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Statement of **DEAN MINAKAMI**

Hawaii Housing Finance and Development Corporation
Before the

SENATE COMMITTEE ON HOUSING

Tuesday, March 19, 2024 at 1:10 p.m.
State Capitol, Room 225

In consideration of
SCR 56/ SR 45

URGING THE HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION (HHFDC) TO ADOPT ADMINISTRATIVE RULES TO PROHIBIT RENTAL HOUSING REVOLVING FUND (RHRF) LOAN FORGIVENESS.

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

HHFDC **offers the following comments** on SCR 56/ SR 45.

The Rental Housing Revolving Fund (RHRF) provides loans or grants for the development, pre-development, construction, acquisition, preservation, and substantial rehabilitation of rental housing units. In the history of the program, no RHRF loan has been forgiven.

However, we believe that there should not be a prohibition against loan forgiveness to maintain flexibility for unforeseen financial situations that may arise. We also note that RHRF is authorized to make grants (i.e., financing which is not repaid.)

Thank you for the opportunity to provide testimony on this resolution.