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COUNTY COUNCIL
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.MauiCounty.us

February 22, 2023

TO: The Honorable Kyle T. Yamashita, Chair, and
Members of the House Committee on Finance

FROM: Alice L. Lee
Council Chair

A handwritten signature in cursive script, appearing to read "Alice L. Lee".

SUBJECT: **HEARING OF FEBRUARY 22, 2023; TESTIMONY IN SUPPORT OF
HB 1255, HD1, RELATING TO SPECIAL PURPOSE REVENUE BONDS**

Thank you for the opportunity to testify in **support** of this important measure. The purpose of this bill is to authorize the Department of Budget and Finance to issue special purpose revenue bonds for up to \$20 million to assist with the construction of the West Maui Hospital and Medical Center.

On December 16, 2022, the Maui County Council adopted Resolution 22-252, CD1, "URGING THE STATE LEGISLATURE AND THE GOVERNOR OF THE STATE OF HAWAII TO PROVIDE FOR THE ESTABLISHMENT OF THE PROPOSED WEST MAUI HOSPITAL AND MEDICAL CENTER" (attached). Therefore, I am providing this testimony on the Council's behalf.

The Maui County Council **supports** this measure for the following reasons:

1. This measure would provide the financial support necessary to continue the development of the West Maui Hospital and Medical Center, which will provide the region with its first acute care hospital.
2. An acute care hospital is needed because unprecedented projected rates of growth in residents and visitors will substantially increase healthcare demands for the already underserved West Maui population.
3. The West Maui Hospital and Medical Center will create significant job opportunities for local residents trained in health care.

For the foregoing reasons, the Maui County Council **supports** this measure.

Resolution

No. 22-252, CD1

URGING THE STATE LEGISLATURE AND THE GOVERNOR OF THE STATE OF HAWAII TO PROVIDE FOR THE ESTABLISHMENT OF THE PROPOSED WEST MAUI HOSPITAL AND MEDICAL CENTER

WHEREAS, West Maui is home to several of Maui County's largest residential communities and renowned as one of Hawai'i's premier visitor destinations but has no acute care hospital or related medical campus; and

WHEREAS, West Maui has an estimated population of 31,410 residents, with approximately 55,000 daily visitors; and

WHEREAS, unprecedented projected rates of growth will substantially increase healthcare demands for an already underserved West Maui population; and

WHEREAS, West Maui's distance from Maui Memorial Medical Center and challenging traffic conditions along Honoapi'ilani Highway have often resulted in injured and sick residents and visitors having to endure ambulance drive times of more than an hour, posing life-threatening dangers; and

WHEREAS, Newport Hospital Corporation acquired a 14.99-acre site on Kaka'alaneo Drive in the Kaanapali 2020 Development for a proposed West Maui Hospital and Medical Center; and

WHEREAS, Newport Hospital Corporation has obtained the required off-site infrastructure, water and sewer entitlements, and critical certificate of need for the facility; and

WHEREAS, the current land value of the West Maui Hospital and Medical Center site is in excess of \$30 million, including sites for an acute care hospital, one or more medical clinics, and assisted living facility, which to date have all been privately funded by Newport Hospital Corporation; and

WHEREAS, Newport Hospital Corporation will provide a 5.085-acre portion of the site on a long-term land lease to West Maui Hospital Foundation, Inc., a nonprofit foundation that will build, own, and operate

Resolution No. 22-252, CD1

the West Maui Hospital and Medical Center with a 24-hour emergency room, operating rooms, radiology, lab, pharmacy, and inpatient and outpatient services; and

WHEREAS, to provide needed construction funding to the West Maui Hospital Foundation for the West Maui Hospital and Medical Center, potential private and public financing entities have requested governmental financial participation in the construction phase—specifically, hospital building plans and infrastructure costs—of this project; and

WHEREAS, the Council has been informed that construction of this project can proceed upon receiving \$7 million from the State of Hawai'i's Capital Improvement Funds; and

WHEREAS, establishment of the West Maui Hospital and Medical Center would further a number of Maui County General Plan policies and objectives, including:

- “In cooperation with the Federal and State governments and nonprofit agencies, broaden access to social and healthcare services . . .” (*Countywide Policy Plan, page 54.*);
- “. . . facilitate the establishment of new healthcare facilities . . .” (*Countywide Policy Plan, page 54.*); and
- “Support the immediate development of a critical access hospital in West Maui.” (*Maui Island Plan, page 6-59*); now, therefore,

BE IT RESOLVED by the Council of the County of Maui:

1. That it urges the State Legislature and the Governor of the State of Hawai'i to provide funding for the establishment of the proposed West Maui Hospital and Medical Center; and
2. That certified copies of this Resolution be transmitted to West Maui Hospital Foundation, Inc.; the Governor of the State of Hawai'i; the Hawai'i State Senate President, the Hawai'i State Speaker of the House, Maui County's delegation to the State Legislature; and the Mayor of the County of Maui.

COUNCIL OF THE COUNTY OF MAUI

WAILUKU, HAWAII 96793

CERTIFICATION OF ADOPTION

It is **HEREBY CERTIFIED** that **RESOLUTION NO. 22-252, CD1**, was adopted by the Council of the County of Maui, State of Hawaii, on the 16th day of December, 2022, by the following vote:

MEMBERS	Alice L. LEE Chair	Keani N. W. RAWLINS-FERNANDEZ Vice-Chair	Gabriel JOHNSON	Natalie A. KAMA	Kelly T. KING	Michael J. MOLINA	Tamara A. M. PALTIN	Shane M. SINENCI	Yuki Lei K. SUGIMURA
ROLL CALL	Aye	Aye	Excused	Aye	Aye	Aye	Aye	Aye	Aye



COUNTY CLERK