

MAR 10 2023

SENATE RESOLUTION

URGING THE HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION TO USE DWELLING UNIT REVOLVING FUND MONEYS TO ISSUE ZERO PERCENT INTEREST LOANS OR GRANTS TO BUYERS WITH INCOMES ABOVE SIXTY AND AT OR BELOW ONE HUNDRED FORTY PERCENT OF THE MEDIAN FAMILY INCOME FOR THE STATE.

1 WHEREAS, the State is experiencing a severe housing crisis;
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4 WHEREAS, a 2019 study commissioned by the Department of
5 Business, Economic Development, and Tourism found that the State
6 will require an additional 50,156 homes by the year 2025; and

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8 WHEREAS, the Federal Home Loan Corporation, more commonly
9 known as Freddie Mac, reported that the average thirty-year
10 fixed residential mortgage interest rate rose from 3.11 percent
11 in December 2021 to 6.42 percent in December 2022; and

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13 WHEREAS, this two hundred six percent increase in the
14 average thirty-year fixed residential mortgage interest rate
15 reflects the dramatically increasing monthly cost of owning a
16 home in the State; and

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18 WHEREAS, zero percent interest home loans made to eligible
19 homebuyers could help counteract these higher interest rates and
20 lower the effective borrowing interest rate, allowing a buyer to
21 obtain a portion of their home loan as interest free financing
22 for the purchase of an affordable for-sale housing unit; now,
23 therefore,

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25 BE IT RESOLVED by the Senate of the Thirty-second
26 Legislature of the State of Hawaii, Regular Session of 2023,
27 that the Hawaii Housing Finance and Development Corporation is
28 urged to use Dwelling Unit Revolving Fund moneys to issue zero
29 percent interest loans or grants to buyers with incomes above
30 sixty and at or below one hundred forty percent of the median
31 family income for the State; and
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1 BE IT FURTHER RESOLVED that moneys allocated for the zero
2 percent interest loans are requested to prioritize projects
3 utilizing the lowest average loan amount as a percentage of unit
4 sale price; and

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6 BE IT FURTHER RESOLVED that moneys received upon repayment
7 of the zero percent interest loans or grants are requested to be
8 redeposited into the Dwelling Unit Revolving Fund for the
9 issuance of new zero percent interest loans or grants to buyers
10 with incomes above sixty and at or below one hundred forty
11 percent of the median family income for the State; and

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13 BE IT FURTHER RESOLVED that a certified copy of this
14 Resolution be transmitted to the Executive Director of the
15 Hawaii Housing Finance and Development Corporation.

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OFFERED BY: 

