

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 FINANCE

March 15, 2026 at 1:05 p.m.

State Capitol, Room 225

In consideration of

### HOUSE BILL 1724 HOUSE DRAFT 2

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

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

HHFDC **strongly supports** House Bill 1724 House Draft 2, which establishes the Dwelling Unit Revolving Fund (DURF) Equity Program (DEP) as a permanent program under HHFDC. The success of the pilot program indicates the need to expand the program to assist more homebuyers.

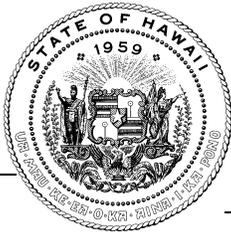
Many local families, especially those in the “gap group” earning between 80 percent and 140 percent of the area median income, struggle to purchase homes despite being mortgage-ready. DEP directly addresses this challenge by allowing HHFDC to invest equity in for-sale units, reducing out-of-pocket costs for buyers and making homeownership attainable for more Hawaii residents. DEP advances the State’s comprehensive approach to solving Hawaii’s housing crisis and provides numerous benefits:

1. Under the pilot program, HHFDC approved equity purchases for seven projects, including Kuilei Place, The Park at Keeaumoku, Lima Ola Workforce Housing Development, Kaulu by Gentry Housing Development, Flats at Sky Ala Moana, Modea, and Kahuina. Presently, a total of 83 units are participating in DEP with about \$2.4 million of the authorized \$10 million remaining for future use. HHFDC anticipates that the remaining funds will be allocated in 2026.
2. Making DEP permanent will also enable HHFDC to pair the program with DURF loans. This will enable us to contribute to the construction financing stack by investing equity in projects to aid project feasibility and allow projects to move forward. DEP complements other HHFDC initiatives like the Hale Kamaaina Mortgage and Down Payment

Assistance programs, forming a comprehensive strategy to support first-time homebuyers.

3. This innovative approach creates a revolving, sustainable model. As homes are resold, HHFDC recaptures its equity share, replenishing DURF for future projects.

Thank you for the opportunity to testify.



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

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

**SYLVIA LUKE**  
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**MARY ALICE EVANS**  
DIRECTOR

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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 1724, HD 2**  
**RELATING TO THE HAWAII HOUSING FINANCE AND DEVELOPMENT  
CORPORATION.**

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

The Office of Planning and Sustainable Development (OPSD) **supports** HB1724, HD 2, which makes the Dwelling Unit Revolving Fund (DURF) Equity Pilot Program permanent to address the high unmet demand of for-sale units by state residents.

OPSD believes that by reducing the price of a unit that eligible buyers can purchase it will help those that are just short of purchasing their first house or need that price reduction to upgrade from their current housing situation. These types of assistance may be necessary for our State that is burdened with high cost of living.

Thank you for the opportunity to testify on this measure.



**DEPARTMENT OF BUSINESS,  
ECONOMIC DEVELOPMENT & TOURISM**  
KA 'OIHANA HO'OMOHALA PĀ'OIHANA, 'IMI WAIWAI  
A HO'OMĀKA'IKA'I

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

**SYLVIA LUKE**  
LT. GOVERNOR

**JAMES KUNANE TOKIOKA**  
DIRECTOR

**DANE K. WICKER**  
DEPUTY DIRECTOR

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Statement of  
**JAMES KUNANE TOKIOKA**  
**Director**  
Department of Business, Economic Development, and Tourism  
before the  
**SENATE COMMITTEE ON HOUSING**

Tuesday, March 17, 2026  
1:05 PM  
State Capitol, Conference Room 225

**HB1724, HD2**  
**RELATING TO THE HAWAII HOUSING FINANCE AND DEVELOPMENT  
CORPORATION.**

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

The Department of Business, Economic Development and Tourism (DBEDT) **strongly supports** HB1724, HD2, which establishes the Dwelling Unit Revolving Fund (DURF) Equity Program (DEP) as a permanent program under HHFDC.

Many local families, especially those earning between 80 and 140 percent of the area median income, struggle to purchase homes despite being mortgage-ready. DEP tackles this by enabling HHFDC to invest equity in for-sale units, lowering out-of-pocket costs, and making homeownership more accessible for Hawaii residents.

Thank you for the opportunity to testify.



# 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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**Committee:** Senate Committee on Housing  
**Bill Number:** HB1724 HD2, Relating to the Hawai'i Housing Finance and Development Corporation  
**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 HB1724 HD2, Relating to the Hawai'i Housing Finance and Development Corporation. This bill would, in part, permanently establish the Dwelling Unit Revolving Fund Equity Pilot Program.

Hawai'i remains in a 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.

Permanently establishing the Dwelling Unit Revolving Fund Equity Pilot Program has the potential to help mitigate this growing crisis by reducing housing costs for new buyers in the form of interest-free loans to cover a portion of the home's total cost. This program is designed to support the essential workers we all rely on in Hawai'i: teachers, first responders, nurses, and others who keep our communities strong.

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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/>

Homeowners can repay this loan at their own pace, and if they choose to sell, the state recoups a share of the earned equity—ensuring continued investment in affordable housing.

Under the existing pilot, specific housing units have already been designated to be included in the program. As described in a recent news article, the program is designed to put housing within reach of middle-income local residents. An example that was provided shows how “a two-bedroom, one-bath condo priced at \$627,000 could instead be sold at \$524,000 to select professionals because the revolving fund buys \$103,000 in equity in that unit. That reduced price puts the condo within financial reach of many more people... The equity is paid back to the revolving fund when the professional sells the unit.”<sup>4</sup>

To increase the program’s reach to residents of every county and put more local working families in attainable housing, this is a good time to extend this pilot program. HB1724 HD2 is a strong move in the right direction to keep local families in Hawai‘i, while giving them greater control over their economic futures.

We appreciate the opportunity to testify and respectfully recommend your passage of this measure.

Sincerely,

Matthew Prellberg  
Policy and Communications Director

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<sup>4</sup> “A State Program Is Helping Critical Workers Buy Homes,” October 4, 2024 in Hawai‘i Business Magazine (<https://www.hawaiibusiness.com/hawaii-homeownership-durf-equity-pilot-program-affordable-housing-workforce/>)

March 16, 2026

TO: Chair Chang and Members of the Senate Committee on Housing  
RE: HB 1724 HD2, Relating to the Hawai'i Housing Finance and Development Corporation

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 HB 1724 HD2.** This measure will permanently establish the Dwelling Unit Revolving Fund (DURF) Equity Program.

The pilot program was established by Act 92, SLH 2023, with the express purpose of providing more homeownership opportunities to qualified residents. An October 2024 investigation by Hawai'i Business Magazine confirms the impact of the earlier pilot program for residents searching for more housing opportunities.<sup>1</sup>

We need to provide more housing opportunities to our workforce. Hawai'i presently enjoys the lowest rate of homeownership among young adults (those under the age of 35) in the entire United States. 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>2</sup> Programs like the Equity Program can close the housing gap, one home at a time.

**Please advance HB 1724 HD2.**

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)

<sup>1</sup> For more information on this report, see <https://tinyurl.com/hd3sfx5n>

<sup>2</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>

**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 HB 1724 HD 2, Relating to the Hawai'i Housing  
Finance and Development Corporation

**DATE:** Tuesday, March 17, 2026 at 1:05 pm

**LOCATION:** Conference Room 225

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The Hawai'i Community Foundation (HCF) **supports** the intent of **HB 1724 HD 2**, 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

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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.

earned equity tied to the loan goes 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. **We respectfully urge you to advance HB 1724 HD 2** to make housing affordable and give families a chance to control their economic futures.