

**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**

March 17, 2026 at 1:05 p.m.

State Capitol, Room 225

In consideration of

### **HOUSE BILL 1715 HOUSE DRAFT 1 RELATING TO AFFORDABLE HOUSING.**

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

HHFDC **supports** House Bill 1715 House Draft 1, which authorizes HHFDC to designate certain for-sale housing as permanently affordable.

Current affordability restrictions on government-assisted for-sale housing expire after ten years, allowing units to be sold at market rates. This undermines the creation of an inventory of homes that are affordable to local residents. Without permanent affordability measures, Hawaii could lose affordable housing stock every decade, perpetuating scarcity and rising costs. This bill offers a sustainable solution to preserve affordable housing while enabling homebuyers to gain equity and move up the housing ladder.

Key provisions of the bill include:

1. **Permanent Affordability.** The bill authorizes HHFDC to designate certain for-sale units as permanently affordable, ensuring long-term stability for working families. Over time, this measure will create a stock of housing units that are permanently affordable for local households.
2. **Equity Building.** Price appreciation will be tied to an index to allow homeowners to build equity while maintaining affordability for future buyers.
3. **Community Protection.** Units must be owner-occupied, which will reduce speculation in units, contribute towards more stable neighborhoods, and ensure that the home will be a primary residence.

4. Qualified Resident definition. The bill deletes the provision that HHFDC must financially qualify homebuyers as this is a task that is more efficiently undertaken by lenders. The bill also deletes the provisions that buyers of HHFDC-supported projects must be first-time homebuyers. This is to enable buyers of HHFDC-supported units to “move up” the housing ladder into another HHFDC-supported unit when they desire.

We would be agreeable to incorporating amendments to the Bill similar to those made to Senate Bill 2070, SD1.

Thank you for the opportunity to testify.



‘Ōlelo Hō‘ike ‘Aha Kau Kānāwai

**TESTIMONY IN SUPPORT OF HOUSE BILL 1715 HD1**  
RELATING TO AFFORDABLE HOUSING

Ke Kōmike ‘Aha Kenekoa o ke Kuleana Hale Noho  
(Senate Committee on Housing)

Ke Kapitala ‘o Hawai‘i  
(Hawai‘i State Capitol)

Malaki 17<sup>th</sup>, 2026

1:05 pm

Lumi 225

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

The Office of Hawaiian Affairs (OHA) **SUPPORTS HB1715 HD1** which authorizes the Hawai‘i Housing Finance and Development Corporation (HHFDC) to designate certain government-assisted for-sale housing units as permanently affordable, while clarifying the applicability of existing resale restrictions.

OHA’s mandate includes advocacy to improve the well-being of Native Hawaiians. Housing stability and access to homeownership are foundational determinants of economic security and health outcomes for Native Hawaiian families. Hawai‘i’s housing crisis continues to disproportionately impact Native Hawaiians, who experience higher rates of housing cost burden, overcrowding, displacement, and homelessness. Native Hawaiian renters are more likely to experience severe housing cost burden, meaning they spend more than fifty percent of their income on housing.<sup>1</sup> For Native Hawaiian communities, housing stability is also closely tied to maintaining family networks, cultural connections, and intergenerational resilience. Policies that reduce barriers to housing access therefore produce benefits that extend far beyond individual households and strengthen community stability statewide.

Under current law, for sale affordable housing units developed with public assistance may convert to market-rate housing after ten years. **This expiration model**

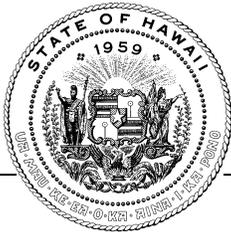
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<sup>1</sup> U.S. Census Bureau, *American Community Survey 5-Year Estimates (2017–2021)*, Table B25070; severe housing cost burden defined as housing costs exceeding 50 percent of household income.

**allows publicly subsidized units to exit the affordable inventory, undermining the State's investment and limiting long-term access for local families.** This measure preserves affordable housing units long term by allowing the Hawai'i Housing Finance and Development Corporation to designate for-sale units as permanently affordable. Permanent affordability models are particularly important for first-generation Native Hawaiian homeowners. Structured appreciation allows families to build equity while preserving access for future buyers, creating stability instead of scarcity. In a housing market increasingly driven by global capital and speculative investment, this measure represents a commitment to local residents and to the long-term stability of Hawai'i's communities.

OHA respectfully urges the Committee to **PASS HB1715 HD1** and continue advancing housing policies that reduce Native Hawaiian disparities and protect generational access to homeownership. Mahalo for the opportunity to testify.

Mahalo 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, Hawai'i 96813  
Mailing Address: P.O. Box 2359, Honolulu, Hawai'i 96804

Telephone: (808) 587-2846  
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Statement of  
**MARY ALICE EVANS, Director**

before the  
**SENATE COMMITTEE ON HOUSING**  
Tuesday, March 17, 2026, 1:05 PM  
State Capitol, Conference Room 225

in consideration of  
**HB 1715, HD 1**  
**RELATING TO AFFORDABLE HOUSING.**

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

The Office of Planning and Sustainable Development (OPSD) **supports HB 1715, HD 1**, which authorizes Hawai'i Housing Finance and Development Corporation (HHFDC) to designate certain for-sale units as permanently affordable housing, subject to certain restrictions. Clarifies that certain resale and occupancy restrictions apply only to projects developed prior to a certain date. Amends the definition of "qualified resident" for the purposes of HHFDC housing development programs.

OPSD supports the approach taken in HB 1715, HD 1, which seeks to ensure that affordable housing units financed by the State remain permanently affordable. Currently, housing units developed under HHFDC are typically subject to a 10-year buyback and shared appreciation requirement. While this mechanism provides a decade of affordability, it ultimately allows these units to be sold at market rates after the restriction period expires. This process effectively removes inventory from the affordable housing stock and prices out future income-eligible buyers, forcing the State to continually reinvest in new units to replace those that have "leaked" out of the system.

OPSD supports the implementation of resale restrictions and price formulas as proposed in this measure. By establishing a resale index that keeps prices accessible to the next lower-income buyer, we can create a self-sustaining cycle of affordability. These provisions are critical to ensuring that taxpayer funds are used efficiently; they prevent State-assisted developments from being converted into market-rate investments that no longer serve the public interest. Furthermore, this model provides a balanced path for local families to stay in Hawai'i and build meaningful equity without the volatility of the speculative market.

Additionally, OPSD supports the prohibition of short-term rentals within these permanently affordable units. Short-term rentals have a documented negative impact on

Hawai'i's housing market by reducing the long-term rental supply and driving up costs for local residents. By codifying a strict ban on these uses for state-funded housing, this measure ensures that these units are dedicated solely to providing stable, long-term homes for the people of Hawai'i.

Finally, HB 1715, HD 1, aligns directly with the Governor's housing strategy and goal of producing thousands of new units to house Hawai'i's residents. By ensuring that affordable units built with State assistance remain in the affordable inventory indefinitely, we maximize the impact of our production goals and create a permanent foundation for housing security. This bill ensures that our progress today is not lost to the market tomorrow, keeping Hawai'i's families in their homes for generations to come. For these reasons, OPSD respectfully asks the committee to pass HB 1715, HD 1.

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

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



**SIERRA WHITESIDE**  
CHAIRPERSON

**SYLVIA LUKE**  
LIEUTENANT GOVERNOR

**DAINTRY BARTOLDUS**  
EXECUTIVE ADMINISTRATOR

**STATE OF HAWAII  
KA MOKU'ĀINA O HAWAII  
STATE COUNCIL ON DEVELOPMENTAL DISABILITIES  
'A'UNIKE MOKU'ĀPUNI NO KA NĀ KĀWAI KULA**  
PRINCESS VICTORIA KAMĀMALU BUILDING  
1010 RICHARDS STREET, Room 122  
HONOLULU, HAWAII 96813  
TELEPHONE: (808) 586-8100 FAX: (808) 586-7543

March 17, 2026

The Honorable Senator Stanley Chang, Chair  
Senate Committee on Housing  
The Thirty-Third Legislature  
State Capitol  
State of Hawai'i  
Honolulu, Hawai'i 96813

Dear Chair Chang and Committee Members:

**SUBJECT:** HB1715 HD 1, Relating to Affordable Housing

The Hawai'i State Council on Developmental Disabilities offers **SUPPORT for HB1715 HD 1**, which authorizes the Hawai'i Housing Finance and Development Corporation to designate certain for-sale units as permanently affordable housing, clarifies that certain resale and occupancy restrictions apply only to projects developed prior to a certain date, and amends the definition of "qualified resident" for HHFDC housing development programs.

Preserving long-term affordability in for-sale housing can expand and stabilize housing opportunities for individuals with disabilities whose incomes fall within eligible ranges. Individuals with developmental disabilities are working, living independently or with family, and seeking pathways to stable homeownership, yet are disproportionately impacted when affordability restrictions expire and units transition to market rates.

Rental housing typically does not allow permanent structural modifications. Homeownership is particularly important for families supporting a person with a disability who wish to age in place. As individuals age and needs change, homes often require modifications such as accessible bathrooms, widened doorways, or other features that support evolving access and functional needs. While parents may be able to physically assist a young child with a disability, these tasks become more difficult as the child grows into adulthood.

The Council recognizes that long-term affordability supports stability, community integration, and self-determination. By preserving the public investment in assisted housing and preventing affordable units from quickly converting to market rate, this measure helps ensure these opportunities remain available for future residents.

Thank you for the opportunity to provide testimony in **support of HB1715 HD1**.

Sincerely,

A handwritten signature in blue ink that reads "Daintry Bartoldus".

Daintry Bartoldus  
Executive Administrator

March 17, 2026

**The Honorable Stanley Chang, Chair**

Senate Committee on Housing  
State Capitol, Conference Room 225 & Videoconference

**RE: House Bill 1715, HD1, Relating to Affordable Housing**

**HEARING: Tuesday, March 17, 2026, at 1:05 p.m.**

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

My name is Lyndsey Garcia, Director of Advocacy, testifying on behalf of the Hawai'i Association of REALTORS® ("HAR"), the voice of real estate in Hawaii and its over 10,000 members. HAR provides **comments** on House Bill 1715, HD1, which Authorizes HHFDC to designate certain for-sale units as permanently affordable housing, subject to certain restrictions. Clarifies that certain resale and occupancy restrictions apply only to projects developed prior to a certain date. Amends the definition of "qualified resident" for the purposes of HHFDC housing development programs. Effective 7/1/3000.

HAR supports the goal of expanding affordable homeownership opportunities for Hawaii residents. However, it is also important to balance long-term affordability with the ability for homeowners to build equity. Homeowners who purchase these affordable units may eventually need to move, for instance to start a family or move closer to work. As such, without the opportunity to build sufficient equity, these homeowners may ultimately be priced out of purchasing another home in the future.

The movement of homeowners up the property ladder is an essential process in a healthy housing market as the unit they vacate allows another person the chance at homeownership. Artificial restrictions on a homeowner's ability to build equity stifles this process and prevents people from moving on to other homes that better fit their needs as they move through different milestones in their lives.

Mahalo for the opportunity to provide testimony on this measure.



[www.AlohaILHawaii.org](http://www.AlohaILHawaii.org)

March 12, 2026

#### MISSION

Aloha Independent Living Hawaii (AILH) dedicated to providing independent living programs and services for persons with disabilities in Hawaii.

We work together with the community and consumers to improve the quality of life through individual choices and access to services.

#### EXECUTIVE DIRECTOR

Roxanne U. Bolden

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The Honorable Stanley Chang, Chair  
Senate Committee on Housing  
The Thirty-Third Legislature  
State Capitol  
State of Hawaii  
Honolulu, Hawaii 96813

**SUBJECT:** HB1715 HD1, Related to Affordable Housing

Chair and Members of the Committee:

Aloha Independent Living Hawaii (AILH) respectfully submits testimony in **support of HB1715 HD1 with recommendations.**

HB1715 HD1 authorizes the Hawaii Housing Finance and Development Corporation (HHFDC) to designate certain for-sale housing units as permanently affordable housing, subject to resale restrictions and affordability indexing. The measure passed the House of Representatives and has now crossed over to the Senate, reflecting broad legislative recognition of a structural problem: current affordability restrictions may expire after ten years, allowing units developed with public assistance to be sold at market rates and thereby undermining the State's long-term investment in housing subsidies.

For individuals with disabilities, housing stability is foundational to employment, health management, and community integration. Since AILH's founding in 2009, more than one in eight service requests have involved housing-related assistance. More recent data reflecting the past three reporting periods (October 2022 to September 2025) show that approximately 13% of requested services were housing-related, making it the second most requested service category after Transportation. These figures do not include Information and Referral services, which frequently involve housing-related guidance and resource navigation but are categorized separately in reporting.



[www.AlohaILHawaii.org](http://www.AlohaILHawaii.org)

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This sustained and recent demand underscores the structural nature of housing instability among individuals with disabilities and highlights the importance of preserving long-term affordability in publicly assisted units.

From a housing policy perspective, permanent affordability preserves the full value of public investment over time rather than creating a subsidy that expires and converts to market-rate wealth. For individuals with disabilities—who are disproportionately represented among housing cost-burdened households and who face some of the highest barriers to homeownership in Hawaii—permanently affordable ownership pathways represent one of the few realistic routes to housing stability and asset-building. Permanently affordable ownership models also reduce downstream pressures on rental assistance programs, shelter systems, and long-term care placements by offering a durable alternative to perpetual housing insecurity.

AILH respectfully offers the following recommendations to strengthen implementation:

First, HHFDC should ensure that permanently affordable units include accessible and adaptable design features consistent with state and federal accessibility standards. Accessible units should remain accessible across resale transactions, and deed restrictions should preserve accessibility features rather than allow their removal.

Second, resale price formulas should account for accessibility modifications made by homeowners with disabilities. Modifications such as ramps, roll-in showers, widened doorways, or adaptive equipment installations often represent significant personal investment. Valuation methods should avoid discouraging necessary accessibility improvements.

Third, rulemaking under chapter 91 should include stakeholder engagement with disability-led organizations to ensure that eligibility criteria, resale restrictions, and enforcement mechanisms do not unintentionally disadvantage individuals with disabilities who may have complex income structures, public benefits, or disability-related expenses.



[www.AlohaILHawaii.org](http://www.AlohaILHawaii.org)

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### EXECUTIVE DIRECTOR

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Finally, given that housing demand among individuals with disabilities continues to exceed supply, AILH encourages the Legislature to consider how permanently affordable designation authority can be paired with strategies to increase production of accessible for-sale housing statewide.

HB1715 HD1 represents a structural step toward preserving affordability across generations while protecting public subsidy investments. The Senate Committee on Housing has a particular opportunity to strengthen this measure by ensuring that accessibility and disability equity considerations are embedded in the rulemaking and implementation framework. With that, this bill can meaningfully expand long-term housing stability for Hawaii residents with disabilities.

AILH respectfully urges passage with the above recommendations.

Thank you for the opportunity to testify.

Aloha,

Roxanne Bolden  
Executive Director

March 16, 2026

TO: Chair Chang and Members of the Senate Committee on Housing  
RE: HB 1715 HD1, Relating to Affordable Housing

Dear Chair Chang and Committee Members,

Housing Hawai'i's Future is a nonprofit dedicated to creating opportunities for Hawai'i's next generation by ending the workforce housing shortage.

**We support House Bill 1715 HD1.** This measure will ensure that public investments in housing continue to benefit future generations of residents. The inclusion of resale and occupancy restrictions for designated projects is a proven strategy to preserve resident attainability over time, preventing speculative resale and displacement. Amending the definition of "qualified resident" also aligns eligibility with the needs of local households. The result will be a ladder of options for various residents.

Within just the area median income (AMI range of 60-140%, Hawai'i suffers from a shortage of 14,118 single- and multi-family units.<sup>1</sup> Regardless of one's income, Hawai'i has a broader shortage of 29,987 owner-occupied units.

Hawai'i presently enjoys the lowest rate of homeownership in the United States among young adults, specifically those under the age of 35. We need to expand homeownership opportunities for our young residents, especially those members of our workforce who want to stay in Hawai'i for decades to come.

**Please advance House Bill 1715 HD1.**

Thank you,



Lee Wang  
Executive Director  
Housing Hawai'i's Future  
[lee@hawaiisfuture.org](mailto:lee@hawaiisfuture.org)



Perry Arrasmith  
Director of Policy  
Housing Hawai'i's Future  
[perry@hawaiisfuture.org](mailto:perry@hawaiisfuture.org)

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<sup>1</sup> This figure is based on the HHPS study that projects statewide housing demand through 2027. The report can be found here: <https://www.wardresearch.com/2024-hawaii-housing-planning-study>



# holomua

COLLABORATIVE

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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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Page 1 of 2

**Committee:** Senate Committee on Housing  
**Bill Number:** HB1715 HD1, Relating to Affordable Housing  
**Hearing Date and Time:** March 17, 2026, 1:05pm (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 HB1715 HD1, Relating to Affordable Housing. This bill would:

- Replace the Hawaii Housing Finance and Development Corporation's (HHFDC) ten-year buyback and shared appreciation restrictions with a new permanent affordability program; and
- Remove the first-time homebuyer restriction for buyers purchasing units within HHFDC projects.

Hawai'i remains in a severe housing crisis. Skyrocketing home prices leave many local families struggling to secure safe, attainable places to live. In 2024, the median single-family home in Hawai'i was \$950,000 and the median priced for a condominium transaction was \$600,000 — impossible amounts for most residents.<sup>1</sup> 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/>



A significant hurdle to attainable homeownership is the lack of "housing mobility," or the ability to climb the "housing ladder." A healthy market requires inventory turnover; a resident should be able to sell a studio to move into a two-bedroom condo as their family or career grows, and eventually into a single-family home. However, current restrictions in HHFDC programs make it difficult for owners of units in HHFDC projects to move up the housing ladder in certain HHFDC financed units. The intent of this bill is to help homebuyers move up the housing ladder by: (1) allowing homebuyers to gain equity in their units so they can move up the housing ladder, while also keeping units affordable; and (2) allowing those who have previously owned a unit in an HHFDC property to move-up to another HHFDC unit.

We appreciate the opportunity to testify and respectfully recommend your passage of HB1715 HD1.

Sincerely,

Matthew Prellberg  
Policy and Communications Director



*Mortgage Bankers Association of Hawaii*  
*P.O. Box 4129, Honolulu, Hawaii 96812*

Date March 13, 2026

The Honorable Stanley Chang, Chair  
The Honorable Troy N. Hashimoto, Vice Chair  
Members of the Senate Committee on Housing

Hearing Date: March 17, 2026  
Hearing Time: 1:05 PM  
Hearing Place: Hawaii State Capitol, Conference Room 225

Re: HB1715, HD1 (Housing)

I am Bryan Anderson, representing the Mortgage Bankers Association of Hawaii ("MBAH"). The MBAH is a voluntary organization of individuals involved in the real estate lending industry in Hawaii. Our membership consists of employees of banks, savings institutions, mortgage bankers, mortgage brokers, financial institutions, and companies whose business depends upon the ongoing health of the financial services industry of Hawaii. The members of the MBAH originate and service, or support the origination and servicing, of the vast majority of residential and commercial real estate mortgage loans in Hawaii. When, and if, the MBAH testifies on legislation or rules, it is related only to mortgage lending and servicing.

The MBAH provides **COMMENTS** for HB1715, HD1.

The Mortgage Bankers Association of Hawaii (MBAH) supports the commendable goal of addressing our state's housing shortage and preserving long-term affordability. However, we have significant concerns regarding the current draft of this bill. Specifically, the lack of clarity surrounding foreclosure procedures, the undefined "program agreement" mentioned in the bill, and the permanent restriction on resale value introduce severe uncertainty for homeowners and lenders. If enacted as written, this bill may result in unintended consequences that actively harm the low-to-moderate-income buyers it intends to help.

### **1. Vagueness of Foreclosure Protections and Extinguishment**

The buyers of affordable housing units in the Hawaii have available to them low-to-moderate income mortgage loan programs such as HomeReady and Home Possible made available by the Government Sponsored Entities ("GSEs"), which are Fannie Mae and Freddie Mac. These loan programs provide some of the most affordable and flexible financing options. When the originating lender calculates the loan-to-value ("LTV") ratio

and how much mortgage insurance, if any, is required, the value per GSE rules may be based on the unrestricted market resale price if the resale restrictions will be expunged at time of foreclosure. This means that the calculated LTV is lower than the LTV calculated based on the actual affordable sales price.

For example, if the requested loan amount is \$400,000, the affordable purchase price is \$425,000, and the market price of the unit is \$500,000, the LTV for these special programs may be calculated at 80% ( $=\$400,000 / \$500,000$ ) if the unit may be resold at the market value by the lender in the event of foreclosure. In this case, no mortgage insurance would be required.

If the lender may NOT resell the unit at market price in the event of foreclosure, the LTV must be calculated at 94.2% ( $\sim \$400,000 / \$425,000$ ), and mortgage insurance must be obtained and paid by the borrower each month.

The bill does not address specific mechanisms for the extinguishment of restrictions upon foreclosure. Without clear, statutory language, this creates a "cloud on title" that could discourage lenders who would be unwilling to issue mortgage for units where the right to foreclose at market value is unclear or suppressed by permanent state restrictions.

## 2. The Ambiguity of "The Program Agreement"

The bill refers to a "program agreement" regarding the waiver or extinguishment of restrictions, but this agreement is entirely undefined in the statute.

- **Lack of Transparency:** We do not know what terms, penalties, or waivers will be included in these agreements. A bill with such permanent consequences for homeownership requires absolute statutory transparency.
- **Administrative Overreach:** Stakeholders cannot accurately evaluate the bill's impact without knowing the Hawaii Housing Finance and Development Corporation's (HHFDC) specific criteria for "waiving or extinguishing" these restrictions.

## 3. Negative Outcomes of Restricted Resale Value

Transitioning from the current 10-year affordability restriction to a permanent restriction creates a fundamental shift in equity, effectively establishing a two-tiered system of homeownership in Hawaii.

Under current 10-year restriction programs, homeowners who remain in their homes for a decade or more can generate wealth and build equity, eventually allowing them to move up to a non-affordable, market-rate property. By making restrictions permanent, borrowers under this bill will miss out on standard wealth generation. They will be effectively trapped in the affordable housing system, unable to build sufficient equity to afford a down payment on a market-rate home. For many, this will force them to remain in their starter homes indefinitely or return to the rental market if their family size outgrows the property.

## **Conclusion**

While MBAH appreciates the legislature's intent to keep housing affordable, permanent restrictions without clear foreclosure protections and defined program agreements will chill mortgage lending and strip local families of their ability to build generational wealth. We respectfully request that the Committee address these ambiguities before moving this measure forward.

Thank you for the opportunity to present this testimony.

*Bryan Anderson*

Bryan Anderson

Mortgage Bankers Association of Hawaii



March 13, 2026

## **Testimony in Support of H.B. 1715 HD1 Relating to Affordable Housing**

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

Aloha United Way stands in strong support of H.B.1715 HD1, which established a framework for permanently affordable for-sale housing.

Housing costs remain the primary driver of financial instability and the outmigration of local residents. According to AUW's ALICE Report, 40<sup>1</sup> percent of households struggle to afford the basic cost of living even while working, and one in three households report considering leaving the state due to cost pressures. For many of these families, homeownership, one of the primary pathways to stability and generational wealth, is increasingly out of reach.

Currently, many government-assisted for-sale housing units lose their affordability restrictions after ten years, allowing them to be resold at market prices. When this occurs, the State loses the long-term benefit of its housing investments and the inventory of affordable homeownership opportunities for local residents continues to shrink.

H.B. 1715 HD1 addresses this challenge by allowing the Hawai'i Housing Finance and Development Corporation to designate certain units as permanently affordable. By establishing resale restrictions and price indexing, the bill helps ensure that these homes remain accessible to future qualified buyers while still allowing homeowners to build equity.

Preserving affordability in this way protects public investment, stabilizes communities, and expands long-term pathways to homeownership for local families. For ALICE households, stable and affordable

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<sup>1</sup> <https://www.auw.org/about/alice-initiative/alice-reports/>



housing is essential infrastructure that supports workforce participation, financial stability, and community well-being.

Aloha United Way respectfully urges the Committee to pass H.B. 1715 HD1.

Mahalo,

Michelle Bartell  
President & CEO  
Aloha United Way

**HB-1715-HD-1**

Submitted on: 3/12/2026 5:32:50 PM

Testimony for HOU on 3/17/2026 1:05:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Johnnie-Mae L. Perry	Individual	Comments	Written Testimony Only

Comments:

I, Johnnie-Mae L.Perry, Comment including DHHL ?

1715 HB RELATING TO AFFORDABLE HOUSING.

To: Senator Stanley Chang, Chair  
Senator Troy N. Hashimoto, Vice Chair  
Committee on Housing

From: Veronica Moore, Individual Citizen

Date: March 15, 2026

RE: House Bill 1715 HD1  
Measure Title: RELATING TO AFFORDABLE HOUSING.  
Report Title: Hawai'i Housing Finance and Development Corporation;  
Permanently Affordable For-sale Housing; Resale Restrictions; Criteria

To All Concerned,

My name is Veronica Moore and I support House Bill 1715 HD1. Thank you for your consideration.

Sincerely,

Veronica M. Moore

**HB-1715-HD-1**

Submitted on: 3/16/2026 11:08:43 AM

Testimony for HOU on 3/17/2026 1:05:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Kaili Swan	Individual	Support	In Person

Comments:

Aloha Chair Chang and Committee Members,

My name is Kaili Swan. I am a self-advocate with a developmental disability, and I support HB1715.

Housing that people can afford is very important for people with disabilities. Many of us want to live in our own homes, be part of our communities, and have stable places to live.

When housing stops being affordable and becomes market rate, people with disabilities can lose the chance to live there. That makes it harder to plan for the future.

Owning a home can also help people with disabilities make changes they need to live safely. Sometimes people need things like wider doorways, grab bars, or accessible bathrooms. It is much easier to make these changes in a home you own.

This bill helps keep some homes affordable for a long time so people with disabilities and their families have more opportunities for stable housing.

Please support HB1715.

Mahalo for the opportunity to testify.

**HB-1715-HD-1**

Submitted on: 3/16/2026 12:53:37 PM

Testimony for HOU on 3/17/2026 1:05:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Leilani Kailiawa	Individual	Support	Written Testimony Only

Comments:

COMMITTEE ON HOUSING  
 Senator Stanley Chang, Chair  
 Senator Troy N. Hashimoto, Vice Chair

HEARING:  
 Tuesday, March 17, 2026 at 1:05 pm  
 Conference Room 225 & Videoconference

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

My name is Christine Andrews, and I am a long-time resident of Wailuku, Maui. I write you today in strong support of HB 1715, HD1, Relating to Affordable Housing, which authorizes HHFDC to designate certain for-sale units as permanently affordable housing, subject to certain restrictions; clarifies that certain resale and occupancy restrictions apply only to projects developed prior to a certain date; and amends the definition of "qualified resident" for the purposes of HHFDC housing development programs

As a long-term resident of Wailuku, Maui, I have seen how changes in housing affordability and availability have impacted the island, even before the devastating impacts of the 2023 wildfires. While I could afford a home when I purchased my house in 2002, I most certainly feel that it would be out of reach for me today. My daughter has returned to Maui after college, and she sees the limited opportunities for young people to have families and raise their children here because of the lack of affordable housing. As you can see in the chart below, there is a substantial need for affordable housing statewide.

### Housing Demand: Units Needed by 2027

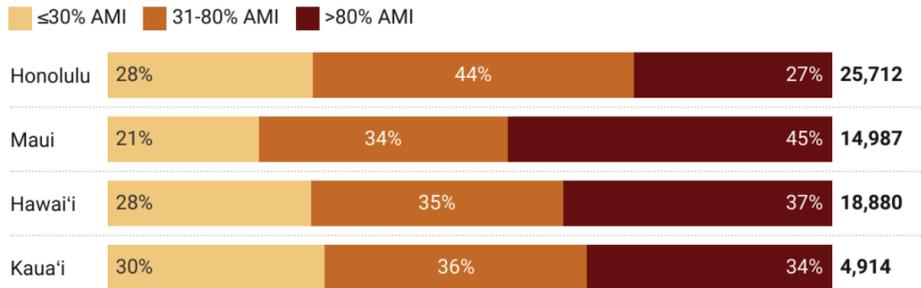


Chart: Ward Research, Inc. • Source: Source: 2024 Hawai'i Housing Planning Study. • Created with Datawrapper

Maui lost 2,000 homes in the 2023 wildfires. The need for mechanisms to improve the stock of affordable housing is something heartfelt on Maui, and we are working as a community on tools to address the housing crisis here. House Bill 1715, HD1 offers much needed solutions. The 2024 Hawaii Housing Planning Study<sup>1</sup> shows the demand for housing on Maui, by tenancy, type, and price segment based on area median income (AMI) that is easier to visualize with figures they provide:

#### HOUSING UNITS NEEDED BY TENANCY, TYPE, AND PRICE SEGMENT, STATE OF HAWAII, 2023-2027

Geography	Tenancy	Type	120 To 140	140 To 180	180+	30 To 50	50 To 60	60 To 80	80 To 120	Lt30	Total
Maui County	Total	Total	1,208	1,472	2,448	2,186	1,086	1,895	1,563	3,129	14,987
		Ownership	922	984	1,665	672	292	1,084	914	890	7,423
	Rental	Single-Family	769	754	1,433	616	168	887	733	858	6,218
		Multi-Family	153	230	232	56	124	197	181	32	1,205
		Total	286	488	782	1,514	794	811	649	2,239	7,563
	Multi-Family	Single-Family	279	282	441	1,040	517	871	496	1,294	5,220
Multi-Family		7	206	341	475	277	-60	152	945	2,343	

<sup>1</sup> Hawaii Housing Planning Study, 2024, prepared for the Hawai'i Housing Finances & Development Corp by Ward Research Incorporated. Available at <https://www.wardresearch.com/2024-hawaii-housing-planning-study#table39tfoot>

Currently, affordability restrictions on government-assisted for-sale housing expire after ten years, allowing units to then be sold at market rates. This means that there is not a permanent pool of affordable homes for local residents, creating an ongoing cycle of homes sold to outside investors or as vacation homes, to the detriment of our local communities.

House Bill 1715, HD1 provides a responsible and sustainable solution to preserve affordable housing while making it possible for homebuyers to gain equity and move up the housing ladder. This bill provides much-needed permanent affordability because it authorizes HHFDC to designate certain for-sale units as **permanently affordable**, benefiting our communities and ensuring long-term stability for our working families. This measure will create a stock of housing units that are permanently affordable for local households, including young people like my daughter and local teachers. House Bill 1715, HD1 also provides for price appreciation tied to an index which will allow homeowners to build equity while maintaining affordability for future buyers. Since HB 1715, HD1 requires the units to be owner-occupied it will reduce outside investors, contribute towards more stable neighborhoods, and ensure that the homes will be used as a primary residence.

House Bill 1715, HD1 creates a strong foundation to increase the affordable housing stock on Maui and statewide. I respectfully request your vote in support of HB 1715, HD1.

Mahalo,

Christine Andrews, JD  
Wailuku, Maui