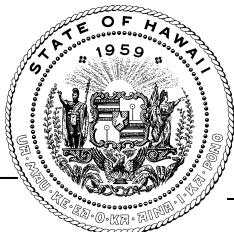
In consideration of  
**H.B. 2478**  
**RELATING TO BONDS.**

Chair Evslin, Vice Chair Miyake and members of the Committee.

The Stadium Authority supports House Bill 2478, which conforms county debt limit statements law to permit counties to exclude housing infrastructure growth bonds from the debt limit of the counties if a constitutional amendment authorizing the use of housing infrastructure growth bonds and excluding housing infrastructure growth bonds from determinations of the counties' funded debt is ratified.

Housing infrastructure is incredibly important and the growth bonds that facilitate that construction are an integral part of our Stadium Authority Development District and to all projected housing developments statewide. Increasing the counties' ability to issue those bonds can only lead to an increase in the state's housing inventory and make a significant contribution to our local construction economy.

Thank you for the opportunity to testify.



# STATE OF HAWAII OFFICE OF PLANNING & SUSTAINABLE DEVELOPMENT

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

JOSH GREEN, M.D.

GOVERNOR

SYLVIA LUKE  
LT. GOVERNOR

MARY ALICE EVANS  
DIRECTOR

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

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

before the  
**HOUSE COMMITTEE ON HOUSING**

Friday, February 6, 2026  
9:30 AM  
State Capitol, Conference Room 430

in consideration of  
**HB 2478**  
**RELATING TO HOUSING.**

Chair Evslin, Vice Chair Miyake, and Members of the House Committee on Housing.

The Office of Planning and Sustainable Development (OPSD) **supports** HB 2478 which amends the Hawaii Revised Statutes to align with a proposed constitutional amendment authorizing counties to issue Housing Infrastructure Growth Bonds and exclude these bonds from county debt limit calculations.

This bill is related to HB 2476 which proposes a constitutional amendment to authorize counties to issue Housing Infrastructure Growth Bonds and excludes these bonds from county debt limit calculations. HB 2478 will ensure this authority and provide clear guidance for implementation.

This bill is necessary to accelerate housing production as infrastructure financing is a barrier to housing development. This bill will bring more investment to transit-oriented development areas and other priority growth areas.

The State's Housing Strategy along with the TOD Council's Strategic Plan highlights:

- Housing in transit-oriented development areas
- Investment in infrastructure for housing development
- Improving accessibility to transit, goods and services
- Accelerating Housing Production

The proposed bill will accomplish:

- Creation of a new infrastructure financing tool
- No new tax or increase in current tax rate
- New housing development

Thank you for the opportunity to testify on this measure.



Testimony of  
Pacific Resource Partnership

Hawai'i House of Representatives Committee on Housing  
Wednesday, February 4, 2026

**Subject: Testimony in Strong Support of HB2478, relating to bonds**

Aloha Chair Evslin, Vice Chair Miyake, and esteemed members of the committee.

Pacific Resource Partnership (PRP), representing more than 6,000 union carpenters, over 250 signatory contractors, and community stakeholders statewide, respectfully submits this testimony in strong support of HB2478, which amends the Hawai'i Revised Statutes to conform county debt limit statements law, allowing counties to exclude housing infrastructure growth bonds from the debt limit of the counties, provided a constitutional amendment is ratified that authorizes such bonds and excludes them from funded debt calculations.

HB2478 provides essential statutory alignment to complement the proposed constitutional amendments in HB2476, ensuring counties have the clarity and framework needed to effectively utilize housing infrastructure growth bonds. Without these conforming changes, even with voter approval of the constitutional measure, counties would face uncertainty in implementing this vital financing tool for housing-enabling infrastructure.

Value capture financing is a proven mechanism used by most states to fund billions in infrastructure for new housing development. These bonds are critical to addressing Hawai'i's housing affordability crisis by shifting upfront infrastructure costs away from homebuilders and buyers.

PRP's research demonstrates that when homebuilders are forced to cover the costs for roads, sewers, water, and electricity, those expenses add 30% or more to the final home price, making housing less attainable for local families. By excluding these bonds from county debt limits – since they are repaid solely from incremental property tax revenues generated by the new development, without relying on general funds or raising taxes on existing residents – HB2478 promotes fiscal



**(Continued From Page 1)**

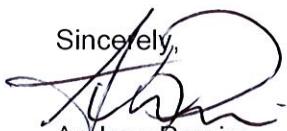
responsibility while expanding the tax base. This approach grows the revenue pie organically, enabling undeveloped parcels to be transformed into communities with housing.

Moreover, this type of financing helps unlock the full potential of transit-oriented development (TOD) around Honolulu's Skyline, where current zoning allows for density but lacks the necessary infrastructure to support it.

The Hawai'i Perspectives survey commissioned by PRP this past summer further underscores public support, with 53% of statewide residents favoring government-funded infrastructure, a figure that rises among younger demographics who are most impacted by housing shortages.

HB2478 enhances transparency and accountability by requiring detailed itemization and reporting of bonded indebtedness, while properly categorizing these bonds to safeguard county finances. In essence, this measure is a practical, fiscally sound step toward delivering infrastructure without burdening taxpayers, fostering economic growth through construction jobs, and ultimately producing more affordable homes for Hawai'i's people. PRP respectfully urges the Committee to pass this important bill. Mahalo for the opportunity to testify.

Sincerely,

  
Andrew Pereira

Director of Public Affairs  
Pacific Resource Partnership  
1100 Alakea Street, 4th Floor  
Honolulu, HI 96813  
Phone: (808) 528-5557  
Email: [apereira@prp-hawaii.com](mailto:apereira@prp-hawaii.com)  
Website:



# HAWAII REGIONAL COUNCIL OF CARPENTERS

February 6, 2026

TO: The Honorable Luke A. Esvlin, Chair  
The Honorable Tyson K. Miyake, Vice Chair  
Members of the House Committee on Housing

RE: **TESTIMONY IN STRONG SUPPORT OF HB2478**

Aloha Chair Esvlin, Vice Chair Miyake, and Members of the Committee:

The Hawai'i Regional Council of Carpenters, representing over 6,000 skilled union carpenters and tradespeople across the islands, is grateful for the opportunity to submit our testimony in strong support of HB2478.

HB2478 is a necessary and technical follow-through measure that ensures county debt-limit statutes are properly aligned with the proposed constitutional authorization for housing infrastructure growth bonds. Without this statutory conformity, counties will lack the clarity and certainty needed to responsibly use this tool, even if voters approve the constitutional amendment.

As the Legislature has recognized, Hawai'i's housing crisis cannot be solved without major investment in housing-enabling infrastructure. Water, wastewater, roads, drainage, and climate-resilient improvements are prerequisites to housing production. Counties need financing tools that are predictable, scalable, and fiscally responsible to deliver that infrastructure.

HB2478 does not authorize new borrowing on its own. Instead, it updates county debt-limit reporting requirements so that housing infrastructure growth bonds are treated consistently with their intended structure: bonds that are payable solely from incremental property tax revenues generated by new development, not from general funds or countywide tax increases. This distinction is critical to protecting county fiscal health while enabling infrastructure investment.

From a workforce perspective, this bill matters because financing certainty translates directly into project certainty. When infrastructure can be financed and delivered on schedule, housing projects move forward, local contractors can plan work, apprentices can accumulate hours, and Hawai'i residents benefit from stable, well-paid construction jobs building homes in their own communities.

## STATE HEADQUARTERS & BUSINESS OFFICES

OAHU: 1311 Houghtailing Street, Honolulu Hawaii 96817-2712 • Ph. (808) 847-5761 Fax (808) 440-9188

HILO OFFICE: 525 Kilauea Avenue, Room 205, Hilo, Hawaii 96720-3050 • Ph. (808) 935-8575 Fax (808) 935-8576

KONA OFFICE: 75-126 Lunapule Road, Kailua-Kona, Hawaii 96740-2106 • Ph. (808) 329-7355 Fax (808) 326-9376

MAUI OFFICE: 330 Hookahi Street, Wailuku, Maui 96793-1449 • Ph. (808) 242-6891 Fax (808) 242-5961

KAUAI OFFICE: Kuhio Medical Ctr Bldg, 3-3295 Kuhio Hwy, Suite 201, Lihue, Kauai 96766-1040 • Ph. (808) 245-8511 Fax (808) 245-8911

HB2478 strengthens transparency, accountability, and financial discipline by clearly requiring counties to itemize and report bonded indebtedness while properly excluding housing infrastructure growth bonds when they are not backed by general revenues. This is good governance and sound fiscal policy.

For these reasons, HRCC respectfully urges your support for HB2478.

Mahalo for the opportunity to testify.

February 6, 2026

**The Honorable Luke A. Esvlin, Chair**

House Committee on Housing

State Capitol, Conference Room 430 & Videoconference

**RE: House Bill 2478, Relating to Bonds**

**HEARING: Friday, February 6, 2026, at 9:30 a.m.**

Aloha Chair Esvlin, Vice Chair Miyake, and Members of the Committee:

My name is Lyndsey Garcia, Director of Advocacy, testifying on behalf of the Hawai'i Association of REALTORS® ("HAR"), the voice of real estate in Hawaii and its over 10,000 members. HAR **strongly supports** House Bill 2478, which conforms county debt limit statements law to permit counties to exclude housing infrastructure growth bonds from the debt limit of the counties if a constitutional amendment authorizing the use of housing infrastructure growth bonds and excluding housing infrastructure growth bonds from determinations of the counties' funded debt is ratified.

Hawaii continues to face a serious housing shortage and infrastructure remains one of the most significant barriers to housing production. Roads, water and sewer systems, drainage, and public amenities must be in place before homes can be built, yet existing state and county funding mechanisms are insufficient to meet the scale and timing of these needs. Even in strong budget years, traditional capital improvement funding and general obligation bonds cannot keep pace with housing demand.

Housing Infrastructure Growth Bonds ("HIG") offer a proven, fiscally responsible way to close this gap. HIG is a value-capture financing tool that has been used nationwide for decades and is now implemented in 48 out of 50 states. It allows counties to fund infrastructure upfront by using a portion of future property tax growth generated by new development within a defined area.

In practice, a county establishes a HIG district and sets a base assessed property value. As infrastructure investment enables development and increases property values, the incremental property tax revenue above that base is generated. That new revenue, which is revenue that would not exist without the infrastructure investment, is used to repay the bonds. Importantly, HIG does not create or increase taxes; it simply reallocates a portion of newly created tax revenue for a limited period. Once the bonds are paid off, all property tax revenue flows back to the county's general fund.

For the foregoing reasons, HAR strongly supports HIG as an important tool to invest in infrastructure, create much needed housing, and support our communities and make conforming amendments should the constitutional amendment be ratified. Mahalo for the opportunity to provide testimony on this measure.



February 3, 2026

Rep. Luke A. Esvlin  
Rep. Tyson K. Miyake  
Members of the House Committee on Housing  
Thirty-Third Legislature, Regular Session of 2026

Hearing date: February 6, 2026, at 9:30 AM

**RE: HB 2476 – PROPOSING AMENDMENTS TO ARTICLE VII, SECTIONS 12 AND 13 OF THE  
HAWAII STATE CONSTITUTION  
HB 2478 – RELATING TO BONDS**

Aloha Chair Esvlin, Vice Chair Miyake and Members of the Committee,

Mahalo for the opportunity to submit testimony on behalf of D.R. Horton Hawaii in **SUPPORT** of HB 2476 - PROPOSING AMENDMENTS TO ARTICLE VII, SECTIONS 12 AND 13 OF THE HAWAII STATE CONSTITUTION and HB 2478 – RELATING TO BONDS. D.R. Horton Hawaii is proud to be one of Hawaii's largest homebuilders, serving Hawaii's families for more than 52 years. We specialize in providing affordable housing and first-time homebuyer opportunities across the state and remain committed to addressing Hawaii's critical housing needs.

HB 2476 and HB 2478, which together would authorize the use of housing infrastructure growth bonds, a form of tax increment financing, to fund required infrastructure necessary to help further development of new homes for Hawaii's families. One of the greatest barriers to producing any type of housing, but especially affordable and workforce housing, is the extraordinary initial and long-term capital holding costs of financing both off-site and on-site required infrastructure such as roads, drainage, sewer, water, electrical and communications systems. In Hawaii, if financing is even available in the market, these substantial costs must be paid upfront by homebuilders with an extremely slow, long capital return, house by house. This long capital return ties up already scarce available financing, ultimately preventing reinvestment in new infrastructure projects and thus...new housing. Just as wall studs, kitchen cabinets and roofing material costs are all underwritten into the cost of housing, so too are the substantial initial and holding cost for infrastructure. If infrastructure financing is not available in the market, as is the case today, then fully entitled master planned communities get stalled...as is the case today.



Housing infrastructure growth bonds provide a practical and proven tool that most mainland jurisdictions have used for decades to align infrastructure delivery with housing production. By allowing counties to issue increment bonds secured by the future increase in property tax revenues generated by new development, these measures could shift infrastructure financing from an upfront cost passed on to homebuyers to a self-funding public mechanism tied directly to growth. This approach lowers the initial capital stack required to get infrastructure built, reduces long term interest risk and ultimately translates into lower costs, and thus, lower sales prices for Hawaii's homebuyers.

Equally important, these bonds do not raise existing tax rates or divert general fund resources away from essential public services. Instead, they allow dormant or underutilized parcels to generate the very revenue needed to support their own infrastructure, broadening the counties' long-term tax base without increasing the tax burden on current residents. Excluding these bonds from traditional funded debt limits recognizes that they are growth-driven financing tools rather than general obligation liabilities, thereby preserving county borrowing capacity for schools, parks, and other core needs. For homebuilders, this certainty and partnership with government can mean the difference between producing homes affordable to Hawaii's families or a stalled project that never gets out of the ground.

Finally, authorizing housing infrastructure growth bonds would unlock opportunities for thoughtfully planned communities as well as transit-oriented development neighborhoods throughout the state. Areas already zoned for housing, including those near rail stations and employment centers, frequently lack the infrastructure capacity to support additional housing units, even when market demand and zoning allow it. These bills would create a structured, accountable method to finance that capacity in advance, accelerating production and helping reduce the substantial housing shortfall. For homebuilders committed to building homes for Hawaii's families, HB 2476 and HB 2478 represent a commonsense, fiscally responsible partnership that can lower costs, increase supply, and move the state meaningfully closer to our collective housing goals.

For these reasons, I strongly urge this committee to **PASS HB 2476 and HB 2478**.

Mahalo for your consideration,

Tracy S. Tonaki  
President  
DR Horton Hawaii



## HAWAII COMMUNITY DEVELOPMENT AUTHORITY

547 Queen Street, Honolulu, Hawaii 96813  
Telephone: (808) 594-0300 Fax: (808) 587-0299  
Web site: <http://dbedt.hawaii.gov/hcda/>

JOSH GREEN, M.D.

GOVERNOR

SYLVIA LUKE  
LT. GOVERNOR

STERLING HIGA  
CHAIRPERSON

CRAIG K. NAKAMOTO  
EXECUTIVE DIRECTOR

Statement of  
**CRAIG K. NAKAMOTO**  
**Executive Director**  
Hawai'i Community Development Authority  
before the  
**HOUSE COMMITTEE ON HOUSING**

Friday, February 6, 2026  
9:30 a.m.

State Capitol, Conference Room 430 & Videoconference

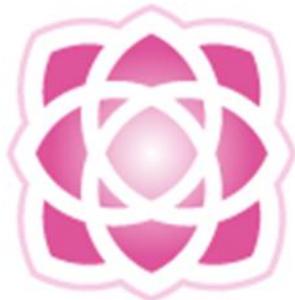
In consideration of  
**HB 2478**  
**RELATING TO BONDS.**

Chairperson Evslin, Vice Chairperson Miyake, and Members of the Committee. The Hawai'i Community Development Authority (HCDA) **supports HB 2478**, which amends Chapter 47, *Hawaii Revised Statutes*, by updating county debt-limit reporting statutes to allow the exclusion of housing infrastructure growth bonds from county debt calculations and adds “housing infrastructure growth bonds” to the definition of “bonds”, contingent upon ratification of the related constitutional amendment proposed in HB 2476.

HCDA works closely with counties, state agencies, and private partners to advance housing and supporting infrastructure within designated community development districts and transit-oriented development area, pursuant to Chapter 206E, Part X, *Hawaii Revised Statutes*.

Aligning county debt-reporting practices with this value capture financing tool will support coordinated planning and investment in housing-related infrastructure essential to meeting Hawai'i's housing needs.

Thank you for the opportunity to provide testimony.



**MAUI**  
CHAMBER OF COMMERCE  
**VOICE OF BUSINESS**

**HEARING BEFORE THE HOUSE COMMITTEE ON HOUSING  
HAWAII STATE CAPITOL, HOUSE CONFERENCE ROOM 430  
FRIDAY, FEBRUARY 6, 2026 AT 9:30 A.M.**

To The Honorable Representative Luke A. Evslin, Chair  
The Honorable Representative Tyson K. Miyake, Vice Chair  
Members of the Committee on Housing

**SUPPORT HB2478 RELATING TO BONDS**

The Maui Chamber of Commerce supports HB2478, which proposes to enable counties to utilize housing infrastructure growth bonds without those bonds counting against county debt limits, contingent upon a constitutional amendment. This approach has the potential to unlock critical infrastructure investments that directly support housing development.

By allowing counties to exclude housing infrastructure growth bonds from debt limit calculations, the bill provides local governments with greater fiscal flexibility to fund essential infrastructure, such as roads, water, and sewer systems, that is necessary for new housing projects. For Hawai'i, where infrastructure costs are a major barrier to affordable housing and public-private partnerships are needed, this tool could help stimulate development and reduce delays.

We also note that the bill's structure, which requires a constitutional amendment, ensures that this significant fiscal policy change would be subject to public scrutiny and voter approval. This safeguard is important to maintain transparency and accountability in public finance decisions. At the same time, the bill supports the broader goal of "all tools in the toolbox" for addressing the state's housing shortage, a position we strongly support given the scale of unmet housing needs and rising construction costs.

We respectfully recommend that implementation guidance be developed in consultation with county governments and housing stakeholders to ensure the bonds are used efficiently and equitably for infrastructure projects that directly enable affordable and workforce housing.

Mahalo for the opportunity to provide testimony on HB2478.

Sincerely,

*Pamela Tumpap*

Pamela Tumpap  
President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.

**HB-2478**

Submitted on: 2/5/2026 8:18:08 AM  
Testimony for HSG on 2/6/2026 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Johnnie-Mae L. Perry	Individual	Comments	Written Testimony Only

Comments:

Comment include DHHL Johnnie-Mae L. Perry

2478 HB RELATING TO BONDS.