

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

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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 1733 HOUSE DRAFT 2

RELATING TO THE HOUSING LOAN AND MORTGAGE PROGRAM.

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

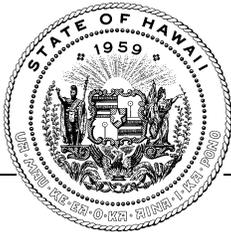
HHFDC **strongly supports** House Bill 1733 House Draft 2, which increases the Hula Mae Multi-Family Revenue Bond authorization from \$3 billion to an unspecified amount.

Governor Green has declared a housing emergency and set ambitious targets for increasing affordable housing production statewide. Expanding the bond capacity for the Hula Mae Multi-Family (HMMF) Revenue Bond Program is critical to the creation of affordable housing. The use of private activity bonds in conjunction with the Low-Income Housing Tax Credit (LIHTC) accounts for the majority of HHFDC's housing production each year. The issuance of tax-exempt bonds is necessary for the issuance of federal LIHTC, which is the greatest contributor to the capital stack and feasibility of affordable rental housing projects throughout the State.

Over the past five years, the HMMF program has been deployed in over 25 projects that will deliver a total of 4,295 units.

Increasing the bond authorization ceiling is crucial to sustaining affordable housing production to meet current and future demands. Without additional bond authority, the State will not have access to LIHTC, and this will cut off the pipeline of much-needed low-income rental housing projects.

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

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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 1733, HD 2
RELATING TO THE HOUSING LOAN AND MORTGAGE PROGRAM.

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

The Office of Planning and Sustainable Development (OPSD) **supports HB 1733, HD 2**, which increases the Hula Mae Multifamily Revenue Bond authorization ceiling amount to continue financing affordable rental housing statewide. Clarifies that revenue bonds treated as refunding bonds do not count against the authorized aggregate principal amount of the bond.

The Hula Mae Multifamily Revenue Bond program is a central and indispensable financing tool utilized by the Hawai'i Housing Finance and Development Corporation (HHFDC) to enable private developers to construct and preserve affordable rental housing statewide. By providing access to federally authorized tax-exempt revenue bonds, this program significantly reduces borrowing costs for developers, making the production of affordable units financially viable.

With the persistent rise in construction costs and the sheer volume of critical projects currently in the production pipeline, HHFDC is rapidly approaching its existing \$3 billion legislative cap. Without the adjustment proposed in this measure, HHFDC would soon reach this ceiling and become unable to approve new financing for developers, effectively halting the progress of future affordable housing developments. Increasing the Hula Mae Revenue Bond cap from \$3 billion to \$5 billion, as provided in HD1, will provide the necessary capacity for HHFDC to finance additional developments and maintain a robust flow of new units in the production pipeline.

Furthermore, OPSD supports the amendment made in HD1 which clarifies that refunding bonds shall not count against the aggregated principal revenue bond cap. This technical clarification is vital as it ensures that HHFDC has the maximum possible headroom within the \$5 billion limit to finance new housing developments rather than being constrained by the refinancing of existing debt. This measure is essential to ensuring the State can continue to leverage federal resources to meet our housing needs. For these reasons, OPSD respectfully asks the committee to pass HB 1733, HD 2.

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

March 17, 2026

The Honorable Stanley Chang, Chair

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

RE: House Bill 1733, HD2, Relating to the Housing Loan and Mortgage Program

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 **supports** House Bill 1733, HD2, which increases the Hula Mae Multifamily Revenue Bond authorization ceiling amount to continue financing affordable rental housing statewide. Clarifies that revenue bonds treated as refunding bonds do not count against the authorized aggregate principal amount of the bond. Effective 7/1/3000.

According to the Department of Business, Economic Development and Tourism's 2024 report on Housing Demand in Hawai'i, our State needs up to 41,118 housing units to meet demand by 2035, including affordable rentals.¹ The Hula Mae Multi-Family tax-exempt bond program helps meet this need by supporting the development of new rental housing and the rehabilitation of existing projects through tax-exempt revenue bonds that provide interim and permanent financing at below-market interest rates.

By increasing the authorization ceiling, this measure ensures this financing tool can continue to support the production and preservation of affordable rental housing in our State.

Mahalo for the opportunity to provide testimony on this measure.

¹ Department of Business, Economic Development & Tourism. (March 2024). *Hawaii Housing Demand 2025-2035*. https://files.hawaii.gov/dbedt/economic/reports/hawaii_housing_demand_2024_final.pdf



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**The Thirty-Third Legislature
Senate Committee on Housing
Tuesday, March 17, 2026
Conference Room 225
1:05 p.m.**

TO: The Honorable Stanley Chang, Chair
FROM: Keali'i S. López, State Director
RE: Support for H.B. 1733 HD2 Relating to the Housing Loan and Mortgage Program

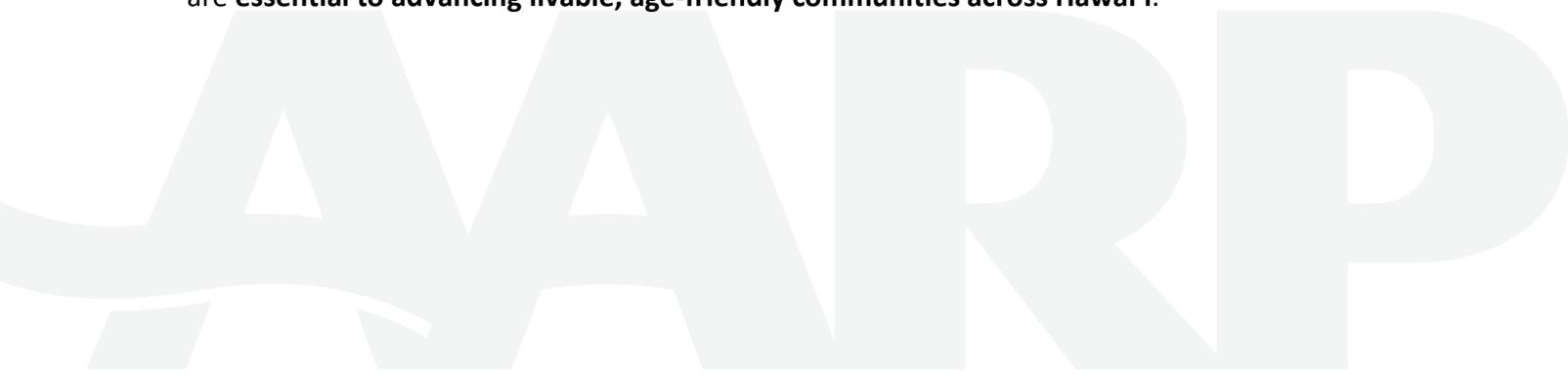
Aloha Chair Chang and Members of the Committee:

My name is Keali'i López, and I serve as State Director of AARP Hawai'i. AARP is a nonprofit, nonpartisan social impact organization dedicated to empowering people age 50 and older to choose how they live as they age. On behalf of our 135,000 members statewide, thank you for the opportunity to testify **in strong support of H.B. 1733, HD2.**

This measure makes a critical and timely adjustment by increasing the revenue bond cap for the Housing Loan and Mortgage Program from **\$3 billion to \$5 billion**, enabling the Hawai'i Housing Finance and Development Corporation to continue financing **more projects and larger projects without interruption**. At a time when Hawai'i faces a severe and persistent shortage of affordable rental housing, particularly for seniors on fixed incomes, this adjustment is both prudent and necessary.

Importantly, H.B. 1733, HD2, **does not create a new program or expand state government**. Instead, it ensures the continued viability of the existing Hula Mae Multifamily program as previously authorized bond capacity is exhausted. Without this adjustment, viable affordable housing projects could be delayed or lost not due to lack of demand or readiness, but due to an artificial financing constraint. Raising the cap allows HHFDC to responsibly plan a **multiyear pipeline** of affordable housing developments and preservation efforts.

For older adults, the availability of stable, affordable rental housing is foundational. Housing that is affordable and well-located allows seniors to remain close to family, healthcare, services, and transportation supporting independence, health, and community connection. These outcomes are **essential to advancing livable, age-friendly communities across Hawai'i.**

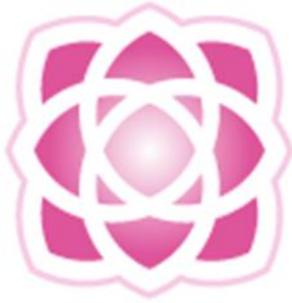


The benefits of this bill extend beyond seniors. A reliable supply of affordable housing helps Hawai'i **retain working families, attract and sustain a diverse workforce, support local businesses, and strengthen long-term economic stability**. When housing costs force residents to leave the state, communities lose not only neighbors, but workers, caregivers, and future leaders. This bill is a practical step toward preventing that outcome.

In short, H.B. 1733, HD2 is a responsible, forward-looking measure that ensures continuity, stability, and capacity within an existing and proven housing finance program. By passing this bill, the Legislature can help ensure that affordable housing development keeps pace with Hawai'i's urgent and growing needs.

For these reasons, AARP respectfully urges the Senate Committee on Housing to **pass H.B. 1733, HD2**.

Mahalo for the opportunity to testify.



MAUI

CHAMBER OF COMMERCE

VOICE OF BUSINESS

**HEARING BEFORE THE SENATE COMMITTEE ON HOUSING
HAWAII STATE CAPITOL, SENATE CONFERENCE ROOM 225
TUESDAY, MARCH 17, 2026 AT 1:05 P.M.**

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

SUPPORT HB1733 HD2 RELATING TO THE HOUSING LOAN AND MORTGAGE PROGRAM

Housing has been one of the Maui Chamber's top priorities for years, given our ongoing housing crisis. The Maui Chamber of Commerce supports HB1733 to increase the Hula Mae Multifamily Revenue Bond authorization ceiling. The ongoing shortage of affordable rental units continues to challenge residents, local businesses, and community stability statewide. Expanding access to financing tools is essential to addressing this persistent housing crisis and supporting economic recovery, especially in areas most affected by recent disruptions.

Increasing the bond ceiling will enable the Hawai'i Housing Finance and Development Corporation (HHFDC) to support more affordable rental housing projects. This aligns with our commitment to utilizing all available mechanisms to stimulate housing development, particularly as construction costs rise and inventory remains insufficient for local demand. Revenue bonds have proven to be a valuable resource for leveraging private investment and expediting the delivery of much-needed rental units.

We also note that expanding financing capacity must be paired with continued efforts to streamline permitting and regulatory processes. While increased funding is a necessary step, delays in approvals and infrastructure challenges can still impede timely project delivery and reduce overall affordability. Ensuring that these funds are deployed efficiently will maximize their impact and help meet the urgent needs of Hawai'i's residents.

Sincerely,

Pamela Tumpap
President

To advance and promote a healthy economic environment for business, advocating for a responsive government and quality education, while preserving Maui's unique community characteristics.



March 13, 2026

**Testimony in Support of H.B. 1733 HD2
Relating to the Housing Loan and Mortgage Program**

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

Aloha United Way stands in strong support of H.B. 1733 HD2, which increases the Hula Mae Multifamily Revenue Bond authorization to support the development of affordable rental housing across Hawai'i.

Across Hawai'i, the demand for affordable rental housing continues to outpace supply. Many ALICE households, including those in essential industries such as healthcare, hospitality, retail, and education, depend on rental housing that is within reach of their incomes. When affordable units are limited, families face longer commutes, overcrowded living conditions, or the difficult decision to leave the state in search of more attainable housing. According to the AUW's ALICE Report, 40¹ percent of households struggle to afford the basic cost of living even while working, and one in three households report considering leaving the state, with housing as the biggest driver.

The Hula Mae program is one of the State's most effective financing tools for producing and preserving affordable rental housing. By issuing tax-exempt revenue bonds, the program helps developers access lower-cost financing, which allows more projects to move forward and helps keep rents more affordable for local residents.

Increasing the bond authorization ceiling ensures that the Hawai'i Housing Finance and Development Corporation can continue using this proven tool to finance new projects and maintain momentum in the affordable housing pipeline statewide.

Expanding access to affordable rental housing strengthens workforce stability, reduces outmigration,

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



and allows local families to remain in their communities. For ALICE households, stable and affordable housing is essential infrastructure that supports employment, financial stability, and long-term well-being.

Aloha United Way respectfully urges the Committee to pass H.B. 1733 HD2.

Mahalo,

Michelle Bartell
President & CEO
Aloha United Way

March 17, 2026

TO: Chair Chang and Members of the Senate Housing Committee
RE: HB 1733 HD2, Relating to the Housing Loan and Mortgage Program

LATE

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 1733 HD2. This bill would increase the Hula Mae Multifamily Revenue Bond authorization ceiling amount to continue financing affordable rental housing statewide.

The Hula Mae Multi-family Tax Exempt Bond program is designed to promote the development of rental housing projects through the issuance of bonds that provide financing at below-market interest rates. By lowering borrowing costs, the program makes it financially feasible to build and preserve rental housing that serves lower-income households.

This bill would raise the authorization ceiling amount, ensuring that the Hawaii Housing Finance and Development Corporation has sufficient ability to continue issuing bonds under this program. At a time when many Hawai'i households remain cost-burdened and rental supply remains constrained, maintaining adequate bond capacity is essential. **Please advance HB1733 HD2.**

Thank you,



Lee Wang
Executive Director
Housing Hawai'i's Future
lee@hawaiisfuture.org



Perry Arrasmith
Director of Policy
Housing Hawai'i's Future
perry@hawaiisfuture.org

HB-1733-HD-2

Submitted on: 3/12/2026 5:34:36 PM

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

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

Comments:

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

1733 HB RELATING TO THE HOUSING LOAN AND MORTGAGE PROGRAM.