



HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION

NEIL ABERCROMBIE
GOVERNOR

CRAIG K. HIRAI
EXECUTIVE DIRECTOR

FOR IMMEDIATE RELEASE

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Kakaako Project to Provide Affordable Housing Primer for Artists

HONOLULU — The board of directors of the Hawaii Housing Finance and Development Corporation (HHFDC) today approved awards of federal and state Low-Income Housing Tax Credits (LIHTC) for Ola Ka Ilima Artspace Lofts, an affordable rental in Kakaako.

Ola Ka Ilima Artspace Lofts received an allocation of up to \$1,425,000 of annual federal and \$712,500 of annual state LIHTC. The 84-unit affordable rental, to be built on land owned by the Hawaii Community Development Authority on Waimanu Street, will give preference to artists with incomes of 30 to 60 percent of the area median income (AMI).

"A first-of-its-kind in Hawaii, the Ola Ka Ilima Artspace Lofts project serves our goals to generate more affordable housing opportunities through public-private partnerships," Gov. Abercrombie said. "At the same time, we are able to support culture and the arts, which has a lasting benefit to the people of Hawaii. We are especially pleased to be working with the PA'I Foundation and Executive Director Vicky Holt Takamine and President Kawika McKeague in support if Native Hawaiian cultural resources and Hawaii's arts communities."

HHFDC Executive Director Craig K. Hirai added: "The LIHTC sets the framework of the financing structure. When combined with other financing programs, it's often the factor that makes an affordable, workforce housing development move ahead. We look forward to collaborating with HCDA and Artspace on this unique project."

The project is being developed by Minneapolis-based Artspace in partnership with the Ford Foundation. They are working with Hawaii-based PAI Foundation, whose mission is to preserve and perpetuate Hawaiian cultural traditions for future generations.

The LIHTC program provides a dollar-for-dollar offset in income tax liability for 10 years that may be syndicated to generate substantial project equity. The HHFDC publishes a Qualified Allocation Plan (QAP), which includes criteria for evaluating and allocating LIHTC. Relevant factors in the evaluation process, include the extent to which project has secured zoning exemptions, financing commitments, feasibility, experience of the developer, and market demand.

About the Hawaii Housing Finance and Development Corporation (HHFCD)

The mission of the HHFDC is to increase and preserve the supply of workforce and affordable housing statewide by providing leadership, tools and resources to facilitate housing development. Since 2006, HHFDC has facilitated the development or preservation of nearly 6,100 housing units. About 82 percent were rentals for households with incomes at or below 80 percent of area median income (AMI). 18 percent were for sale to households earning 140 percent and below AMI and market.

Moving ahead, HHFDC has over 4,900 units in the development pipeline through 2019. Of these, 72 percent, or over 3,600 units are targeted for renter households at or below 80 percent of AMI. The remaining 1,300 homes are targeted for sale to households at 80-140 percent of AMI and market.

About the Hawaii Community Development Authority (HCDA)

The HCDA was created by the 1976 state legislature to redevelop historically underutilized areas across the state. The HCDA's mission is to build communities in the designated Community Development Districts of Kakaako, Kalaeloa and Heeia, to provide more opportunities for residents to grow in a vibrant environment. In Kakaako, the HCDA is committed to revitalizing the urban core and providing housing opportunities to residents of all income levels. To date, the HCDA has overseen the development of over 6,000 new housing units in Kakaako, with another 4,200 units in various stages of construction. By creating a community where one can live, work, and play, we give the youth of Hawaii a reason to stay here in the islands and raise future generations.

About PA'I Foundation

PA'I Foundation, organized in 2001, is a 501(c)(3) organization whose mission is to preserve and perpetuate Hawaiian cultural traditions for future generations. The goal of PA'I Foundation is to establish a cultural center on Oahu to better serve the broader Hawaiian community. PA'I Foundation is the non-profit organization of Pua Alii Ilima, a halau hula (school of Hawaiian dance) founded by kumu hula (master teacher of Hawaiian dance) Vicky Holt Takamine in 1977. While the organization is centered around and supported by halau members, the purpose of PA'I Foundation is not centered around servicing the needs of the halau, but to address and serve the needs of native Hawaiians and those who make Hawaii their home.

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Media Contact:

Kent K. Miyasaki
Hawaii Housing Finance and Development Corporation
Housing Information Specialist
(808) 341-4069
Kent.K.Miyasaki@hawaii.gov