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IN REPLY PLEASE REFER TO:

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Statement of the  
**Hawaii Public Housing Authority**

Before the  
**Senate Committee on Ways and Means**

**Thursday, February 19, 2026**  
**10:30 AM – Room 211, Hawaii State Capitol**

In consideration of  
**SB 2060, SD1**  
**Relating to the Rental Housing Revolving Fund**

Honorable Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Senate Committee on Ways and Means:

Thank you for the opportunity to provide testimony in support of **Senate Bill 2060, SD1**. This measure aims to streamline the funding and management of the Rental Housing Revolving Fund (RHRF) and its subaccounts to cover all stages of rental housing projects by giving the Hawaii Housing Finance and Development Corporation (HHFDC) more flexibility and specific priorities.

As a State agency serving Hawaii's low-income residents, HPHA recognizes the importance of aligning federal and state housing resources with long-term public priorities. HPHA's redevelopment efforts are structured to preserve affordability, protect public ownership, and responsibly reinvest public resources to expand housing opportunities.

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.





# 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 Ways and Means  
**Bill Number:** SB 2060 SD1, Relating to the Rental Housing Revolving Fund  
**Hearing Date and Time:** February 19, 2026, 10:30am (Room 211)  
**Re:** Testimony of Holomua Collaborative – Support

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committee:

Mahalo for the opportunity to submit testimony **in support** of SB 2060 SD1, Relating to the Rental Housing Revolving Fund. This bill would, in part, authorize the Hawai'i Housing Finance and Development Corporation (HHFDC), with the approval of the Director of Finance, to transfer moneys between the Rental Housing Revolving Fund (RHRF) and its subaccounts without legislative authorization.

Hawai'i remains in a housing crisis. The median rent in the state is a staggering \$1938.<sup>1</sup> This high price leaves many local families struggling to secure safe, attainable places to live. 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.

Act 159, Session Laws of Hawaii 2025, established the Mixed-Income Subaccount within the RHRF. This Subaccount allows HHFDC to use RHRF funds for loans to mixed-income rental housing projects, focused on projects for people and families with incomes at or below 140% AMI. This subaccount intends to be an efficient mechanism to quickly and cost-effectively develop housing for local working families (like our

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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/>



teachers and first responders) without needing to compete for funding with the other crucial RHRF priority projects. Allowing HHFDC to transfer moneys from the RHRF to the Mixed-Income Subaccount without legislative authorization will result in HHFDC to expend the moneys in the subaccount with the speed needed to address our housing crisis, and help establish more attainable rentals for our local working families.

SB 2060 SD1 is a strong move in the right direction to keep local families in Hawai'i. 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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info@hawaiiyimby.org

February 19, 2026

Senate Committee on Ways and Means  
Hawai'i State Capitol  
Honolulu, HI 96813

**RE: SUPPORT for SB 2060 SD1 - RELATING TO THE RENTAL HOUSING  
REVOLVING FUND**

Aloha Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committee,

On behalf of Hawai'i YIMBY, we are writing in **support of SB 2060 SD 1** which strengthens the State's Rental Housing Revolving Fund by allowing more efficient use of housing funds, making the mixed-income subaccount permanent, and providing additional funding to support rental housing development. By improving flexibility and clarity in how funds may be transferred and used, SB 2060 SD 1 helps ensure that housing dollars are deployed where they can have the greatest impact.

Funding mixed-income rental housing is critical to addressing Hawaii's housing shortage. Our current market does not adequately serve households across the full range of incomes, particularly middle-income renters who earn too much to qualify for traditional affordable housing programs but not enough to afford market-rate rents. These households include many members of our local workforce, such as teachers, healthcare workers, service employees, and public sector workers, who are essential to the stability of our communities.

A healthy housing system requires a range of housing options that reflect the range of incomes in our state. Mixed-income rental housing helps meet this need by creating projects that are financially viable while still delivering long-term affordability. These developments also support economic diversity, reduce displacement, and help workers



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live closer to their jobs, which strengthens local communities and reduces transportation burdens.

By providing stable, dedicated funding for mixed-income rental housing, SB 2060 SD 1 supports a more balanced and realistic approach to housing production. The bill recognizes that solving Hawaii's housing crisis requires multiple tools and sustained investment across income levels.

Hawai'i YIMBY (*Yes In My Backyard*) is a volunteer-led grassroots advocacy organization dedicated to supporting bold and effective solutions for Hawai'i's devastating housing crisis. Our members are deeply concerned about Hawai'i's chronic and worsening housing shortage, which has caused home prices to rise much faster than incomes and pushes thousands of kama'āina out to the mainland or into homelessness every single year.

We ask your support for this bill. Thank you for the opportunity to testify.

Sincerely,

Damien Waikoloa

Chapter Lead, Hawai'i YIMBY

Edgardo Díaz Vega

Chapter Lead, Hawai'i YIMBY

Huey Kwik

Chapter Lead, Hawai'i YIMBY





## CATHOLIC CHARITIES HAWAII

### Comments on SB 2060 SD1: Relating to the Rental Housing Revolving Fund

TO: Senate Committee on Ways and Means  
FROM: Betty Lou Larson, Legislative Liaison, Catholic Charities Hawai'i  
Hearing: Thursday, 2/19/26; 10:30 AM; Cr 211 & Videoconference

Chair Dela Cruz, Vice-Chair Moriwaki, and Members, Committee on Ways and Means:

Catholic Charities Hawai'i thanks you for the opportunity to provide **Comments on SB 2060 SD1**, which authorizes the Hawai'i Housing Finance and Development Corporation to transfer moneys between the Rental Housing Revolving Fund (RHRF) and its subaccounts.

Catholic Charities Hawai'i (CCH), a community-based organization, has provided social services in Hawai'i for over 78 years, now serving over 40,000 persons statewide each year. 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.

SB2060, SD1 proposes significant changes to the Rental Housing Revolving Fund (RHRF), primarily by authorizing the Hawai'i Housing Finance and Development Corporation (HHFDC) to transfer moneys between the RHRF and its subaccounts—including a Mixed-Income Subaccount—without legislative authorization. For organizations like Catholic Charities Hawai'i, which focus on those with the greatest need, this bill presents several concerns regarding the potential dilution of resources for deeply affordable housing (60% AMI or less) in favor of workforce housing (up to 140% AMI). While we recognize the need for workforce housing at the higher AMI levels, the core of our concern lies in the dilution of gap financing for the primary resource of gap financing for Low-Income Housing Tax Credit (LIHTC) projects serving those at or below 60 % AMI. To put a face to that number, these are our pre-school teachers and hospitality workers who fuel Hawai'i's economy in the tourism industry.

The State must not solve the middle-income housing crisis by depleting the very funds—the Rental Housing Revolving Fund—that are the lifeblood of deeply affordable housing for our kūpuna, former foster youth, and families earning 30-60% of the Area Median Income (AMI). According to the 2024 Hawai'i Housing Planning Study (HHPS):

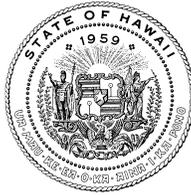
- 64% to 65% of the total housing units needed in Hawai'i through 2027 are for households earning 80% AMI and below.
- Hawaii's most acute shortage is for households earning \$30,000 or less, a gap of over 17,000 units.
- Any dilution of the RHRF as a gap-financing tool for LIHTC projects risks further marginalizing the 40,000 households for whom 'affordable' housing is already out of reach.

**We urge the Legislature to ensure that funding for Hawai'i's most vulnerable residents remains a top priority.** If you have any questions, please contact Betty Lou Larson, at (808) 527-4813.



**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 WAYS AND MEANS**

February 19, 2026 at 10:30 a.m.

State Capitol, Room 211

In consideration of

### **SENATE BILL 2060 SENATE DRAFT 1**

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

Chair Dela Cruz, Vice Chair Moriwaki, and members of the Committee.

HHFDC **supports** Senate Bill 2060 Senate Draft 1, which allows HHFDC to transfer funds between the Rental Housing Revolving Fund (RHRF) and Mixed-Income Subaccount without legislative authorization. Also, appropriates \$100 million to the Mixed-Income Subaccount.

This bill is not only a critical component of the State's comprehensive approach to solving Hawaii's housing crisis, but it also acts as a housing production accelerator for the workforce housing segment of the market. By enabling the rapid, flexible deployment of resources, this bill will significantly reduce administrative delays that often stall projects and increase costs.

The Mixed-Income Subaccount provides a dedicated funding source for workforce housing projects, which are essential for households that fall between traditional affordable housing and market-rate units.

This bill addresses the State's housing crisis by:

1. **Expanding Housing Options.** Supports mixed-income rental projects serving a broader income spectrum.
2. **Providing Flexibility.** Enables rapid fund transfers to meet market needs without unnecessary delays.

With the ability to quickly transfer funds between accounts and the infusion of \$100 million to the Mixed-Income Subaccount, HHFDC estimates that this bill could produce the following benefits:

1. **Increases Housing Supply.** With \$100 million appropriated to the Mixed-Income Subaccount, HHFDC estimates this measure could finance as many as 500 to 600 new rental units in the 2026 funding round.
2. **Boosts Development Capability.** The flexibility to move funds between accounts will enable projects that best meet demand, are most ready to proceed, and provide the greatest value to the State to proceed.
3. **Leverages Private Investment.** Public funds, whether for LIHTC or mixed-income housing leverage substantial private capital. When used for LIHTC, RHRF leverages federal tax credits and private activity bond investments to finance deeply affordable housing. Mixed-income projects leverage private capital, amplifying the State's financial impact on housing production.

Thank you for the opportunity to testify.