



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
Senate Committee on Housing
and
Senate Committee on Water and Land
Thursday, February 6, 2020 at 1:45 p.m.

by
Kalbert K. Young
Vice President for Budget and Finance/Chief Financial Officer
and
Jan Gouveia
Vice President for Administration
University of Hawai'i System

SB 3104 – RELATING TO LAND DEVELOPMENT

Chairs Chang and Kahele, Vice Chairs Kanuha and Keith-Agaran, and members of the Committees:

Thank you for the opportunity to present testimony regarding SB 3104, Relating to Land Development.

The University of Hawai'i (UH) supports SB 3104. The bill proposes to provide \$200 million in funding via general obligation bonds to the Hawai'i Housing Finance and Development Corporation (HHFDC) for construction of regional infrastructure that would help support the development of housing on lands near the UH West O'ahu (UHWO) campus. The UHWO campus property is currently situated on roughly 300+ acres of land in Kapolei, O'ahu.

The UH has already been trying to develop roughly 180+ acres of land adjacent to the campus and which is situated along the first two rail stations. The University has envisioned this project to develop a University village that includes housing, retail, and industry amenities synergized to the growing UHWO campus. One of the challenges in advancing this project has been the limited amount of infrastructure on, and around, the property. An additional challenge has been the minimal amount of capital investment that is available toward infrastructure costs. This bill could help provide the necessary infrastructure investment that could spur development at UHWO and at surrounding properties for housing.

Given the extent of the infrastructure project that is contemplated to be funded with the \$200 million, we would recommend that Part II, Section 6(2), of the bill be amended to give more time to encumber the bond funds. SB 3104 currently provides that "all moneys from the appropriation unencumbered as of June 30, 2022, shall lapse as of that date." **We recommend that the lapsing date be revised to June 30, 2024, so as to give more time to execute what could be a major capital infrastructure project.**

Thank you for the opportunity to testify on this matter.