



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

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR

MARY ALICE EVANS
DIRECTOR

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

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

Statement of
MARY ALICE EVANS, Director

LATE

before the
SENATE COMMITTEE ON WAYS AND MEANS

Thursday, April 9, 2026, 10:55 AM
State Capitol, Conference Room 211

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

Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Senate Committee on Ways and Means,

The Office of Planning and Sustainable Development (OPSD) **supports HB 1718, HD 1, SD 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, including low- and moderate-income housing projects, and issues county bonds for this purpose.

OPSD believes that this measure is a critical step towards long-term housing stability with its repealing of the sunset provision in Act 45, SLH 2024, thereby making permanent the authority of the counties to issue bonds and facilitate the development of mixed-use and affordable housing projects. By removing the 2028 sunset, HB 1718, HD 1 allows for the continuation of a critical funding source that empowers our county partners to address the housing shortage with greater autonomy and financial flexibility.

The issuance of these bonds provides the counties with a robust mechanism to offer alternative financing for developers, which is essential to increasing our State's overall housing stock. Because large-scale housing projects often span a decade from planning to completion, bonds serve as a particularly stable and predictable source of funding. Making this authority permanent reduces the financial risk for developers and increases the certainty required to move ambitious projects forward, ensuring that the pipeline for low- and moderate-income housing remains active and well-funded.

Furthermore, the bill's specific focus on mixed-use developments closely aligns with the State's goals for Transit-Oriented Development (TOD). By encouraging housing within TOD areas, we maximize the impact of other State investments in transportation and infrastructure, placing homes where they are needed most and creating walkable, sustainable communities. Thank you for the opportunity to testify in support of 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

650 SOUTH KING STREET, FLOOR 3 • HONOLULU, HAWAII 96813
PHONE: (808) 768-4277 • FAX: (808) 768-4296 • WEBSITE: www.honolulu.gov/dhlm

RICK BLANGIARDI
MAYOR
MEIA



KEVIN D. AUGER
DIRECTOR
PO'O

CATHERINE A. TASCHNER
DEPUTY DIRECTOR
HOPE PO'O

April 8, 2026

The Honorable Donovan M. Dela Cruz, Chair
and Members of the Senate Committee on Ways and Means
Hawaii'i State Senate
Hawaii'i State Capitol
415 South Beretania Street
Honolulu, Hawaii'i 96813

SUBJECT: Support for House Bill 1718, H.D. 1, S.D. 1
Relating to Housing

Dear Chair Dela Cruz and Committee Members:

The Department of Housing and Land Management (DHLM) appreciates the Committee's ongoing commitment to advancing solutions that enable the development of affordable housing for our community, and therefore **strongly supports** removing the June 30, 2028, sunset date in Act 45 (2024).

Act 45 was an important step toward addressing Hawaii'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.

As the City has begun working to implement this authority, it has become clear that the current four-year sunset presents practical challenges for projects already in motion. Large-scale mixed-use developments 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. Providing a longer runway for this authority would help ensure that projects can proceed in a coordinated and financially viable manner.

This is particularly relevant for the City's 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

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and Members of the Senate Committee on Ways and Means
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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, 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 to help bring them to fruition. Adjusting the sunset provision would provide greater certainty to both public and private partners, support ongoing planning and investment efforts, and help ensure that the intent of Act 45 can be fully realized.

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. We look forward to continuing to work with the Legislature to refine and implement this important tool.

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

COUNTY COUNCIL

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Lyndon M. Yoshioka, Deputy County Clerk

Telephone: (808) 241-4188
Facsimile: (808) 241-6349
Email: cokcouncil@kauai.gov

Council Services Division
4396 Rice Street, Suite 209
Lihu'e, Kaua'i, Hawaii 96766

April 8, 2026

**TESTIMONY OF FELICIA COWDEN
COUNCILMEMBER, KAUAI COUNTY COUNCIL
ON
HB 1718, HD 1, SD 1, RELATING TO HOUSING
Senate Committee on Ways and Means
Thursday, April 9, 2026
10:55 a.m.
Conference Room 211
Via Videoconference**

Dear Chair Dela Cruz and Members of the Committee:

Thank you for this opportunity to provide testimony in SUPPORT of HB 1718, HD 1, SD 1, relating to Housing. My testimony is submitted in my individual capacity as a member of the Kaua'i County Council and as the Public Safety & Human Services Committee Chair.

I fully support HB 1718, HD 1, SD 1, which repeals the sunset provision in Act 45, SLH 2024, thereby making permanent the counties' authorization to develop, construct, finance, refinance, or otherwise provide mixed-use developments, including low- and moderate-income housing projects, and issues county bonds for this purpose. Repealing the sunset provision in Act 45 permanently allows each of the counties to issue bonds and facilitate the development of affordable housing projects, which directly supports the State of Hawai'i's goal of building and stabilizing our long-term housing inventory. Additionally, I appreciate the fact that many mixed-use developments take significant time to complete, much longer than the current June 30, 2028 four-year sunset date allows, so providing a longer timeline for developments to proceed will help ensure financial viability and overall project success.

Mahalo for this opportunity to provide testimony in support of HB 1718, HD 1, SD 1. Should you have any questions, please feel free to contact me or Council Services Staff at (808) 241-4188 or via email to cokcouncil@kauai.gov.

Sincerely,

FELICIA COWDEN
Councilmember, Kaua'i County Council

RM:mn