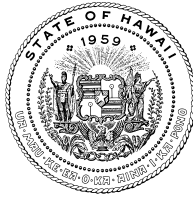


**JOSH GREEN, M.D.**  
GOVERNOR

**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

### **HOUSE COMMITTEE ON HOUSING**

March 20, 2026 at 9:00 a.m.

State Capitol, Room 430

In consideration of

### **SENATE BILL 2069 SENATE DRAFT 2 RELATING TO THE DWELLING UNIT REVOLVING FUND.**

Chair Evslin, Vice Chair Miyake, and members of the Committee.

HHFDC **supports with comments** Senate Bill 2069 Senate Draft 2, which authorizes HHFDC to use existing funds in the Dwelling Unit Revolving Fund (DURF) for the Dwelling Equity Pilot (DEP) Program.

Many local families, especially those in the “gap group” earning between 80% and 140% of the area median income, face significant challenges in purchasing a home despite being mortgage-ready. The DEP program directly addresses this gap by enabling HHFDC to invest equity in for-sale units. This reduces upfront costs for buyers, making homeownership possible for more Hawaii residents.

Under DEP, 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. A total of 83 units are currently participating in DEP, with approximately \$2.4 million of the authorized \$10 million remaining, which HHFDC anticipates allocating in 2026. Making DEP permanent will allow HHFDC to pair equity investments with DURF loans, enhancing project feasibility and supporting the delivery of for-sale units.

DEP also complements other HHFDC initiatives, such as the Hale Kamaaina Mortgage and Down Payment Assistance programs, forming a more comprehensive strategy for first-time homebuyers. This approach creates a sustainable model: as homes are resold, HHFDC recaptures its equity share, returning funds to DURF for future projects.

HHFDC respectfully notes that restricting DEP participation solely to transit-oriented development (TOD) areas would be overly restrictive. While TOD areas provide important opportunities for housing production, not all communities across the state, especially on the neighbor islands, are located in TOD zones. Limiting DEP to TOD areas would therefore exclude many qualified buyers and communities that could significantly benefit from the program. A broader geographic approach would ensure equitable access statewide and allow the program to support homeownership opportunities wherever the need exists. We recommend maintaining flexibility in geographic eligibility to ensure the program reaches families across all counties and continues to effectively support homeownership throughout the state.

Thank you for the opportunity to testify.

**TO:** HOUSE COMMITTEE ON HOUSING  
The Honorable Luke A. Evslin, Chair  
The Honorable Tyson K. Miyake, Vice Chair, and  
Members of the Committee

**FROM:** Terry George, Chief Executive Officer & President

**RE:** Testimony in Support for SB 2069 SD 2, Relating to the Dwelling Unit Revolving Fund

**DATE:** Friday, March 20, 2026 at 9:00 am

**LOCATION:** Conference Room 430

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The Hawai'i Community Foundation (HCF) **supports SB 2069 SD 2**, which extends the sunset date of the Dwelling Unit Revolving Fund (DURF) Equity Pilot Program from June 30, 2028, to June 30, 2030.

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. **Please advance SB 2069 SD 2** to make housing affordable and give families a chance to control their economic futures.



# 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:** House Committee on Housing  
**Bill Number:** SB 2069 SD2, Relating to the Dwelling Unit Revolving Fund  
**Hearing Date and Time:** March 20, 2026, 9:00am (Room 430)  
**Re:** Testimony of Holomua Collaborative – Support

Aloha Chair Evslin, Vice Chair Miyake, and Members of the Committee:

Mahalo for the opportunity to submit testimony **in support** of SB 2069 SD2, Relating to the Dwelling Unit Revolving Fund. This bill would, in part, extend the sunset date of 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.

Extending 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

<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/>

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>

Given the proven success of this program, we respectfully request the Committee amend the measure to make the program permanent rather than sunset on June 30, 2030.

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 SD2 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/>)