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# SENATE RESOLUTION

REQUESTING THE HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION TO ADOPT ADMINISTRATIVE RULES TO ENABLE CREDIT ENHANCEMENT FOR CONSTRUCTION LOANS UNDER ANY FUNDS ADMINISTERED BY THE CORPORATION.

1           WHEREAS, the State has extremely high housing development  
2 costs, which have worsened in light of currently high interest  
3 rates; and

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5           WHEREAS, these costs put added strain on housing  
6 developers; and

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8           WHEREAS, these costs are ultimately passed on to the  
9 residents of the housing; and

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11           WHEREAS, allowing funds administered by the Hawaii Housing  
12 Finance and Development Corporation to provide credit  
13 enhancement for construction loans will reduce the related  
14 financing costs and therefore development costs; and

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16           WHEREAS, the Hawaii Housing Finance and Development  
17 Corporation is intimately involved in the underwriting and  
18 funding of the construction loan takeout financing, and as such,  
19 allowing credit enhancement will pose little risk to the Hawaii  
20 Housing Finance and Development Corporation's funds; now,  
21 therefore,

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23           BE IT RESOLVED by the Senate of the Thirty-second  
24 Legislature of the State of Hawaii, Regular Session of 2024,  
25 that the Hawaii Housing Finance and Development Corporation is  
26 requested to adopt administrative rules to enable credit  
27 enhancement for construction loans under any funds administered  
28 by the Hawaii Housing Finance and Development Corporation; and

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30           BE IT FURTHER RESOLVED that certified copies of this  
31 Resolution be transmitted to the Executive Director of the  
32 Hawaii Housing Finance and Development Corporation and each



- 1 member of the Board of Directors for the Hawaii Housing Finance
- 2 and Development Corporation.

