



2014 ANNUAL REPORT

Hawaii Housing Finance and Development Corporation



The Hawaii Housing Finance and Development Corporation is administratively attached to the Department of Business, Economic Development and Tourism and is the primary agency charged with overseeing affordable housing finance and development in Hawaii by working with the State’s residents, housing developers, and financiers.

The mission of the Hawaii Housing Finance and Development Corporation is to increase and preserve the supply of workforce and affordable housing statewide by providing leadership, tools, and resources to facilitate housing development.

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THE HONORABLE DAVID Y. IGE, GOVERNOR, STATE OF HAWAII

Dear Governor Ige,

In Fiscal Year 2014, the HHFDC added 940 workforce/affordable housing units while managing assets in excess of \$1 billion. Since its creation in 2006, the HHFDC has facilitated the development and preservation of 6,428 affordable and workforce housing units statewide and currently has a production plan in place to add 4,921 units over the next five years.

Our finance and development programs are designed to help facilitate public-private collaborations to accomplish our goals.

MORE MULTI-USE PROJECTS

Develop multi-use projects that include affordable housing on vacant and underutilized land owned by the state as well as county agencies and the private sector.

AFFORDABLE HOUSING ASSISTANCE FOR THE COUNTIES

Assist the counties with the implementation of affordable housing projects and programs.

TRANSIT-ORIENTED DEVELOPMENT

The State of Hawaii can play a key role in Oahu's future by actively seeking opportunities to responsibly participate in transit-oriented development along the Honolulu Rapid Transit Rail Line, public transportation and employment centers.

HOMEBUYERS ASSISTANCE

Assist up to 500 homebuyers annually with Mortgage Credit Certificates.

We take seriously our responsibility to be good stewards of the resources entrusted to HHFDC and are committed to exploring ways to work strategically, to be more efficient, and to better leverage limited resources.

As we look to the future, the HHFDC remains focused on our mission of increasing housing opportunities and to our vision of seeking long-term sustainable solutions that will benefit future generations in Hawaii.

CRAIG K. HIRAI

Executive Director



LEGISLATIVE HISTORY

The Hawai'i Housing Finance and Development Corporation (HHFDC) was created to focus on the financing and development of affordable housing.

In 1997, the Legislature established the Housing and Community Development Corporation of Hawai'i (HCDCH) by consolidating the Hawai'i Housing Authority, the Housing Finance and Development Corporation and Rental Housing Trust Fund Commission. The HCDCH administered the state's public housing, homeless assistance, housing finance and housing development programs.

In 2005, the Legislature found that "the burden of administering the public housing projects in the State has overshadowed the ability of the corporation to pay sufficient attention to the financing and development of affordable housing." Therefore, Act 196 of 2005, as amended by Act 180 of 2006, separated the housing financing and development functions from the HCDCH to create the HHFDC.

ORGANIZATIONAL STRUCTURE

The HHFDC is administratively attached to the Department of Business, Economic Development and Tourism. It is governed by a nine-member Board of Directors which establishes policies and executive direction for the Corporation.

Six members are appointed by the Governor from each of the counties of Honolulu, Hawai'i, Maui and Kauai. At least four members must have knowledge and expertise in public or private financing and development of affordable housing, and one member must represent community advocates for low-income housing. The three ex-officio members are the Director of Business, Economic Development and Tourism, the Director of Finance, and a representative of the Governor's office.

FIVE-YEAR PRODUCTION PLAN

The HHFDC has a production plan in place to assist in the finance and development of approximately 4,921 workforce/affordable units over the next five years.

Fiscal Years	Rental	For Sale	Total
2015	362	17	379
2016	650	90	740
2017	1,129	405	1,534
2018	703	520	1,223
2019	736	309	1,045
Total	3,580	1,331	4,921

Halekauwila Place

Stanford Carr Development, LLC



The 204-unit affordable family rental project built on state land, is a public-private partnership between the State and Stanford Carr Development, LLC, targeting families earning 60 percent of area median income.

The project consists of 204 studio, 1-bedroom, 2-bedroom, and 3-bedroom units configured in a 19-floor tower structure and a separate 282 stall parking structure.

The residential units range in size from 395 to 424 square feet (studio); 535 to 597 square feet (one-bedroom); 684 to 782 square feet (two-bedrooms); and 1,093 to 1,511 square feet (three-bedrooms). The units are located from floors 2 through 19 of the residential tower with 5 three-bedroom units located on the ground level of the parking structure.

The HHFDC provided Hula Mae Multi-Family Bonds, Low-Income Housing Tax Credits and a Dwelling Unit Revolving Fund loan for the project.



ECONOMIC IMPACT

Units	Project Value	Direct Jobs	Indirect Jobs	Income Generated
204	\$64,033,700	240	127	\$41,621,905

Based on DBEDT 2014 Economic Model

Senior Residence at Iwilei

Pacific Housing Assistance Corporation



The Senior Residence at Iwilei is the result of a public-private partnership between the state's Hawai'i Housing Finance and Development Corporation (HHFDC), the City and County of Honolulu, and Pacific Housing Assistance Corporation.

The HHFDC leased 1.825 acres of state land to Pacific Housing Assistance Corporation and provided financing through its Dwelling Unit Revolving Fund, Hula Mae Multi-Family Bond, and Low-Income Housing Tax Credit programs. The Hawai'i State Legislature also appropriated capital improvement project funds for the project in 2011. The City and County of Honolulu approved 201H land use exemptions for the project and awarded Community Development Block Grant funds as well.

The project assists seniors with incomes at or below 60 percent the area median income.

ECONOMIC IMPACT				
Units	Project Value	Direct Jobs	Indirect Jobs	Income Generated
160	\$69,440,000	260	138	\$45,136,000

Based on DBEDT 2014 Economic Model

DEVELOPMENT RESOURCES

The HHFDC has a toolbox of resources to facilitate the development of affordable rental or for-sale housing including financing, expedited land use approvals under Chapter 201H, Hawaii Revised Statutes, exemptions from general excise taxes, and real property.

FINANCING TOOLS FOR DEVELOPMENT

Low Income Housing Tax Credits (LIHTC)

The LIHTC program is a major financing tool for non-profit and for-profit developers to construct or rehabilitate affordable rental housing. Under the program, HHFDC awards federal and state tax credits that may be used to obtain a dollar-for-dollar offset (tax credit) in income tax liability for 10 years or may be syndicated to generate substantial project equity. There are two types of federal tax credits: 9% competitive tax credits, which are applied against the State of Hawaii's annual LIHTC allocation and 4% non-competitive, which are awarded with tax-exempt bond financing. Approximately \$3.299 million in federal and \$1.614 million in state tax credits was available for award in FY2014.

Rental Housing Trust Fund (RHTF)

The RHTF provides equity gap low-interest loans or grants to qualified owners and developers for the development, pre-development, construction, acquisition or preservation of affordable rental housing. Preference is given to projects that meet certain statutory criteria. Included is a preference for projects that provide at least 5 percent of the total number of units for persons and families with incomes at or below 30 percent of the median family income. Another preference is projects that provide the maximum number of units for persons or families with incomes at or below 80 percent of the median family income. As of June 30, 2014, the RHTF has outstanding commitments totaling \$52,890,684, and a cash balance of \$75,059,993

Rental Assistance Revolving Fund (RARF)

The RARF Interim Construction Loan Program provides below market interest rate interim construction loans for affordable rental housing projects (currently 4-5%), as well as a limited amount of project-based rental assistance subsidies to qualified owners of rental projects. The RARF interim construction program is authorized to loan up to an aggregate of \$11.5 million. As of June 30, 2014, the full \$11.5 million RARF set-aside is uncommitted.

Hawaii Rental Housing System Revenue Bond (HRHSR)

This program was developed to alleviate the shortage of available rental housing opportunities through the development and acquisition of affordable rental housing projects throughout the State. The HRHSR provides tax-exempt bond financing for HHFDC-owned affordable rental projects that provide at least 60 percent of the rental units for tenants earning 80 percent and below the median family income (40 percent of the units may be rented at market rents). There are currently 6 projects consisting of 1,220 units on Oahu, Hawaii and Maui. Bond authority under the program is \$375 million. As of June 30, 2014, the available authority is \$97,720,000.

Hula Mae Multi-Family Revenue Bond Program

The Hula Mae Multi-Family program provides low interest rate financing through the issuance of tax-exempt revenue bonds for the construction and/or acquisition and rehabilitation of rental housing projects. Developers are able to secure 4% noncompetitive low income housing tax credits in conjunction with the Hula Mae Multi-Family financing. The HHFDC, with the approval of the Governor, is authorized to issue up to \$1 billion in revenue bonds. As of June 30, 2014, the program has issued 20 series of bonds, including one refunding series, totaling \$418,244,699. Remaining bond issuance authority is \$388,266,301, of which \$193,489,000 has been committed to 6 projects pending bond issuance.

Dwelling Unit Revolving Fund (DURF)

DURF was established pursuant to Act 105, SLH 1970 which authorized the issuance of \$125,000,000 of general obligation bonds to carry out the purposes of the Housing Development Program. Funds may be used for the acquisition of real property; development and construction of residential, commercial and industrial properties; interim and permanent loans to developers; and any and all things necessary to carry out the purposes of the Housing Development Program, including administrative expenses. As of June 30, 2014, DURF has outstanding commitments of \$55.29 million and a cash balance of approximately \$69.7 million.

FEDERAL FUNDS

Home Investment Partnerships Program (HOME)

The HHFDC administers the federal HOME program which is intended to expand the supply of decent, safe, affordable and sanitary housing. HOME funds may be used for a variety of activities including tenant-based rental assistance, down payment loans for first-time homebuyers, rehabilitation loans for existing homeowners, property acquisition, new construction, reconstruction, moderate or substantial rehabilitation, site improvements, demolition, relocation expenses, loan guarantees, and other reasonable and necessary expenses related to development of affordable housing. The HHFDC receives approximately \$3 million in HOME funds from HUD each year. Funds allocated on an annual rotating basis to the Counties of Hawaii, Kauai and Maui.

Hale Mohalu II Senior
Coalition for Specialized Housing



Hale Mohalu II, an affordable senior rental in Pearl City, Oahu added 164 units to the inventory of affordable housing.

The Coalition for Specialized Housing will develop four seven-story buildings on 4.7 acres of state land in lower Pearl City for low-income seniors and families. Five percent of the units will be designated for families or individuals earning up to 30 percent of area median income with the remaining 95 percent designated for families and individuals earning up to 60 percent of the area median income. Proposed 2014 rents range from \$585 to \$1,200 for family units and \$401 to \$668 for senior units.

The project is funded by a combination of Hula Mae Multi-Family Bonds, Low-Income Housing Tax Credits, Rental Housing Trust Fund loans and grants administered by the HHFDC and HOME funds administered by the City and County of Honolulu.

Phase 1 consists of 164 senior rentals. Future phases will add 168 family rentals with a 4,925 square foot community building.

ECONOMIC IMPACT				
Units	Project Value	Direct Jobs	Indirect Jobs	Income Generated
164	\$41,378,000	155	82	\$26,895,700
Based on DBEDT 2014 Economic Model				

DEVELOPMENT TOOLS

Real Property

A portfolio of property acquired by negotiation, exchange, or purchase, is made available to developers through the Request for Proposals (RFP) process. Each real property parcel is evaluated for “highest and best use” in relation to the HHFDC working mission and strategies and then an RFP is framed for flexibility to assure that different developer specialties and concentrations can be accommodated.

For the developer, the RFP process starts when a notice is placed in the newspaper with information that a certain real property is available for development. The actual RFP with relevant criteria is made available for review or purchase at the HHFDC. When the completed proposals are received on the given date in the RFP, a selection committee reviews the proposals for compliance with the RFP and a developer is preliminarily selected, subject to approval by the HHFDC Board of Directors. Developer approval is followed with negotiation of development and loan agreements.

Chapter 201H Expedited Processing

Pursuant to Chapter 201H, Hawaii Revised Statutes, the HHFDC may develop, on behalf of the State or with an eligible developer, or may assist under a government assistance program in the development of housing projects which are exempt from all statutes, ordinances, charter provisions, and rules of any governmental agency relating to planning, zoning, construction standards for subdivisions, development and improvement of land, and the construction of units thereon.

Chapter 201H also provides for greater flexibility in the design of housing projects. The particular exemptions requested through the 201H process are reviewed by the appropriate county agencies. All 201H projects must comply with the County building permit process, HRS Chapter 104 (Wages and Hours of Employees on Public Works), and HRS Chapter 343 (Environmental Impact Statements).

Developers are encouraged to begin the 201H process by first contacting the appropriate county. If the county government does not accept the developer's 201H application, the HHFDC will consider the developer's application. The HHFDC requires that the developer conduct at least one public meeting to solicit community input on the proposed project.

General Excise Tax Exemptions

The HHFDC may approve and certify for exemption from GET any qualified person or firm involved with a newly constructed or moderately or substantially rehabilitated project meeting specific income limit and eligibility criteria. costs of Developing State/County Housing Projects.

Villages at Moa'e Ku Phase II

EAH Housing



The Villages of Moa'e Ku Phase II, a Public Private Partnership between the Hawaii Housing Finance & Development Corporation, the City & County of Honolulu and EAH Housing, added 76 rental apartments for families at or below 60% of the area median income. The project is conveniently located next to the Ewa Elementary School, Ewa Beach parks and shopping centers.

The HHFDC provided Hula Mae Multi-Family Bonds, Low-Income Housing Tax Credits and Rental Housing Trust Fund financing for the project.

The apartments will be built in three phases and will consist of twelve two-story buildings. Phase I, which contains 64 units, opened in April 2013. The one-, two- and three-bedroom units feature entrances directly accessible from the outside of the building and facing a central lawn and open landscaping. Phase II, which consists of 76 units, was completed in October 2014.

The development includes a community room with a kitchen, computer learning facility and meeting space for residents along with a fenced-in tot lot for the protection of the keikis.



ECONOMIC IMPACT				
Units	Project Value	Direct Jobs	Indirect Jobs	Income Generated
76	\$27,653,895	77	70	\$16,592,337

Based on DBEDT 2014 Economic Model

Ko'oloa'ula Phase II

Mutual Housing Association of Hawaii



The Public Private Partnership between HHFDC, the City and County of Honolulu, HUD and Mutual Housing Assistance of Hawaii completed its first phase of 120 affordable rental units at Ko'oloa ula in East Kapolei in April 2013.

Phase II will add 188 units for a total of 308 units to be built over the next several years in the Ko'oloa ula community.

Ko'oloa'ula will give renters a choice between 11 different floorplans for apartments with up to four bedrooms. Rents are targeted for families earning 30%, 50% and 60% of the HUD median income for the area.

The HHFDC provided Hula Mae Multi-Family Bonds, Low-Income Housing Tax Credits and Rental Housing Trust Fund financing for the project. In exchange for affordability, HHFDC is leasing the land to Mutual Housing Assistance of Hawaii for 65 years.

ECONOMIC IMPACT				
Units	Project Value	Direct Jobs	Indirect Jobs	Income Generated
188	\$45,875,000	127	320	\$27,525,000
Based on DBEDT 2014 Economic Model				

FINANCING RESOURCES FOR FIRST-TIME HOMEBUYERS

The HHFDC's single-family programs are consumer oriented, providing below-market rate mortgage financing, tax credits, and down payment loans to assist eligible first-time homebuyers.

Hula Mae Single Family Program

The Hula Mae Single Family program offers eligible first-time homebuyers with mortgage financing at very competitive interest rates. Since 1979, the Program has issued over \$1.948 billion of Hawaii Single Family Mortgage Purchase Revenue Bonds. Borrowers apply directly with participating lending institutions and must meet federal eligibility requirements including income and purchase price limitations, as well as the three year no prior ownership interest in a principal residence requirement. As of June 30, 2014, 10,154 families were able to purchase their first homes.

On December 1, 2011, the HHFDC issued \$50 million in tax-exempt revenue bonds, which provided approximately \$44 million for eligible first-time homebuyers for its current Hula Mae Single Family program. The HHFDC participated in the New Issue Bond (NIB) Program, established by the Housing and Economic Recovery Act of 2008, providing for the federal government to purchase up to 60% of a housing finance agency bond issue at below market rates through its Government Sponsored Entities, Fannie Mae and Freddie Mac. The 2011 Hula Mae Single Family program featured an optional downpayment assistance program providing up to 3% of the principal amount of their Hula Mae loan at closing. Borrowers also had the option of using federal mortgage insurance programs provided through FHA, USDA or VA with their Hula Mae loan. As of June 30, 2014, the 2011 program has been fully subscribed

Mortgage Credit Certificate (MCC) Program

The MCC program provides eligible first-time homebuyers with a direct tax credit against their federal income tax liability to make more income available to qualify for a mortgage loan and make monthly payments. The amount of credit is equivalent to 20% of the annual interest paid on a mortgage loan. MCCs are offered through participating lenders. As of June 30, 2014, the HHFDC has traded in approximately \$916 million of mortgage revenue bond authority for just over \$229 million of MCC authority and to date, has assisted 3,170 families in purchasing their first homes. During FY 2014, the program has assisted 285 families in purchasing their first homes.

HOMEBUYER/HOMEOWNER COUNSELING

National Foreclosure Mitigation Counseling Program (NFMC)

NFMC is a federal program established to provide counseling and limited legal assistance to families and individuals facing the threat of foreclosure. HHFDC received five awards of NFMC funds (NFMC Rounds 2 through 7), totaling \$1.05 million. As of June 30, 2014, through partnerships with nonprofit counseling agencies, 5,220 homeowners have received foreclosure mitigation counseling under the NFMC program.

The Making Home Affordable Program (MHA)

MHA helps families avoid foreclosure and strengthen the housing market recovery. HHFDC was awarded up to \$27,100 to provide free mortgage modification counseling to homeowners with difficulty making their mortgage payments or facing threat of foreclosure. HHFDC is partnering with local HUD-approved agencies to provide free counseling services. The counseling agencies can also help homeowners at risk with loan modifications and alternative plans of action. As of June 30, 2014, 40 homeowners received loan modifications under MHA.

Emergency Homeowners' Loan Program (EHLF)

EHLF, authorized by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, provides loan funds to eligible homeowners who have become unemployed or underemployed due to the economic downturn or a medical condition to avert foreclosure. Loans of up to \$50,000 assist homeowners with payments of arrearages, including delinquent taxes and insurance plus up to 24 months of monthly payment on their mortgage principal, interest, mortgage insurance premiums, taxes and hazard insurance. HHFDC, again in partnership with nonprofit housing counseling agencies, was awarded up to \$79,089.05 under the EHLF to provide housing counseling services for the loan period. As of June 30, 2014, 35 homeowners received counseling services under EHLF.

HUD Comprehensive Housing Counseling (CHC)

CHC provides funds for counseling services to current and potential homeowners and tenants to assist them in improving their housing conditions and in meeting the responsibilities of homeownership or tenancy. HHFDC was awarded up to \$21,460 under CHC, and in partnership with the Department of Hawaiian Home Lands and its subgrantee, Hale Mahaolu, will provide these services in the County of Maui.

ANCILLARY RESPONSIBILITIES

Maintaining Waiahole Valley Subdivision

The HHFDC owns approximately 750 acres in Waiahole Valley and a 1.0 million gallon water system that services the residents and Waiahole Elementary School. There are 159 total lots for residential, agricultural and commercial use, open space, water lots, stream lots, and roadways. Approximately \$22.4 million has been spent to acquire the property and for capital improvements as of June 30, 2014. In addition, a total of \$11.4 million has been charged to the project for General Obligation Bond interest through June 30, 2003, when the bonds were retired.

Imi Ikena Apartments

Imi Ikena Housing Partners, LLC



Imi Ikena is a public-private partnership between HHFDC, the County of Maui, Imi Ikena Housing Partners LLC, and EAH Housing.

The two and three-bedroom apartments, located in Wailuku, are designed for households earning between 30 percent and 50 percent of the area median income. The project is in close proximity to Maui Community College, Kahului Public Library and is a short commute to the downtown area.

Imi Ikena adheres to Green design principles with solar water heating, water conserving plumbing and Energy Star appliances and light fixtures.

The HHFDC financed \$9.4 million in proceeds from the Low-Income Housing Tax Credit and State Low-Income Housing Tax Credit Loan programs.

ECONOMIC IMPACT				
Units	Project Value	Direct Jobs	Indirect Jobs	Income Generated
28	\$10,470,857	29	73	\$6,282,514
Based on DBEDT 2014 Economic Model				

Hale Makana `O Nanakuli

Hawaiian Community Development Board



Hale Makana O Nanakuli is a new 48-unit affordable rental targeted at families earning 30-40% of Average Median Income (from \$28,750 to \$38,320 for a family of four), with rents not to exceed 30% of their gross area income.

The HHFDC partnered with the nonprofit Hawaiian Community Development Board and California company Urban Housing Communities to develop the transitional and long-term rental housing designed to meet the needs of the Nanakuli community, with focus on Nanakuli’s low-income families. It will provide immediate relief to many Nanakuli families with overcrowded households, families living in dangerous dilapidated houses, and/or families who have been forced to abandon their homes.

Hale Makana O Nanakuli is one component of the “Nanakuli Village Center” that will include a multipurpose learning center, a Waianae Comprehensive Health Center clinic with an affordable pharmacy, a renal clinic and commercial center with Longs Drug Store as the anchor tenant. Its location within the homesteading community will facilitate easy access to cultural, educational, social, health, and economic opportunities.



The HHFDC provided financing from its Hula Mae Multi-Family Bond, Low-Income Housing Tax Credit and Rental Housing Trust Fund programs.

ECONOMIC IMPACT				
Units	Project Value	Direct Jobs	Indirect Jobs	Income Generated
72	\$13,812,862	38	96	\$8,287,717

Based on DBEDT 2014 Economic Model

Maintaining Infrastructure in the Villages of Kapolei

The City and County of Honolulu has not yet accepted dedication of infrastructure in the Villages of Kapolei. Therefore, the HHFDC maintains the infrastructure and has engaged a consultant to assist with the dedication. The time frame for dedication cannot be readily estimated as the dedication process involves many different agencies, entities, consultants and contractors.

The current infrastructure budget is approximately \$195 million, of which \$130 million has been expended as of June 30, 2014. This includes \$116.8 million in infrastructure development costs and \$13.2 million in interim maintenance costs. There has been no interest charge to the project because it was initially funded by the Homes Revolving Fund, which was repealed in 2003.

The Villages of Kapolei was developed pursuant to Act 15, SLH 1988. The Act provided the Housing Finance and Development Corporation (HFDC) (predecessor to the HHFDC) with temporary powers to expedite the development of affordable housing. It authorized the HFDC to develop housing projects that were exempt from all statutes, ordinances, charter provisions, and rules of any governmental agency relating to planning, zoning, construction standards for subdivisions, development and improvement of land, and the construction of units thereon; provided that the project met minimum requirements of health and safety; did not contravene any safety standards or tariffs approved by the Public Utilities Commission for public utilities; and the HFDC first conducted a public hearing after reasonable notice in the county in which project was situated.

Land Programs – Chapters 516 and 519, HRS

The purpose of the Land Reform Act of 1967 was to encourage widespread ownership of fee simple lands among Hawaii's people. Pursuant to Chapter 516, HRS, the HHFDC assists lessees of single family homes to purchase the leased fee interest in their houselots by petitioning the state to facilitate a lease-to-fee conversion through its use of eminent domain powers. Since inception of the Land Reform Program, over 14,600 lessees have been assisted. The HHFDC continues to provide assistance and information on the lease to fee conversion process, as well as promote negotiated settlements to reduce conversion costs.

Chapter 519, HRS provides the framework for the fair arbitration of renegotiated ground lease rents for one- or two-family residential leasehold lots and cooperative housing corporations. The Lease Rent Renegotiation Program is used when lessees and lessors are unable to agree on the amount of the new lease rent upon expiration of the fixed term of the lease.

Assistance to Displaced Persons - Chapter 111, HRS

Chapter 111, HRS establishes a uniform policy for the fair and equitable treatment of owners, tenants, other persons, and business concerns lawfully residing on or lawfully occupying real property and displaced by the acquisition of real property for public or other purposes in the public interest and by building, zoning, and housing code enforcement activities. The HHFDC must assure that relocation payments are fair, reasonable, and promptly paid.

PROJECTS IN DEVELOPMENT

Green Homes at Lualualei – 25-unit affordable, for-sale homes located in Waianae, Oahu. In an effort to combine a sustainable approach to building and living affordably, Green Homes at Lualualei will conserve energy through its design, energy-efficient appliances and utilize solar technology. *Developer - Green Homes at Lualualei, LLC*

Halawa View Apartments – Rehabilitation of approximately 121 rental units in a 14-story and two 3-story building in Aiea. *Developer - Hawaii Pacific, LLC*

Hale Mohalu II Family – 84 rental units in Pearl City. When completed, the master planned project will consist of a 164-unit senior project and a future 168-unit family rental housing project on approximately 4.7 acres of state land. *Developer - Coalition for Specialized Housing*

Hale Uhiwai Nalu Addition – 50-unit new construction addition to the Hale Uhiwai Nalu in Kapolei. Units are targeted at Veterans earning percent and below of AMI. *Developer - Cloudbreak Hawaii, LLC*

Kamakana at Keahuolu – Master-planned community on 272 acres of non-ceded land in Keahuolu, Kailua-Kona, Hawai'i. Approximately 1,169 units of the total projected 2,330 homes will be workforce and affordable. *Developer - Forest City Hawaii Kona, LLC*

Kewalo Apartments - 38-unit Acquisition/Rehabilitation located in the urban core of Honolulu. *Developer - Hawaii Pacific LLC*

Kolopua - 44-unit workforce rental in Princeville, Kauai. 16 one-bedroom, 16 two-bedroom and 12 three-bedroom apartments with rents not to exceed 60 percent of AMI. *Developer - Vitus Group, Inc.*

Ko'oloa'ula Phase II – 188-unit rental project in East Kapolei, Oahu. The ten three-story townhome rental is targeted at families earning 30 to 60 percent of AMI and will remain affordable for 63 years. *Developer - Mutual Housing Association of Hawaii, Inc.*



Rice Camp Senior A groundbreaking ceremony was held for the 60-unit senior community in Lihue, Kauai for seniors.



Hale Uhiwai Nalu Addition 50-unit new construction addition to the Hale Uhiwai Nalu for Veterans earning 80 percent and below AMI.

Ma'ili III Self-Help Housing - HHFDC provided interim DURF loans, for predevelopment and infrastructure costs for the 72-unit fee simple housing project located on the Waianae Coast of Oahu. *Developer - Self Help Housing Corporation of Hawaii*

Meheula Vista Senior I-IV - 301-unit master planned community for seniors located in Milliani, Oahu. Meheula Vista will provide low-income seniors an affordable permanent living option where residents can age in place. *Developer - Catholic Charities Hawaii*

Nohona at Kapolei III - 40 fee-simple townhomes with prices starting in the low \$300,000s. Nohona III at Kapolei consists of 4 new two-story buildings with two- or three-bedroom floor plans with up to 1,184 square feet of living space. *Developer - Castle & Cooke Homes Hawaii, Inc.*

Pokai Bay Self Help - HHFDC provided interim DURF loans, for predevelopment and infrastructure costs for 70 vacant lots located on the Waianae Coast of Oahu. *Developer - Self Help Housing Corporation of Hawaii*

Rice Camp Senior - 60-unit planned senior community in Lihue, Kauai to provide housing for seniors at 60 percent and under AMI. *Developer - Vitus Group, Inc.*

Riverside Apartments - 74-unit rehabilitation project located in Hilo, Hawaii. One, two and three-bedroom apartments are targeted to families earning 30 to 50 percent of AMI. *Developer - UHC00382 Hilo*

HOUSING-RELATED LEGISLATION PASSED IN 2014

Act 122, Session Laws of Hawaii 2014 (House Bill 1700, H.D. 1, S.D. 1, C.D. 1)

Relating to the State Budget.

Hawaii Housing Finance and Development Corporation received the following Capital Improvement Project appropriations for Fiscal Year 2014-2015:

• Rental Housing Trust Fund Infusion, Statewide	\$5,000,000
• Dwelling Unit Revolving Fund Infusion, Statewide	\$7,000,000*
• Low-Income Housing Tax Credit Loans, Statewide	\$7,832,000
• Hale Mahaolu Ewalu, Maui (construction grant-in-aid)	\$4,000,000

*Note: DURF appropriation is the second year of a 2 year appropriation (\$7M in FY2013-2014; \$7M in FY2014-2015) made in Act 132, Session Laws of Hawaii 2013.

Act 162, Session Laws of Hawaii 2014 (House Bill 2251, H.D. 1, S.D. 1, C.D. 1)

Relating to the Housing Loan and Mortgage Program.

This bill increased the Hawaii Housing Finance and Development Corporation's Hula Mae Multifamily cumulative revenue bond authority from \$750,000,000 to \$1,000,000,000. This will allow the agency to continue to provide financing assistance for affordable rental housing projects.

Act 163, Session Laws of Hawaii 2014 (Senate Bill 2542, S.D. 1, H.D. 1, C.D. 1)

Relating to the Disposition of the Conveyance Tax Collections to the Rental Housing Trust Fund.

This bill restored to 50 percent the allocation of State conveyance tax collections to the Rental Housing Trust Fund as of July 1, 2014. This is an increase of 20 percent over the previous year's allocation. The Rental Housing Trust Fund is used to provide gap equity financing for affordable rental housing projects.

Act 194, Session Laws of Hawaii 2014 (House Bill 2448, H.D. 2, S.D. 1, C.D. 1)

Relating to the Hawaii Housing Finance and Development Corporation.

This bill authorizes HHFDC to issue revenue bonds to assist in financing the development of infrastructure for land owned by an eligible developer for the construction of affordable housing projects. The bill also establishes cumulative revenue bond authority of \$125,000,000 for this purpose.

The following Concurrent Resolution approving the fee simple sale of HHFDC lands was adopted:

Senate Concurrent Resolution 13

Approving The Sale Of The Leased Fee Interest In 41-669 Inoale Street, Waimanalo, Hawaii.

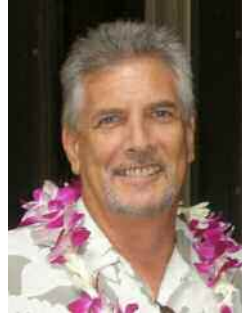
Board of Directors



Craig K. Hirai
Executive Director



Ralph Mesick
Chairman (At-Large)
Served July 2008 - July 2014



Paul Kyno
Vice-Chairman (Kauai)
Served July 2011 - July 2014



Leilani Pulmano
Secretary (Maui)



Allan Los Banos
Director (Honolulu)
Served April 2007 - August 2014



Betty Lou Larson
Director (Private Non-Profit)
Served July 2006 - June 2014



Richard C. Lim
Ex-Officio Member
Director, Department of Business,
Economic Development and Tourism
Served March 2011 - December 2014



Michael Ng
Ex-Officio Member
Office of the Governor
Served March 2011 - December 2014



Kalbert Young
Ex-Officio Member
Director, Department of
Budget and Finance
Served December 2011 - December 2014

Additional information is provided in the Audited Financial Statements available online at: www.dbedt.hawaii.gov/hhfdc/



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