



holomua

COLLABORATIVE

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 2069 SD1, Relating to the Dwelling Unit 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 2069 SD1, Relating to the Dwelling Unit Revolving Fund. 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.¹ 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*.² 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 survey³ 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. Homeowners can repay this loan at their own pace, and if they choose to sell, the state

¹ The Hawai'i Housing Factbook 2025. UHERO.

https://uhero.hawaii.edu/wp-content/uploads/2025/05/HawaiiHousingFactbook2025_Main.pdf.

² 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

³ <https://holomuacollective.org/survey-25/>

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.”⁴

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. SB 2069 SD1 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.

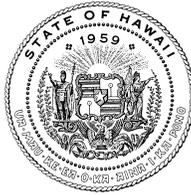
Sincerely,

Matthew Prellberg
Policy and Communications Director

⁴ “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/>)

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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 2069 SENATE DRAFT 1 RELATING TO THE DWELLING UNIT REVOLVING FUND.

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

HHFDC **supports** Senate Bill 2069 Senate Draft 1, which authorizes HHFDC to use existing funds in the Dwelling Unit Revolving Fund (DURF) for the Equity Pilot Program (DEP).

Many local families, especially those in the “gap group” earning between 80% and 140% of the area median income, struggle to purchase homes despite being mortgage-ready. The DEP program 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 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.