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**HAWAII PUBLIC HOUSING AUTHORITY**  
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IN REPLY PLEASE REFER TO:

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Statement of the  
**Hawaii Public Housing Authority**

Before the  
**HOUSE COMMITTEE ON HOUSING**

**Wednesday, February 11, 2026**  
**9:00 A.M. – Room 430, Hawaii State Capitol**

In consideration of  
**HB 1723**  
**RELATING TO THE RENTAL HOUSING REVOLVING FUND**

Honorable Chair Evslin, Vice Chair Miyake, and Members of the House Committee on Housing:

Thank you for the opportunity to provide testimony in **support** of **House Bill (HB) 1723**. This measure revises the Mixed-Income Subaccount within the Rental Housing Revolving Fund by updating the project funding priority list, establishing additional project priority criteria, authorizing transfers within the Mixed-Income Subaccount without legislative approval, permitting conveyance tax revenues deposited into the Rental Housing Revolving Fund to be transferred to the Mixed-Income Subaccount, and appropriating funds to support these purposes.

The Hawaii Public Housing Authority (HPHA) supports the passage of this measure. Prioritizing housing projects on state or county owned land, or developed in partnership with the state or counties, is essential to addressing Hawaii's housing crisis. These projects significantly reduce development costs, improve overall financial feasibility, and help leverage private investment. Moreover, this approach supports the creation of mixed-use, mixed-income communities that promote economic and social mobility by providing residents with improved access to employment opportunities, education, and essential services.

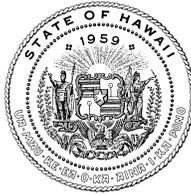
All of HPHA's ongoing redevelopment projects will remain State-owned or will be conveyed back to the State at a defined point in time. In addition, HPHA intends to continue utilizing federal repositioning programs, including the Rental Assistance Demonstration (RAD) and Faircloth-to-RAD both of which require replacement rental units to remain affordable in perpetuity.

Thank you for your thoughtful consideration of this measure and for your continued commitment to expanding affordable housing opportunities in Hawaii.



**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 HOUSING**

February 11, 2026 at 9:00 a.m.

State Capitol, Room 430

In consideration of

### **HOUSE BILL 1723**

### **RELATING TO THE RENTAL HOUSING REVOLVING FUND.**

Chair Evslin, Vice Chair Miyake, and members of the Committee.

HHFDC **supports with comments** House Bill 1723, which proposes revisions to the Mixed-Income Subaccount within the Rental Housing Revolving Fund (RHRF), including updated priority criteria and authorization for fund transfers.

This bill expands financing options for rental and for-sale housing projects. While the bill's approach to broaden the scope of the Mixed-Income Subaccount within the RHRF is commendable, we have the following comments:

1. Expand the Dwelling Unit Revolving Fund (DURF). The amendments to section 201H-202(f) with respect to expanding the forms of financing for for-sale projects would be better implemented by expanding the uses of the Dwelling Unit Revolving Fund (DURF). DURF is the primary vehicle of funding for-sale projects and already is authorized to provide interim financing of for-sale projects and infrastructure that supports for-sale projects.
2. Least State Funding Per Unit and Shortest Loan Repayment. We note that this criterion will have the effect of giving preference to projects with a greater mix of higher AMI units since the higher rents will enable projects to obtain more conventional financing. The higher AMI profile should also enable projects to repay loans more quickly.
3. Revenue Neutral Projects. We note that developers and investors who finance rental and for-sale housing projects will seek a commensurate return to compensate for the development risk of a project. The cost of capital is a project cost and an equitable

financial return will need to be factored into the definition of “revenue neutral” and rules to be adopted.

Thank you for the opportunity to testify.



## CATHOLIC CHARITIES HAWAI'I

### COMMENTS-HB 1723: RELATING TO THE RENTAL HOUSING REVOLVING FUND

TO: House Committee on Housing

FROM: Tina Andrade, President and CEO, Catholic Charities Hawai'i

Hearing: Wednesday, February 11, 2026; 9:00 A.M.; CR 430 & Videoconference

Chair Evslin, Vice-Chair Miyake, and Members, Committee on Housing:

Catholic Charities Hawai'i provides **Comments on HB 1723**, which revises the mixed-income subaccount within the Rental Housing Revolving Fund (RHRF), including adding funding to finance for-sale projects.

Catholic Charities Hawai'i (CCH), a community-based organization, has provided social services in Hawai'i for over 78 years, delivering support to over 70,000 persons statewide (CCH 2024 Annual Report). Our services target the most vulnerable in Hawai'i, including elders, veterans, children, families, houseless individuals, and immigrants. We have a long history of addressing affordable housing and homelessness.

Catholic Charities Hawai'i supports the intent of this bill to expand rental housing for our workforce, who are struggling to remain in Hawai'i. We support Tier II funding within the Rental Housing Revolving Fund, which is already producing these units.

We recognize the Legislature's concern for workforce households who hope to buy a home but are priced out of the market. This is an important issue, and programs such as the Dwelling Unit Revolving Fund (DURF)—or a new dedicated fund—are better suited to support homeownership initiatives. We encourage the Legislature to address for-sale and rental housing separately so each receives the focused attention it deserves.

Using DURF or another dedicated mechanism would provide transparency, a clear framework for promoting affordable homeownership, and room for creative approaches tailored to residents statewide. A separate program would also prevent confusion between homeownership efforts and the State's rental housing initiatives.

We strongly urge the Legislature to keep the current language for the Rental Housing Revolving Fund focused on producing rental housing. This remains essential for lower-income workers, the broader workforce, kūpuna, and families struggling to find stable, affordable homes—and is critical to the State's highest priority of preventing homelessness.

We respectfully urge you to **defer this bill**.

If you have any questions, please contact our Legislative Liaison, Betty Lou Larson, at (808) 527-4813.



**Testimony of The Nature Conservancy  
Commenting on HB1723, Relating to the Rental Housing Revolving Fund  
Committee on Housing  
February 11, 2026 at 9:00 am  
Conference Room 430 and via Videoconference**

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

Mahalo for the opportunity to testify today. The Nature Conservancy (TNC) Hawai'i and Palmyra is providing comments on HB1723, which revises the Mixed-Income Subaccount within the Rental Housing Revolving Fund by modifying the priority list for project funding and adding new project priority criteria. It also authorizes fund transfers between the Mixed-Income Subaccount without legislative approval and authorizes conveyance tax revenues deposited into the Rental Housing Revolving Fund (RHRF) to be transferred to the Mixed-Income Subaccount.

Section 3 of the bill amends the "Disposition of Taxes" section of HRS §247-7 but retains existing statutory caps on conveyance tax (CTX) revenue allocations for RHRF and the Land Conservation Fund (LCF). Retaining these caps limits the ability for this program to meet the intent of the fund's enabling legislation. Section 4 appropriates general funds to the RHRF's mixed-income subaccount, while LCF remains limited to up to \$5.1 million of annual CTX revenues with no option to receive supplemental general funds.

The Land Conservation Fund supports the Legacy Land Conservation Program, which funds grants to state and county governments and non-profit land conservation organizations to acquire land and protect valuable resources for public benefit. Protecting these lands offers wide benefits for the people of Hawai'i, including reforestation efforts that help mitigate the impacts of climate change by providing freshwater and preventing runoff, drought, and wildfires. In recent years, decreased funding within LCF has directly hindered opportunities for the protection of lands that is widely favored by local communities, with worthy projects being turned down each year due to lack of funding. As real estate prices rise, raising the cap on CTX allocations to LCF will help meet the demand for and cost of acquiring land for public and ecological benefit.

Mahalo for the opportunity to provide comments on HB1723.

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*Guided by science, TNC is a non-profit organization dedicated to the preservation of the lands and waters upon which all life depends. The Conservancy has helped protect more than 200,000 acres of natural lands in Hawai'i and Palmyra Atoll. We manage 84,000 acres in 13 nature preserves and 18 managed areas and have supported over 50 coastal communities to help protect and restore the nearshore reefs and fisheries of the main Hawaiian Islands.*

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February 10, 2026

TO: Chair Evslin and Members of the House Committee on Housing  
RE: HB 1723, Relating to the Rental Housing Revolving Fund

Dear Chair Evslin 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 1723.** This measure will strengthen the Mixed-Income Subaccount established under Act 159, SLH 2025. This act will further enable the program to support for-sale opportunities for residents in the future. To date, Hawai'i has the lowest rate of home ownership among young adults (those under 35) in the entire United States.

Our housing shortage requires more flexibility among state programs. Through House Bill 1723, the Hawai'i Housing Finance and Development Corporation (HHFDC) will be permitted to transfer funding to support such for-sale opportunities, which are sorely lacking in our state.

The Mixed-Income Subaccount presents a great opportunity to expand housing options for residents. **Please advance House Bill 1723.**

Thank you,



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



Perry Arrasmith  
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**The Thirty-Third Legislature  
House Committee on Housing  
Wednesday, February 11, 2026  
Conference Room 430  
9:00 a.m.**

TO: The Honorable Luke A. Evslin, Chair  
FROM: Keali'i S. López, State Director  
RE: Support for H.B. 1723 Relating to the Rental Housing Revolving Fund

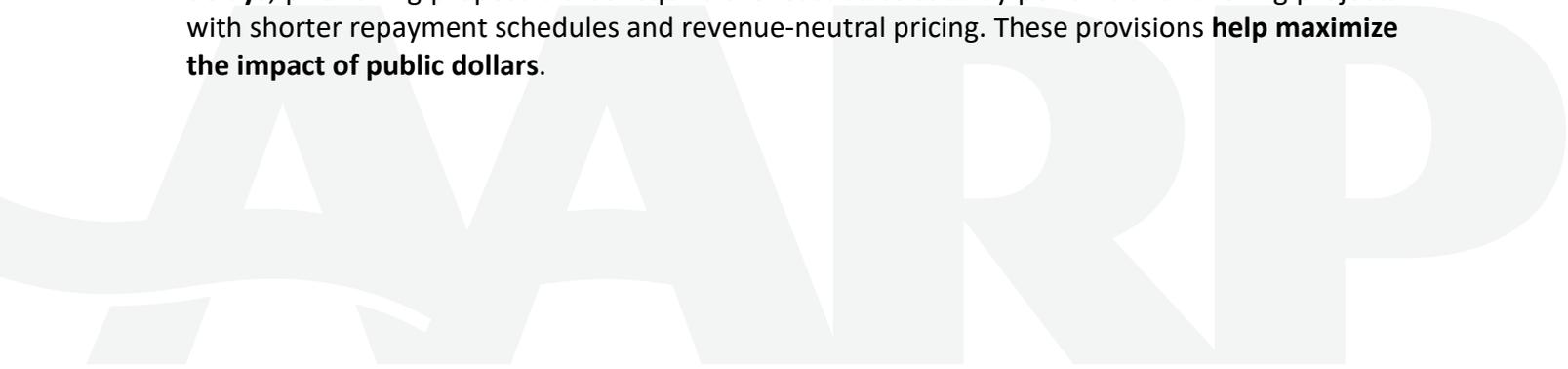
Aloha Chair Evslin and Members of the Committee:

My name is Keali'i López, and I serve as the State Director of AARP Hawai'i. AARP is a nonprofit, nonpartisan, social impact organization dedicated to **empowering people fifty and older to choose how they live as they age**. We advocate at the state and federal level on issues that matter most to older adults and their families. On behalf of our 135,000 members statewide, thank you for the opportunity to testify in **support of H.B. 1723**.

H.B. 1723 proposes to strengthen the Rental Housing Revolving Fund (RHRF) and its mixed-income subaccount by allowing funds from appropriations, conveyance taxes, private contributions, loan repayments, interest, and other sources to flow into the program. These resources may be used for a broad range of financing tools including loans, equity investments, credit enhancement, and collateral for development, preservation, and rehabilitation of rental housing as well as planning, design, land acquisition, and gap financing.

By permitting HHFDC to transfer funds between the RHRF and the mixed-income subaccount without additional legislative approval, the measure **enhances administrative flexibility and accelerates financing timelines**. Up to 50% of annual conveyance tax revenue directed to the RHRF—or \$38 million, whichever is less—may be transferred to the mixed-income subaccount as needed. This approach strengthens Hawai'i's capacity to finance both affordable and mixed-income rental housing by **improving agility, prioritization, and operational efficiency**.

H.B. 1723 further supports state housing goals by **streamlining project financing and reducing delays**, prioritizing proposals that require the least state subsidy per unit and favoring projects with shorter repayment schedules and revenue-neutral pricing. These provisions **help maximize the impact of public dollars**.



Importantly, the bill **incentivizes transit-supportive density** and the use of state or county land—strategies that **lower development costs, reduce congestion**, and support multimodal planning. By broadening the allowable uses of the mixed-income subaccount, the bill enables more diverse projects that **meet the needs of working families, kūpuna, and those on fixed incomes**.

**Stable and affordable housing is foundational to strong, resilient communities.** It helps Hawai'i attract and retain a diverse local workforce, sustain small businesses, and bolster the overall economy. This measure is also critical for **keeping young working families in Hawai'i** as too many are forced to leave because attainable housing remains out of reach. At the same time, predictable development timelines help **ensure our kūpuna can remain in their communities and age in place**, close to the family and support networks that allow them to thrive.

By creating a more efficient and responsive financing structure, H.B. 1723 advances these shared goals and supports the well-being of residents of all ages.

AARP Hawai'i respectfully requests that the **House Committee on Housing pass H.B. 1723**. Thank you for the opportunity to testify in support of this important measure.