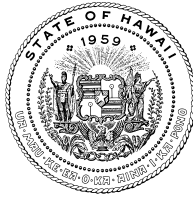


JOSH GREEN, M.D.  
GOVERNOR

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

April 16, 2026 at 1:00 p.m.

State Capitol, Room 225

In consideration of

### HOUSE CONCURRENT RESOLUTION 83 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.

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

HHFDC **supports** House Concurrent Resolution 83, which expresses the Legislature's support for allowing the Dwelling Unit Revolving Fund (DURF) to finance predevelopment costs for any government affordable housing project through interim loans.

As the resolution notes, predevelopment is one of the most critical and most financially risky stages of housing production. Before a project can even move toward construction, government agencies and developers must complete a long list of technical and regulatory tasks, including site analyses, environmental assessments, conceptual and construction drawings, and preparation of permit and financing applications. These steps are essential, but costly, and failure at any point may halt a project entirely.

Traditionally, HHFDC has used DURF predevelopment financing only for projects it directly owns or administers, due to the higher risk of non-recoupment of loans during this early phase.

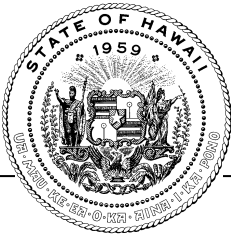
Yet affordable housing developments today depend on a broad network of state, county, and non-profit partners. Many counties, for example, do not have dedicated, flexible funds that can cover predevelopment expenses. This gap results in delays, missed opportunities, and in some cases, the inability to advance promising housing projects at all.

This resolution recognizes that providing interim predevelopment loans through DURF can accelerate the delivery of affordable housing for Hawaii's residents. Expanding DURF usage in this way will:

1. Help government-led projects move from concept to construction readiness more quickly.
2. Increase the feasibility of innovative, infill, and mixed-income affordable housing projects across the state.
3. Strengthen county and state partnerships by ensuring predictable access to early-stage capital.
4. Support the state's broader housing production goals by reducing bottlenecks in the preconstruction phase.

With the support of the legislature, HHFDC is willing to provide predevelopment financing for other government-sponsored affordable housing projects to help advance their initiatives. This way, DURF can serve as a true catalytic tool, rather than only a construction-stage program.

Thank you for the opportunity to provide testimony.



**STATE OF HAWAI'I  
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  
Fax: (808) 587-2824  
Web: <https://planning.hawaii.gov/>

Statement of  
**MARY ALICE EVANS, Director**

before the  
**SENATE COMMITTEE ON HOUSING**  
Thursday, April 16, 2026, 1:00 PM  
State Capitol, Conference Room 225

in consideration of  
**HCR 83**

**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.**

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

The Office of Planning and Sustainable Development (OPSD) **supports HCR 83**, which supports the use of the Dwelling Unit Revolving Fund (DURF) 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.

As the State faces an unprecedented shortage of affordable housing, OPSD recognizes that one of the most significant bottlenecks for government-led projects is the lack of early-stage financing. Early-stage financing is critical to getting projects off the ground and generally carries the greatest financial risk, making it undesirable for private investment. Historically, HHFDC has used DURF funds to finance the pre-development costs of HHFDC owned or administered projects. However, the development of housing in Hawai'i is not exclusively managed by HHFDC, and development today involves many state, county, and non-profit partners.

By expanding the utilization of DURF to cover essential predevelopment expenses such as environmental assessments, parcel-specific analyses, and permit preparation, the State can ensure that all government affordable housing projects move through the pipeline with greater speed and predictability. This resolution aligns with current Transit-Oriented Development (TOD) implementation plans, as many state-owned parcels near rail stations require significant early-stage investment to unlock their full-housing potential. OPSD believes that expanding the use of DURF in this manner is an important step towards meeting our statewide housing production goals and providing much-needed relief to Hawaii's residents.

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