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STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAII
DEPARTMENT OF TRANSPORTATION | KA 'OIHANA ALAKAU
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

Friday, March 27, 2026
10:35 a.m.
State Capitol, 430

H118 / HCR126

REQUESTING THE DEPARTMENT OF TRANSPORTATION, IN COORDINATION WITH THE HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION, TO CONVENE A WORKING GROUP TO EVALUATE THE FEASIBILITY OF ESTABLISHING STATE-OWNED OR STATE-CONTROLLED WAREHOUSE AND LOGISTICS FACILITIES NEAR PORTS, HARBORS, AND AIRPORTS TO REDUCE MATERIAL COSTS ASSOCIATED WITH PUBLICLY FINANCED HOUSING PROJECTS.

House Committees on Transportation and Housing

The Department of Transportation (HDOT) supports H118 and HCR126 and offers the following comments.

HDOT recognizes the State's need to reduce housing construction costs and acknowledges the role that transportation, storage, and logistics play in overall project delivery. The proposal to improve supply chain coordination and explore material staging near ports, harbors, and airports warrants further evaluation.

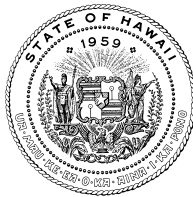
HDOT can provide technical guidance on site availability, access, and logistical considerations for state-owned lands within its jurisdiction. However, the Department's role is limited to identifying suitable lands proximate to transportation facilities. Items (2) through (8) identified in the resolution, which address cost analysis, procurement, financing, and statutory considerations, fall outside HDOT's expertise. Accordingly, HDOT recommends that the working group be chaired by an agency or entity with subject matter expertise in these areas, with HDOT participating in an advisory capacity.

HDOT also notes that airport and harbor lands are limited, highly regulated, and often revenue-generating, which may constrain their availability for alternative uses. Potential impacts on existing private sector logistics providers should also be carefully considered.

Thank you for the opportunity to provide testimony.

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



DEAN MINAKAMI
EXECUTIVE DIRECTOR

STATE OF HAWAII

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT, AND TOURISM

HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION

677 QUEEN STREET, SUITE 300

HONOLULU, HAWAII 96813

FAX: (808) 587-0600

Statement of

DEAN MINAKAMI

Hawaii Housing Finance and Development Corporation

Before the

HOUSE COMMITTEE ON TRANSPORTATION

AND

HOUSE COMMITTEE ON HOUSING

March 27, 2026 at 10:35 a.m.

State Capitol, Room 430

In consideration of

HOUSE CONCURRENT RESOLUTION 126 / HOUSE RESOLUTION 118
REQUESTING THE DEPARTMENT OF TRANSPORTATION, IN COORDINATION WITH THE
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION, TO CONVENE A
WORKING GROUP TO EVALUATE THE FEASIBILITY OF ESTABLISHING STATE-OWNED
OR STATE-CONTROLLED WAREHOUSE AND LOGISTICS FACILITIES NEAR PORTS,
HARBORS, AND AIRPORTS TO REDUCE MATERIAL COSTS ASSOCIATED WITH
PUBLICLY FINANCED HOUSING PROJECTS.

Chairs Kila and Evslin, Vice Chairs Miyake and Miyake, and members of the Committee.

HHFDC **supports** House Concurrent Resolution 126 / House Resolution 118, which requests that the Department of Transportation (DOT), in coordination with HHFDC, convene a working group to evaluate the feasibility of establishing state-owned or state-controlled warehouse and logistics facilities near ports, harbors, and airports for the purpose of reducing construction costs for publicly financed housing.

We appreciate the resolution's recognition that construction material costs remain one of the most significant cost drivers in delivering affordable housing across the state. As the State's lead agency for housing finance and development, HHFDC can participate and contribute to the working group and provide its specialized expertise in housing development, including:

1. Analysis of cost drivers for publicly financed housing projects.
2. Insight into procurement and supply chain challenges experienced by developers and lenders.

3. Expertise in financing structures, underwriting considerations, and how material costs impact per-unit development feasibility.
4. Practical perspectives on how supply chain interventions could improve project timelines and reduce risk.

By contributing this housing-specific analysis, HHFDC can help ensure that any logistical or warehousing solutions being considered are aligned with real-world development needs, financing constraints, and the long-term production of affordable housing.

Thank you for the opportunity to testify.



Testimony of
Pacific Resource Partnership

Hawai'i State Legislature
Honorable Members of the House Committee on Housing and Committee on Transportation
Friday, March 27, 2026

Subject: Testimony in Strong Support of HCR126/HR118 – requesting the convening of a working group to evaluate the feasibility of establishing state-owned or state-controlled warehouse and logistics facilities to reduce material costs associated with publicly financed housing projects.

Aloha Chairs, Vice Chairs, and Members of the Committees:

Pacific Resource Partnership (PRP) respectfully submits this testimony in STRONG SUPPORT of HCR126/HR118.

These measures request the Department of Transportation, in coordination with the Hawai'i Housing Finance and Development Corporation, to convene a working group to evaluate the feasibility of establishing state-owned or state-controlled warehouse and logistics facilities near ports, harbors, and airports to reduce material costs associated with publicly financed housing projects. As the organization representing the Hawai'i Regional Council of Carpenters — the largest construction union in the state with approximately 6,000 members — along with more than 250 diverse contractors, PRP is deeply committed to addressing Hawai'i's affordable housing crisis and improving the efficiency and cost-effectiveness of construction in our islands. We believe that central staging and warehousing facilities could be highly beneficial in stabilizing prices of some raw materials.

For example, post-COVID the price of building materials increased approximately 30 percent (with many categories rising even higher), and pricing continues to be volatile due to ongoing supply chain disruptions and Hawai'i's geographic isolation. Centralized facilities would enable bulk purchasing, better supply chain coordination, and reduced transportation and storage costs for publicly financed housing developments. Additionally, central warehouses under the control of the state could offer valuable opportunities to store emergency housing units needed in the wake of a disaster. For instance, the recent flooding across the state from the recent Kona lows highlighted the urgent need for rapid deployment of



(Continued From Page 1)


temporary housing solutions following natural disasters. Pre-positioned modular units in strategic state-controlled facilities could greatly enhance the state's disaster response capabilities.

PRP is honored to be specifically invited to participate in the proposed working group and looks forward to contributing our on-the-ground expertise as the group evaluates suitable state-owned lands, potential cost savings, bulk purchasing or material staging models, public-private partnership opportunities, and any necessary statutory changes.

Mahalo for the opportunity to testify in strong support of these important resolutions. We urge the Committees to pass HCR126/HR118 and stand ready to assist in any way possible.

Respectfully submitted,

Andrew Pereira



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HAWAII REGIONAL COUNCIL OF CARPENTERS

March 25, 2026

TO: The Honorable Luke A. Evslin, Chair
The Honorable Tyson K. Miyake, Vice Chair
Members of the House Committee on Housing

RE: TESTIMONY IN STRONG SUPPORT OF HCR 126/HR118

Aloha Chair Evslin, Vice Chair Miyake, and Members of the Committee:

The Hawai'i Regional Council of Carpenters (HRCC), representing over 6,000 skilled union carpenters and tradespeople across the islands, respectfully submits testimony in strong support of HCR126.

As the resolution states, material costs continue to be a major driver of Hawai'i's severe housing shortage and high construction costs. HRCC represents skilled carpenters and construction professionals who build Hawai'i's homes and critical infrastructure, and our members see firsthand how these pressures impact projects across the state. Hawai'i's geographic isolation and reliance on imported building materials increase transportation, storage, and handling costs, further driving up the cost of publicly financed housing projects.

HCR126 takes a thoughtful and practical step by requesting the Department of Transportation, in coordination with the Hawai'i Housing Finance and Development Corporation, to convene a working group to evaluate centralized warehouse and logistics facilities near ports, harbors, and airports. By exploring opportunities for bulk purchasing, improved supply chain coordination, and material staging, this effort has the potential to reduce delays, stabilize material costs, and improve efficiency across publicly financed housing developments.

This approach recognizes that addressing Hawai'i's housing crisis requires not only financing and policy solutions, but also improvements to how materials are sourced, stored, and delivered. A coordinated logistics strategy can help lower per-unit construction costs, making affordable housing projects more feasible and scalable across the state.

Equally important, the resolution appropriately calls for collaboration among state agencies, housing developers, contractors, labor representatives, and industry stakeholders to evaluate feasibility, governance, and potential funding mechanisms. This inclusive approach will help ensure that any proposed solution is practical, cost-effective, and aligned with the needs of both the construction industry and the communities we serve.

STATE HEADQUARTERS & BUSINESS OFFICES

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KAUAI OFFICE: Kuhio Medical Ctr Bldg., 3-3295 Kuhio Hwy, Suite 201, Lihue, Kauai 96766-1040 • Ph. (808) 245-8511 Fax (808) 245-8911

For these reasons, HRCC respectfully urges the Committee to adopt HCR126. We stand ready to participate in this effort and support solutions that reduce construction costs, strengthen the housing pipeline, and create more opportunities for local workers.

Mahalo for the opportunity to testify.



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March 27, 2026

TO: HONORABLE DARIUS KILA, CHAIR, HONORABLE TYSON MIYAKE, VICE CHAIR, COMMITTEE ON TRANSPORTATION.

SUBJECT: **SUPPORT OF HCR 126/HR118, REQUESTING THE DEPARTMENT OF TRANSPORTATION, IN COORDINATION WITH THE HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION, TO CONVENE A WORKING GROUP TO EVALUATE THE FEASIBILITY OF ESTABLISHING STATE-OWNED OR STATE-CONTROLLED WAREHOUSE AND LOGISTICS FACILITIES NEAR PORTS, HARBORS, AND AIRPORTS TO REDUCE MATERIAL COSTS ASSOCIATED WITH PUBLICLY FINANCED HOUSING PROJECTS.**

HEARING

DATE: Friday, March 27, 2026
TIME: 10:35 a.m.
PLACE: Capitol Room 430

Dear Chair Kila, Vice Chair Miyake and Members of the Committees,

The General Contractors Association of Hawaii (GCA) is an organization comprised of approximately five hundred (500) general contractors, subcontractors, and construction related firms. The GCA was established in 1932 and is the largest construction association in the State of Hawaii. Our mission is to elevate Hawaii's construction industry and strengthen the foundation of our community.

GCA **Supports** on HCR 126/HR 118, which requests the Department of Transportation, in coordination with the Hawaii Housing Finance and Development Corporation, to convene a working group to evaluate the feasibility of establishing a state-owned or state-controlled warehouse and logistics facilities near ports, harbors, and airports to reduce material costs associated with publicly financed housing projects.

The GCA supports novel ways to reduce the cost of construction, especially with affordable housing projects. We appreciate the consideration to include us as a member of the working group and believe we can contribute meaningfully.

Thank you for the opportunity to provide testimony in support of this measure.

QUALITY PEOPLE. QUALITY PROJECTS