

Honolulu, Hawaii

, 2020

FEB 13

RE: H.B. No. 2721

H.D. 1

Honorable Scott K. Saiki
Speaker, House of Representatives
Thirtieth State Legislature
Regular Session of 2020
State of Hawaii

Sir:

Your Committee on Housing, to which was referred H.B. No. 2721 entitled:

"A BILL FOR AN ACT RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO ASSIST PUEO DEVELOPMENT, LLC,"

begs leave to report as follows:

The purpose of this measure is to authorize the issuance of special purpose revenue bonds and appropriate the bond revenues derived therefrom for a master planned development proposed by Pueo Development, LLC.

Your Committee received testimony in support of this measure from the Department of Hawaiian Home Lands; Pueo Development, LLC; Hawaii Operating Engineers Industry Stabilization Fund; Waiohuli Hawaiian Homesteaders Inc.; Waiohuli Hawaiian Homesteaders Board of Directors; and ten individuals. Your Committee received comments on this measure from the Department of Budget and Finance.

Your Committee finds that the development of low- and moderate-income housing, alternative energy sources, infrastructure, and economic opportunities continues to be in the public interest. Pueo Development, LLC, is a Hawaii company that offers sustainable solutions for developing low- and moderate-income housing, alternative energy, and infrastructure, while



facilitating economic opportunities through project development. Pueo Development, LLC, proposes to design, build, and operate a master planned development in support of a public-private partnership with Waiohuli Hawaiian Homesteaders Association, Inc., on approximately one hundred fifty acres of Department of Hawaiian Home Lands land in Waiohuli, Maui.

Your Committee further finds that the use of special purpose revenue bonds to assist Pueo Development, LLC, is consistent with similar investments that the State has made for other comparable master planned projects. Through the use of special purpose revenue bonds to finance the proposed development, Pueo Development, LLC, will provide the public with benefits derived from developing the master planned community without investment or operational risk to the State or counties.

Your Committee has amended this measure by:

- (1) Changing the effective date to July 1, 2025, to encourage further discussion; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2721, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 2721, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Housing,


TOM BROWER, Chair



