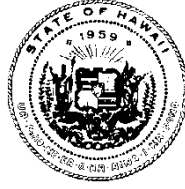


JOSH GREEN, M.D.
GOVERNOR

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

HOUSE COMMITTEE ON FINANCE

February 25, 2025 at 10:00 a.m.
State Capitol, Room 308

In consideration of
H.B. 1009 HD1
RELATING TO THE DWELLING UNIT REVOLVING FUND.

Chair Yamashita, Vice Chair Takenouchi, and members of the Committee.

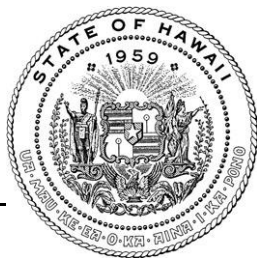
HHFDC **strongly supports** HB 1009 HD1, which makes the Dwelling Unit Revolving Fund (DURF) Equity Pilot Program (DEP) permanent. It also allows partial or full repayment of DURF interim loans in the form of unit equity through the DURF Equity Program.

Hawaii residents, including those in professions facing a shortage, such as teachers, healthcare workers, and law enforcement officers, are leaving the state due, in part, to the high cost of housing. Act 92, Session Laws of Hawaii 2023, established the DEP, which authorized the Hawaii Housing Finance and Development Corporation (HHFDC) to purchase equity in units in certain for-sale housing development projects, reducing the contribution made by eligible buyers, which makes homes more affordable.

Developers have shown strong interest in the DEP program. Projects participating in the program include Kuilei Place, the Flats at Sky Ala Moana, and The Park on Ke'eumoku. To date, approximately \$7.4 million of the \$10 million authorized under the pilot program has been committed.

A number of for-sale housing projects have been stalled due to high interest rates. Using the DEP program in conjunction with loans from DURF has the potential to move these projects forward.

Thank you for the opportunity to testify on this bill.



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**
KA 'OIHANA HO'OMOHALA PĀ'OIHANA, 'IMI WAIWAI
A HO'OMĀKA'IKAI

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR

JAMES KUNANE TOKIOKA
DIRECTOR

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Statement of
JAMES KUNANE TOKIOKA
Director

Department of Business, Economic Development, and Tourism
before the
HOUSE COMMITTEE ON FINANCE

Tuesday, February 25, 2025
10:00 AM
State Capitol, Conference Room #308

In consideration of
HB 1009, HD1
RELATING TO THE DWELLING UNIT REVOLVING FUND.

Chair Yamashita, Vice Chair Takenouchi, and members of the Committee. The Department of Business, Economic Development and Tourism (DBEDT) supports HB 1009 HD1, which makes permanent the Dwelling Unit Revolving Fund (DURF) Equity Pilot Program (DEP), among other things.

The DEP was established in 2023 via Act 92. Since the time that the Hawaii Housing Finance and Development Corporation (HHFDC) implemented it, developers have shown strong interest in the program and there has been a desire to expand it and make it permanent so that more prospective homebuyers may participate beyond the 2028 sunset date.

Thank you for the opportunity to testify.