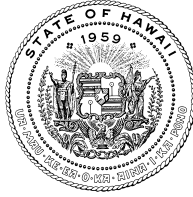


JOSH GREEN, M.D.  
GOVERNOR

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

### SENATE COMMITTEE ON HOUSING

February 03, 2026 at 1:01 p.m.

State Capitol, Room 225

In consideration of

### SENATE BILL 2062 SD 1

### RELATING TO THE HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION.

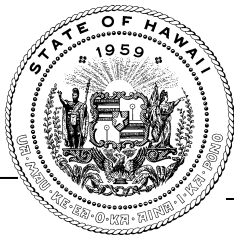
Chair Chang, Vice Chair Hashimoto, and members of the Committee.

HHFDC has **comments** on Senate Bill 2062 SD 1, which authorizes HHHFDC, with the approval of the Director of Finance, to transfer moneys between the Rental Housing Revolving Fund (RHRF) and its subaccounts without legislative authorization. Authorizes RHRF to be used to provide any and all forms of financing for the development, pre-development, construction, acquisition, preservation, and substantial rehabilitation of rental housing units. Requires HHFDC to give preference to certain projects with perpetual affordability commitments and to applicants with a demonstrated history of early repayment to the RHRF.

RHRF is crucial for affordable rental housing in Hawaii, providing gap financing when conventional funding falls short. It helps projects move forward despite high land and construction costs. RHRF leverages federal tax credits, private investment, and other resources to maximize housing for families at or below 60% of the area median income. Strengthening RHRF is key to achieving the State's housing goals and addressing the shortage of affordable units.

We support efforts to increase the flexibility of RHRF, but we have a comment on the added language in sections 201H-202(l) and 201H-202(m) of this bill. We will need additional time to check with the Department of Budget and Finance and financing partners to evaluate the feasibility of using committed funds for interim loans.

Thank you for the opportunity to testify.



**STATE OF HAWAII  
OFFICE OF PLANNING  
& SUSTAINABLE DEVELOPMENT**

**JOSH GREEN, M.D.**  
GOVERNOR

**SYLVIA LUKE**  
LT. GOVERNOR

**MARY ALICE EVANS**  
DIRECTOR

235 South Beretania Street, 6th Floor, Honolulu, Hawaii 96813  
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804

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Statement of  
**MARY ALICE EVANS, Director**

before the  
**SENATE COMMITTEE ON HOUSING**

Tuesday, February 3, 2026  
1:01 PM  
State Capitol, Conference Room 225

in consideration of  
**SB 2062 SD1**  
**RELATING TO HOUSING.**

Chair Chang, Vice Chair Hashimoto, and Members of the Senate Committee on Housing.

The Office of Planning and Sustainable Development (OPSD) provides **comments** on SB2062, SD1, which (1) authorizes HHFDC, with the approval of the Director of Finance, to transfer money between the Rental Housing Revolving Fund (RHRF) and its subaccounts without legislative authorization; (2) authorizes RHRF to be used to provide all forms of financing for development; and (3) Requires HHFDC to give preference to projects with perpetual affordability commitments and applicants with a demonstrated history of early repayment.

OPSD supports this measure that strengthens RHRF to provide gap financing for affordable housing projects. This type of financing aids affordable housing projects that rely on these tools as their financing structure is challenging.

OPSD will defer to HHFDC's comments on the added language in sections 201H-202(I) and 201H-202(m).

Thank you for the opportunity to testify on this measure.

**TO:** SENATE COMMITTEE ON HOUSING  
The Honorable Stanley Chang, Chair  
The Honorable Troy N. Hashimoto, Vice Chair, and  
Members of the Committee

**FROM:** Terry George, Chief Executive Officer & President

**RE:** Testimony in Support for SB 2062, Relating to the Hawai'i Housing Finance and  
Development Corporation

**DATE:** Tuesday, February 3, 2026 at 1:01 pm

**LOCATION:** Conference Room 225

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The Hawai'i Community Foundation (HCF) **supports** the intent of **SB 2062**, which establishes the Dwelling Unit Revolving Fund (DURF) Equity Program as a permanent program to be administered by the Hawaii Housing Finance and Development Corporation.

Current efforts need to be expanded, and new creative solutions must be adopted. The push to build new homes must be accompanied by programs that allow families to afford the homes. Per UHERO, Hawai'i has some of the highest costs of housing in the country with our home prices being the highest in the nation<sup>1</sup> and our median rents being the second highest in the nation.<sup>2</sup> ALICE (Asset Limited, Income Constrained, Employed) families pay a large portion of income on housing and are challenged to fulfill a dream of homeownership because of the current housing market. The unmet demand for affordable housing is at a critical level, which has contributed to a record outmigration of local residents. This reality is punctuated by the fact that more Hawaiians now live outside Hawai'i than within Hawai'i.

Housing is a priority area within HCF's CHANGE Framework to make Hawai'i more affordable for families and individuals and advances goals that are part of the CHANGE Community-Centered Economy sector. As part of our commitment to CHANGE, the House Maui Initiative continues to create a sustainable housing market for local families. The DURF Equity Program is one path to help increase the volume of homes that are purchased by Hawai'i residents. The program is designed to lower home costs for new buyers, by providing them with an interest-free loan for a portion of the overall cost. They can pay off this loan at their own pace. If the homeowner decides not to stay in the home, then the proportion of the earned equity tied to the loan goes

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<sup>1</sup> [UHERO 2025 Hawai'i Housing Factbook](#) – page 2.

<sup>2</sup> [UHERO 2025 Hawai'i Housing Factbook](#) – page 6.

back to the state. Participants are members of the workforce that Hawai'i desperately needs, like teachers, police officers, and nurses.

Hawai'i residents need more places to call home that do not strain their household budgets to the maximum. Please advance SB 2062 to make housing affordable and give families a chance to control their economic futures.



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#### OUR MISSION

To support and advance public policies that make Hawai'i affordable for all working families.

#### OUR VISION

Collaborative, sustainable, and evidence-based public policies that create a diverse and sustainable Hawai'i economy, an abundance of quality job opportunities, and a future where all working families living in Hawai'i can thrive.

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#### BOARD MEMBERS

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Meli James, *Board Chair*  
Micah Kāne  
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Mike Pietsch  
Sunshine Topping

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#### Committee:

**Senate Committee on Housing**

#### Bill Number:

**SB 2062 Proposed SD1, Relating to the Hawai'i Housing Finance and Development Corporation**

#### Hearing Date and Time:

**February 3, 2025, 1:01pm (Room 225)**

#### Re:

**Testimony of Holomua Collaborative – Support**

Aloha Chair Chang, Vice Chair Hashimoto, and Members of the Committee:

Mahalo for the opportunity to submit testimony **in support** of SB 2062 Proposed SD1, Relating to the Hawai'i Housing Finance and Development Corporation. This bill, in part, would authorize the Hawai'i Housing Finance and Development Corporation (HHFDC), with the approval of the Director of Finance, to transfer moneys between the Rental Housing Revolving Fund (RHRF) and its subaccounts without legislative authorization.

Hawai'i remains in a housing crisis. The median rent in the state is a staggering \$1938.<sup>1</sup> This high price leaves many local families struggling to secure safe, attainable places to live. As a result, many local families are being forced to leave in search of affordable living options elsewhere. Between July 2022 and July 2023 alone, an average of twelve people left Hawai'i *every day*.<sup>2</sup> More Native Hawaiians now live outside Hawai'i than within it. This is a loss of our culture, traditions, and the essence of what makes Hawai'i home.

In October 2025, a survey<sup>3</sup> gathering information about the day-to-day financial experience of local workers was released and it suggests this growing crisis has the potential to reach staggering levels. *When nearly 3,200 local workers were asked if they may need to move to a less expensive state, only twenty-five percent answered a definitive "no," while seventy-five percent said "yes" or "unsure."* And nearly two-thirds of the respondents said the cost of housing was the primary impact on their cost of living in Hawai'i. Each local worker and family we lose to the continent contributes to a loss of our economy, our culture, and our family.

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<sup>1</sup> The Hawai'i Housing Factbook 2025. UHERO.

[https://uhero.hawaii.edu/wp-content/uploads/2025/05/HawaiiHousingFactbook2025\\_Main.pdf](https://uhero.hawaii.edu/wp-content/uploads/2025/05/HawaiiHousingFactbook2025_Main.pdf).

<sup>2</sup> U.S. Census Bureau, Population Division Estimates, released on March 14, 2024; and calculations by the Hawai'i State Department of Business, Economic Development & Tourism, Hawai'i State Data Center.

[https://files.hawaii.gov/dbedt/census/popestimate/2023/county-pop/2023\\_daily\\_est\\_counties.pdf](https://files.hawaii.gov/dbedt/census/popestimate/2023/county-pop/2023_daily_est_counties.pdf)

<sup>3</sup> <https://holomuacollective.org/survey-25/>

Act 159, Session Laws of Hawaii 2025, established the Mixed-Income Subaccount within the RHRF. This Subaccount allows HHFDC to use RHRF funds for loans to mixed-income rental housing projects, focused on projects for people and families with incomes at or below 140% AMI. This subaccount intends to be an efficient mechanism to quickly and cost-effectively develop housing for local working families (like our teachers and first responders) without needing to compete for funding with the other crucial RHRF priority projects. Allowing HHFDC to transfer moneys from the RHRF to the Mixed-Income Subaccount without legislative authorization will result in HHFDC to expend the moneys in the subaccount with the speed needed to address our housing crisis, and help establish more attainable rentals for our local working families.

SB 2062 Proposed SD1 is a strong move in the right direction to keep local families in Hawai'i. We appreciate the opportunity to testify and respectfully recommend your passage of this measure.

Sincerely,

Matthew Prellberg  
Policy and Communications Director

**LATE**

**SB-2062**

Submitted on: 2/2/2026 9:39:28 PM

Testimony for HOU on 2/3/2026 1:01:00 PM

Submitted By	Organization	Testifier Position	Testify
Youjeong Kim	Individual	Support	Written Testimony Only

Comments:

Aloha,

My name is Youjeong Kim, and I am an Associate Professor at the University of Hawai‘i at Mānoa. I am writing in strong support of SB2062 and the restoration of funding for the Down Payment Assistance Program (DEP).

I am currently interested in purchasing a unit at Kuilei Place, a development intended to support local residents who wish to remain in Hawai‘i. While I am employed full-time as a professor, like many educators and professionals in Hawai‘i, I face significant financial constraints due to the high cost of living and housing. Having a stable job does not necessarily mean having sufficient savings for a large down payment.

I have learned that the DEP program has been a critical resource for many first-time homebuyers in similar situations—individuals who are income-qualified, committed to living and working in Hawai‘i, but who lack the upfront capital required to enter the housing market. The availability of DEP has made homeownership realistically attainable for many local residents, including educators, nurses, and other essential workers.

Unfortunately, the current lack of funding for DEP has created a major barrier. Without this assistance, purchasing a home such as Kuilei Place becomes extremely difficult, even for those who otherwise meet all eligibility requirements and are prepared for long-term homeownership responsibilities.

Restoring funding for DEP would make a meaningful difference. It would not only support individual buyers like myself but also advance the broader goal of keeping local residents, educators, and professionals in Hawai‘i. Programs like DEP are essential to ensuring that affordable housing initiatives fulfill their purpose—not just in name, but in practice.

Thank you for your time and consideration, and for your continued efforts to address Hawai‘i’s housing challenges.

Thank you