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Media Contact:

Michelle Hee, VP of Strategic Communications
Hawai'i Community Foundation
mhee@hcf-hawaii.org | (808) 566-5564

Hawai'i Community Foundation Expands Social Impact Investment Fund to \$20 Million

*Innovative Financing Model Turns Philanthropic Dollars into Renewable Resources for
Community Resilience*

HONOLULU, HI -- Many critical community efforts like affordable housing, food systems, and small business lending will be on stronger footing as The Hawai'i Community Foundation (HCF) is excited to share a significant expansion of its Social Impact Investment (SII) Fund, doubling its size to \$20 million following approval by its Board of Governors to allocate an additional \$10 million from HCF's endowment.

The expansion reflects an innovative approach for how philanthropy can work in Hawai'i. Launched in 2019, the SII Fund provides affordable, flexible capital to local community development financial institutions (CDFIs) and other mission-aligned intermediaries that, in turn, support small businesses, affordable housing, and food system projects statewide.

Unlike traditional grants that provide one-time support, the Fund creates a perpetual cycle of impact: every dollar loaned is repaid and reinvested, allowing the same capital to fuel the next project, the next business, the next family's path to homeownership.

"Grantmaking remains a vital tool, and with the addition of impact investing to our toolbox, we have two different strategic approaches to meet Hawai'i's challenges," said Michelle Ka'uhane, HCF Chief Operating Officer & Executive Vice President. "Grants remain essential for critical services and programs. But for initiatives that can generate returns, like small business loans or affordable housing development, impact investing allows us to stretch every dollar further and create sustainable, long-term solutions."

What are CDFIs?

CDFIs are lenders that fill the gap between commercial banks and small microlenders. They are unique in being mission driven, providing affordable financing and technical support to borrowers who may not qualify for conventional loans, such as small local businesses, affordable housing developers, and community organizations.

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To date, the SII Fund has deployed \$7.5 million in patient, low-interest loans, typically 5 to 10-year loans at 1 to 2% interest, helping expand access to housing, strengthen local food systems, and support Hawai'i's economy. The results speak volumes: a 0% default rate and CDFI assets under management surging nearly 400% from \$18 million to \$87 million.

This proven model ensures that every dollar invested circulates back into the community, building lasting economic resilience rather than one-time impact.

The Fund supports nine local partners tackling some of Hawai'i's most pressing needs:

- Council for Native Hawaiian Advancement (CNHA) – revolving loan fund and community development financing
- Feed the Hunger Fund – small business and food entrepreneur lending
- Hawai'i Habitat for Humanity – affordable homeownership and community lending
- Hawai'i Community Lending – affordable housing and Native Hawaiian homeownership
- Hawai'i Community Reinvestment Corporation – affordable housing and community facilities
- HHOC Mortgage – Native Hawaiian and first-time homebuyer support
- Hawai'i Investment Ready – impact enterprise accelerator and capacity-building
- Hawai'i 'Ulu Cooperative – local food systems and agricultural infrastructure
- Rural Community Assistance Corporation – rural lending and infrastructure financing

“HCF's Social Impact Investment Fund has provided flexible, mission-aligned capital that's helped the Hawai'i 'Ulu Cooperative scale our operations,” said Dana Shapiro, Chief Executive Officer of the Hawai'i Ulu Cooperative. “The funding has enabled us to expand from 500,000 pounds to a projected 2 million pounds of Hawai'i-grown staple crops annually, invest in upgrades at our two Hawai'i Island facilities, and build aggregation and processing capacity on O'ahu, Maui, and Kaua'i, ultimately strengthening Hawai'i's food security and supporting farmers across the pae 'āina.”

As federal funding continues to decline, foundations nationwide are exploring impact investing to sustain their missions. HCF made the SII Fund permanent in 2024, and this expansion reflects its proven success.

“I'm thrilled to see the Hawai'i Community Foundation leading in this space and making impact investing part of its investment strategy,” said Mary Spadaro, longtime impact investor and co-founder of Slow Money Hawai'i. “It's exciting that donors can participate too, directing charitable dollars into local businesses that repay and reinvest in Hawai'i's future. This is a powerful tool for growing our local economy and creating a more resilient Hawai'i.”

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HCF invites corporate partners, private foundations, and individual donors to join in expanding the Fund's reach and fueling Hawai'i's next chapter of impact. By growing this ecosystem of mission-aligned investment, we can turn philanthropic capital into a renewable resource that strengthens communities today and builds shared prosperity for generations to come.

The Social Impact Investment Fund is part of HCF's CHANGE Framework, representing the "C" for Community-Centered Economy, which focuses on building a more resilient and equitable local economy. This work also includes the House Maui Initiative and the Asset Limited, Income Constrained, Employed (ALICE) Initiative Cohort, a partnership between Aloha United Way and the Hawai'i Community Foundation to administer the 2025–2027 ALICE Initiative.

For more information about the Social Impact Investment Fund and HCF's work to power positive change across Hawai'i, visit www.hawaiicommunityfoundation.org.

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About Hawai'i Community Foundation

The vision of the Hawai'i Community Foundation is to create an equitable and vibrant Hawai'i in which all our Island communities thrive. With our more-than-108-year history, our trusted expertise, and the generous support of donors, we are working to address the root causes of our state's most difficult challenges, including expanding access to affordable housing, conserving freshwater resources, and ensuring the healthy development of Hawai'i's young children. We focus our efforts through the CHANGE Framework, which identifies six essential sectors affecting the overall well-being of these islands and their people. HCF works in communities across Hawai'i, with offices and staff located statewide. In 2025, HCF stewarded more than 1,160 funds, established by individuals, businesses, and organizations who share our passion for a better Hawai'i. So far in 2025, HCF distributed over \$85 million in grants to the community from funds at HCF, contracts, and private foundations statewide, including scholarships assisting more than 1,400 Hawai'i students. For more information about HCF, please visit Hawaiicommunityfoundation.org and follow our social media channels on [Facebook](#), [Instagram](#), [LinkedIn](#), and [YouTube](#).