

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 FINANCE

February 27, 2026 at 2:00 p.m.

State Capitol, Room 308

In consideration of

HOUSE BILL 1718 HOUSE DRAFT 1 RELATING TO HOUSING.

Chair Todd, Vice Chair Takenouchi, and members of the Committee.

HHFDC **supports** House Bill 1718 House Draft 1, which repeals the sunset provision in Act 45, Session Laws of Hawaii 2024.

This measure makes permanent the authority of the counties to develop, construct, finance, refinance, or otherwise provide mixed-use developments, including low- and moderate-income housing projects, and issue county bonds for these purposes.

This bill ensures that counties retain critical tools to address Hawaii's housing crisis. By removing the sunset date, counties can continue to facilitate housing development and provide financing options that complement state efforts and private sector initiatives. This authority is particularly important for advancing housing in transit-oriented development areas, where demand is high, and land use efficiency is essential.

This bill is a practical and necessary step to maintain momentum in addressing Hawaii's housing needs. By making Act 45 permanent, we empower counties to continue supporting housing development and financing solutions that benefit our communities.

Thank you for the opportunity to testify.

DEPARTMENT OF BUDGET AND FISCAL SERVICES
KA 'OIHANA MĀLAMA MO'OHĒLU A KĀLĀ
CITY AND COUNTY OF HONOLULU

530 SOUTH KING STREET, ROOM 208 • HONOLULU, HAWAII 96813
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RICK BLANGIARDI
MAYOR
MEIA

ANDREW T. KAWANO
DIRECTOR
PO'O

CARRIE CASTLE
DEPUTY DIRECTOR
HOPE PO'O

February 26, 2026

The Honorable Chris Todd, Chair
The Honorable Jenna Takenouchi, Vice-Chair
and Members of the House Committee on Finance
State Capitol
415 South Beretania Street
Honolulu, Hawai'i 96813

Dear Chair Todd, Vice-Chair Takenouchi, and Committee Members:

SUBJECT: Testimony in Support of House Bill 1718, HD1, Relating to Housing
Hearing: February 27, 2026 at 2:00 p.m., Conference Room 308
and via Videoconference

The Department of Budget and Fiscal Services, City and County of Honolulu ("City"), **strongly supports** House Bill ("HB") 1718, HD1, Relating to Housing, which repeals the sunset provision in Act 45 SLH 2024.

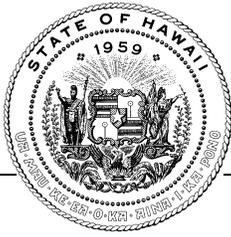
The City firmly believes that by removing the sunset provision, counties in the State of Hawai'i will be able to permanently issue bonds for affordable and **mixed-use developments**, which is critical to responsibly addressing the housing crisis throughout the islands. The concept of Transit Oriented Development in close proximity to transit stations is antithetical to non-mixed-use development. The City does not plan to build affordable housing without the necessary services, public and private, that activate transit oriented communities. Please remove the existing sunset provision. Additionally, eliminating the sunset provision will allow counties to plan and coordinate housing projects without the uncertainty and disruption caused by time constraints.

For the reason stated above, the City **strongly supports** HB 1718, HD1.

Mahalo for the opportunity to testify on this bill. Should you have any questions or concerns, please feel free to contact the Department of Budget and Fiscal Services' Division of Treasury at (808) 768-3990 or [bfstrea@mailbox@honolulu.gov](mailto:bfstrea@mailbox.honolulu.gov).

Sincerely,


Andrew T. Kawano
Director



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

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR

MARY ALICE EVANS
DIRECTOR

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Statement of
MARY ALICE EVANS, Director

before the
HOUSE COMMITTEE ON FINANCE
Friday, February 27, 2026
2:00 PM
State Capitol, Conference Room 308

in consideration of
HB 1718, HD 1
RELATING TO HOUSING.

Chair Todd, Vice Chair Takenouchi, and Members of the House Committee on Finance, the Office of Planning and Sustainable Development (OPSD) **supports** HB 1718, HD 1, which repeals the sunset provision in Act 45, SLH 2024, related to the counties' authorization to develop, construct, finance, refinance, or otherwise provide mixed-use developments. This will help with achieving the Governor's housing strategy and production goals.

OPSD supports HB 1718 HD 1, as it allows the counties to support housing projects, especially in transit-oriented development areas where housing is needed most. As the State is in a housing crisis these financing options are crucial for housing development throughout the islands. Act 45 allows the counties to provide another source of financing for developers to tap into to increase our housing stock.

Thank you for the opportunity to testify on this measure.

DEPARTMENT OF HOUSING AND LAND MANAGEMENT
KA 'OIHANA HO'OLĀLĀ KŪKULU HALE A ME KA HO'OKELE 'ĀINA
CITY AND COUNTY OF HONOLULU

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CATHERINE A. TASCHNER
DEPUTY DIRECTOR
HOPE PO'O

February 24, 2026

The Honorable Chris Todd, Chair
and Members of the Housing Committee on Finance
Hawai'i House of Representatives
Hawai'i State Capitol
415 South Beretania Street
Honolulu, Hawai'i 96813

SUBJECT: Support for House Bill 1718, HD1
Relating to Housing

Dear Chair Todd and Committee Members:

The Department of Housing and Land Management (DHLM) **strongly supports** removing the June 30, 2028, sunset date in Act 45 (2024).

Act 45 was an important step toward addressing Hawai'i's housing challenges. The Act empowered counties to issue bonds for mixed-use developments, allowing the City and County of Honolulu ("City") to combine housing with other essential community uses such as education, retail, and government services. However, the inclusion of a four-year sunset effectively prevents the City from using this tool for any real-world projects.

Large-scale mixed-use developments cannot be planned, financed, and completed within such a narrow window. These projects require extensive time for site acquisition, due diligence, community engagement, solicitation and selection of qualified development partners, negotiation of lease and regulatory agreements, securing financing, and ultimately issuing and expending bond proceeds. A financing authority that expires midstream is, for all practical purposes, unusable.

Without repeal of the sunset, the City will be unable to complete the planned redevelopment of Iwilei Center, a 3.95-acre parcel adjacent to the future Kūwili Skyline Station, acquired to advance transit-oriented development (TOD) along the rail corridor. In July 2025, the City selected a development partner to lead a master planning effort for the broader Kūwili Station area—an effort that includes robust community engagement, improving multi-modal access to transit, and aligning infrastructure investments to support future housing, flood mitigation, and broader development in the area. The City has since selected a preferred negotiating partner for Iwilei Center,

The Honorable Chris Todd, Chair
and Members of the Housing Committee on Finance
February 24, 2026
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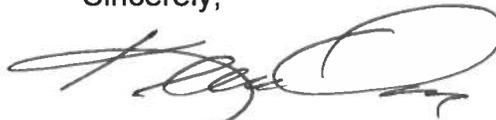
expected to deliver hundreds of housing units integrated with commercial, educational, and civic spaces. The project will serve as the anchor for the greater Kūwili Station TOD Area, envisioned in the City's adopted Downtown Neighborhood TOD Plan.

The authority granted under Act 45 is vital to advancing this and other TOD projects. Yet a sunset provision injects unnecessary uncertainty into the development process, deterring private partners, complicating financing, and jeopardizing the timely delivery of affordable housing along the rail line. The sunset serves no practical purpose—the Legislature retains the power to revisit or refine this authority in the future if experience with early projects suggests it is warranted.

We respectfully urge the Legislature to remove the sunset provision in Act 45 (2024) and provide the stability needed for the City and County of Honolulu to swiftly move forward in creating vibrant, transit-oriented, mixed-use communities that deliver the affordable housing our residents need.

Thank you for the opportunity to provide testimony. If you have any questions, please feel free to contact me or Gavin Thornton, Director of Housing Policy, at (808) 768-4277.

Sincerely,

A handwritten signature in black ink, appearing to read 'Kevin D. Auger', with a large, stylized flourish at the end.

Kevin D. Auger
Director

February 27, 2026

TO: Chair Todd and Members of the House Committee on Finance
RE: HB 1718 HD1, Relating to Housing

Dear Chair Todd and Committee Members,

Housing Hawai'i's Future is a nonprofit dedicated to creating opportunities for Hawai'i's next generation by ending the workforce housing shortage.

We urge the House Committee on Housing to advance House Bill 1718 HD1.

By repealing Act 45, SLH 2024, the State of Hawai'i will empower counties with the power to facilitate, finance, and issue bonds for affordable and mixed-use developments. As evidenced by the emergence of entities like the City and County of Honolulu's Department of Housing and Land Management (DHLM), this measure aligns with county-based housing efforts across Hawai'i, where local governments are well-positioned to respond to community-specific housing needs.

This approach can accelerate the production of both rental and owner-occupied housing options for residents by leveraging county resources and partnerships, reducing bureaucratic delays, and tailoring solutions to local conditions.

Developers, financiers, and local agencies are more likely to commit resources to complex projects when there is clarity and stability in the regulatory framework. The ability to issue bonds gives counties a valuable tool for assembling the financing needed for projects that might otherwise stall due to funding gaps.

Let's advance House Bill 1718 HD1.

Thank you,



Lee Wang
Executive Director
Housing Hawai'i's Future
lee@hawaiisfuture.org



Perry Arrasmith
Director of Policy
Housing Hawai'i's Future
perry@hawaiisfuture.org

February 25, 2026

House Committee on Finance
Chair Chris Todd
Vice Chair Jenna Takenouchi
Members of the Committee

Re: HB 1718 HD1 – Relating to Housing – SUPPORT

Aloha kākou!

LeadingAge Pacific West is pleased to support HB 1718 HD1, which repeals the sunset date of Act 45, Session Laws of Hawai‘i 2024, and makes permanent the authority of counties to facilitate the development, construction, financing, refinancing, and other provision of mixed-use developments, including low- and moderate-income housing projects, and to issue county bonds for this purpose.

LeadingAge Pacific West is a leading advocate for quality, mission-driven housing, care, and services for older adults across the Pacific West region, including Hawai‘i. Our nonprofit members include providers of affordable senior housing, residential care facilities for the elderly (assisted living), life plan communities, skilled nursing care, and home and community-based services.

Hawai‘i continues to face a significant shortage of affordable housing, including homes affordable to kūpuna living on fixed incomes. Development costs remain high, financing gaps persist, and affordable housing projects often require multiple public and private funding sources to move forward. The authority granted under Act 45 has provided counties with an important tool to participate directly in housing development and financing partnerships.

Making this authority permanent will provide stability and predictability for counties, nonprofit developers, and financing partners. Housing development timelines often span several years, and long-term certainty is essential to secure investment, structure bond financing, and assemble layered capital stacks. Removing the sunset strengthens Hawai‘i’s ability to produce affordable housing at scale, including those serving low-income older adults.

For these reasons, LeadingAge Pacific West is pleased to support HB 1718 HD1 and thanks the Committee for its leadership on this important measure. We welcome the opportunity to serve as a resource as this bill moves forward. Mahalo for the opportunity to provide testimony.

Sincerely,

Harrison Linder
Assistant Director of Housing Policy