
HOUSE RESOLUTION

SUPPORTING THE USE OF THE DWELLING UNIT REVOLVING FUND TO FUND
PREDEVELOPMENT COSTS FOR ANY GOVERNMENT AFFORDABLE HOUSING
DEVELOPMENT PROJECT THROUGH INTERIM LOANS TO EXPEDITE THE
DELIVERY OF AFFORDABLE HOUSING TO HAWAII'S RESIDENTS.

1 WHEREAS, the Hawaii Housing Finance and Development
2 Corporation utilizes the Dwelling Unit Revolving Fund to fund
3 predevelopment costs associated with affordable housing projects
4 on land it owns or otherwise administers; and

5
6 WHEREAS, financing of the predevelopment phase for
7 affordable housing projects is a much higher risk than financing
8 the construction phase, as there are more variables that could
9 render the project impracticable, with a higher possibility of
10 the lender not recouping the loan; and

11
12 WHEREAS, the predevelopment phase of an affordable housing
13 development project may include but not be limited to in-depth
14 analysis of site particularities; undertaking of multiple
15 technical studies on the parcel and the proposed project;
16 creating conceptual designs, site plans, and construction
17 drawings; conducting environmental assessments; preparing and
18 submitting documentation for all needed permits, approvals, and
19 financing for the construction of the project; and more; and

20
21 WHEREAS, the Hawaii Housing Finance and Development
22 Corporation has not historically used the Dwelling Unit
23 Revolving Fund to finance predevelopment costs associated with
24 projects owned or administered by entities other than itself due
25 to the higher risk of financing; and

26
27 WHEREAS, not all counties in the State have flexible
28 funding available that can be used for affordable housing
29 project predevelopment costs; and
30



