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ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

WRITTEN ONLY

TESTIMONY BY CRAIG K. HIRAI
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE SENATE COMMITTEE ON WAYS AND MEANS
ON
HOUSE BILL NO. 119, H.D. 1, S.D. 1

April 7, 2021
9:45 A.M.
Via Videoconference

RELATING TO THE ISSUANCE OF SPECIAL PURPOSE REVENUE BONDS TO
ASSIST KAUNALEWA

The Department of Budget and Finance offers the following comments on House Bill No. 119, H.D. 1, S.D. 1, which amends Act 43, SLH 2019, to replace "E Ola Mau Na Leo O Kekaha" with "Kaunalewa", a Hawaii domestic 501(c)(3) entity, as the entity authorized to receive assistance from the issuance of Special Purpose Revenue Bonds to finance the acquisition, remediation, and development of the old Kekaha Sugar Mill in Kekaha, Kauai, Hawaii pursuant to Part V, Chapter 39A, Hawaii Revised Statutes.

The Department would like to inform the Legislature and prospective SPRB parties that should the legislation be approved, approval of the SPRB issuance and conduit loan will require further review of the financing proposal to ensure compliance with all federal, state and credit underwriting requirements. For additional information, please consult our FAQ located at the following link: <http://budget.hawaii.gov/wp-content/uploads/2012/11/SPRB-FAQ.pdf>.

Thank you for your consideration of our comments.

DRAFT

COUNTY COUNCIL

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LATE

Council Services Division
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March 23, 2021

**TESTIMONY OF MASON K. CHOCK,
COUNCIL VICE CHAIR, KAUA'I COUNTY COUNCIL
ON**

**HB 119, HD 1, RELATING TO SPECIAL PURPOSE REVENUE BONDS
TO ASSIST KAUNALEWA**

Senate Committee on Water and Land

Wednesday, March 24, 2021

1:00 p.m.

Conference Room 229

Dear Chair Inouye and Members of the Committee:

Thank you for this opportunity to provide support in favor of HB 119, HD 1, Relating to Special Purpose Revenue Bonds To Assist Kaunalewa. My testimony is submitted in my individual capacity as a Member of the Kaua'i County Council.

The community of West Kaua'i has spent many years carefully considering how best to proceed regarding the old Kehaha Mill. The recently-approved West Kaua'i Community Plan asserts the community desire to "revitalize the mill site to provide economic activity and be a node of community activity." Specific examples of the community vision include: "support community-based master planning for the Kekaha Mill properties" and "preserve the smokestack as an iconic structure and where feasible rehabilitate mill structures in order to preserve the character of the Mill." The community also hopes to "consider use of Kekaha Mill for the production and sales of locally grown produce and value-added products." The Community Plan further speaks of the Kekaha Mill Site, saying "once improved, it is envisioned to revitalize the town core."

I look forward to the innovation being pursued by Kaunalewa. I thank you for consideration of your assistance in bringing much-deserved, long-awaited, and attainable hope for productive, revitalized use of their town core for the close-knit Kekaha community.

Thank you again for this opportunity to provide testimony. Should you have any questions, please feel free to contact me or Council Services Staff at (808) 241-4188 or via E-mail to cokcouncil@kauai.gov.

Sincerely,
MASON K. CHOCK
Council Vice Chair, Kaua'i County Council