

DAVID Y. IGE  
GOVERNOR



DENISE ISERI-MATSUBARA  
EXECUTIVE DIRECTOR

**STATE OF HAWAII**  
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM  
**HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION**

677 QUEEN STREET, SUITE 300  
HONOLULU, HAWAII 96813  
FAX: (808) 587-0600

In reply, refer to:

22:OED-01

April 12, 2022

TO: The Hawaii Housing Finance and Development Corporation  
Board of Directors

FROM: Sean Sasaki  
Board Secretary

SUBJECT: Delegation of Authority Letter

Dear Chair Mende and Members of the Board:

By means of this letter, I, Sean Sasaki, the Hawaii Housing Finance and Development Corporation (HHFDC) Board Secretary, hereby delegate (pursuant to the Bylaws of the HHFDC, Section 6) all board secretarial duties to the Executive Director, Denise Iseri-Matsubara, in my absence on Thursday, April 14, 2022.

Sincerely,

SEAN SASAKI  
Board Secretary

**HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION  
BOARD OF DIRECTORS  
REGULAR MEETING**

**March 10, 2022**

MINUTES

The Board of Directors (Board) of the Hawaii Housing Finance and Development Corporation (HHFDC) met virtually for their Regular Meeting at their office, located at 677 Queen Street, Suite 300, Honolulu, Hawaii, on Thursday, March 10, 2022.

**I.  
CALL TO  
ORDER/  
ROLL CALL**

A roll call was taken, declaring a quorum. Chair Donn Mende called the meeting to order at 9:02 a.m.

Those present and excused were as follows:

Present: Director Donn Mende, Chair  
Director Gary Mackler, Vice Chair  
Director Sean Sasaki, Secretary  
Director Carol Reimann  
Director Melvin Kahele  
Director Mike McCartney  
Director Sabrina Nasir  
Designee Roderick Becker for Director Craig Hirai

Executive Director Denise Iseri-Matsubara

Staff: Sandra Ching, Deputy Attorney General  
Francis Keeno, Executive Assistant  
Christopher Woodard, Chief Planner  
Dean Minakami, Development Branch Chief  
Holly Osumi, Chief Financial Officer  
Randy Chu, Development Section Chief  
Carianne Abara, Development Support Section Chief  
Melissa Loy, HHFDC Corporate Controller  
Gayle Nishimoto, Project Resource Specialist  
Danielle Guthrie, Housing Finance Specialist  
Christopher Oakes, Housing Finance Specialist  
Evahn Beresivsky, Housing Development Specialist  
Cheryl Kajitani, Housing Development Specialist  
Albert Palmer, Housing Development Specialist  
Jason Takata, Property Management Coordinator  
Lorna Kometani, Sales & Counseling Section Chief  
Loreen Kawewehi, Housing Sales Coordinator  
Cynthia Nyross, Planner  
Gordon Pang, Housing Information Officer  
Marc Orbito, Information Technology Systems Analyst  
Esa Pablo, Secretary to the Board

Guest: Keith Kato, Hawaii Island Community Development Corporation  
Sara Devries, Ahe Group  
Kevin Gilchrist  
Salvatore Ingraio  
Stewart Matsunaga, Department of Hawaiian Home Lands  
Katie Pierce, HUD  
Leilehualani Kane Tapado, Kane Ohana (screen name)/Kane Ohana  
Property Management LLC  
Leilehualani Kane, Kane Ohana (screen name)/Kane Ohana Property  
Management LLC

Elijah Kane, Kane Ohana (screen name)/Kane Ohana Property Management LLC  
Blossom Feiteira, Association of Hawaiian Home Lands  
Brian Botts, Testifier  
Doreen Kupau, Testifier  
Oliver Kupau, Testifier  
Carlos Adame (screen name)  
coh-ohcd (screen name)  
Kai MacDonald (screen name)  
Paul Zweng (screen name)  
Galaxy A71 SG (screen name)  
Galaxy S10e (screen name)  
Jeremy McComber

Chair Mende asked the Board to state who, if anyone, was present at their various locations. There being none, Chair Mende proceeded to the approval of minutes.

It was moved by Director McCartney and seconded by Director Kahele to approve the meeting minutes of February 10, 2022.

The motion was carried unanimously.

It was moved by Director Kahele and seconded by Vice Chair Mackler to approve the executive session meeting minutes of February 10, 2022.

The motion was carried unanimously.

Executive Assistant Keeno announced the public testimony rules and instructions, stating that testifiers will be limited to 3 minutes at the discretion of the Chair to provide testimony on matters directly related to the agenda.

Chair Mende opened for public testimony.

Ms. Leilehualani Kane Tapado testified on agenda item IV. A., stating that the purpose of her request to be placed on today's meeting agenda was to address their concerns of injustice regarding a long-term lease, a 45-day eviction notice from HHFDC, Albizia tree issues, and trespassing and harvesting of plants on their farm.

Mr. Elijah Kane testified on agenda item IV. A., regarding the Board's consideration on a long-term lease.

Ms. Leilehualani Kane, mother of Ms. Kane Tapado, asked the Board to consider the natives rights to the lands and address the matter spiritually as opposed to politically.

Mr. Brian Botts read his written testimony submitted and asked for the Board's consideration to grant the Kane's a long term lease.

Chair Mende confirmed receipt of Mr. Botts' written testimony.

Ms. Doreen Kupau and husband Oliver Kupau, homeowners/residents of Waiahole Valley for over 40 years, testified in support of HHFDC's termination of the Kane's Right of Entry (ROE) permits, voicing their concerns about hazardous conditions dated back to 2014 that have jeopardized their wellbeing, property, and common roadway due to the lack of safety measures and care in the Kane's' management of lots 48 and 49.

**II.A.**  
**APPROVAL**  
**OF MINUTES**  
Regular  
Meeting  
2/10/22

**II.B.**  
**APPROVAL**  
**OF MINUTES**  
Executive  
Session  
2/10/22

**III.**  
**PUBLIC**  
**TESTIMONY**

Due to the submittal of an agenda inclusion request made by the Kane Ohana Property Management LLC's (Permittee), Property Management Coordinator Jason Takata presented a For Information stating the history of lease and permit infractions leading up to HHFDC's decision to terminate the ROE permit for Lots 48 and 49, in accordance with Section 8 of the terms and conditions of the ROE permit agreement.

**IV.A.  
DISCUSSION  
AND/OR  
DECISION  
MAKING**

Information on: (1) the Hawaii Housing Finance and Development Corporation's Termination of the Revocable Right of Entry for Lots 48 and 49 in the Waiahole Valley Agricultural Park and Residential Lots Subdivision Located in Waiahole, Koolaupoko, Oahu, Hawaii, TMK Nos.: (1) 4-8-012: 020 and 030; and (2) a Request for a Long-Term Lease by Kane Ohana Property Management LLC

Vice Chair Mackler moved, seconded by Director Sasaki, to approved staff's recommendation.

**IV.B.  
DISCUSSION  
AND/OR  
DECISION  
MAKING**

Executive Director Denise Iseri-Matsubara introduced HHFDC's new Single Family Financing Program Section Chief Danielle Guthrie, previously from the Department of Labor. She further stated Guthrie's educational background in accounting and work experience in grant administration.

Approve: (1) the Hawaii Housing Finance and Development Corporation's HOME American Rescue Plan Allocation Plan for U.S. Department of Housing and Urban Development's HOME-ARP Program; and (2) a Substantial Amendment to the Program Year 2021 Annual Action Plan

Guthrie presented the For Action, requesting Board approval to proceed with the intended distribution of approximately \$6.4 million (approximately under \$2 million to the counties of Kauai, Maui, and Hawaii) from the HOME American Rescue Plan (HOME-ARP) Allocation Plan for the development of affordable housing to qualifying populations under the program and submittal of Program Year 2021 Action Plan Substantial Amendment No. 2 to the to the U.S. Department of Housing and Urban Development.

Vice Chair Mackler commended Housing Finance Specialist Glori Inafuku and Planner Keri Higa for doing a great job on putting together an action plan, helping those who are at risk of being homeless as well as victims of domestic violence. Chair Mende concurred.

There being no further discussion, the motion was carried unanimously.

Director Kahele moved, seconded by Director Reimann, to approve staff's recommendation.

**IV.C.  
DISCUSSION  
AND/OR  
DECISION  
MAKING**

Housing Finance Branch Specialist Christopher Oakes stated that based on progress made in three basic milestones of site control, zoning approvals, and financing commitments, the deadline to issue Hula Mae Multi-Family (HMMF) Bonds for the Kaloko Heights Affordable Housing project (Project) is being requested to be extended to March 31, 2023.

Approve an Extension to Resolution No. 106, Which Provides for Official Intent with Respect to the

Oakes stated that delays were primarily attributed to the State Historic Preservation Division (SHPD) requirement to conduct an updated archeological inventory survey study in which an additional burial site was found and further required approval of a Burial Treatment Plan for the preservation of the site, a Section 106 consultation, additional review and approval by the County of Hawaii Office of Housing and Community Development as well as SHPD.

Oakes reported that the Finance Department of the County of Hawaii issued a letter in full support of the Project and is diligently working towards issuing a Community Facilities District bond for the sewer line.

Oakes opened for questions, along with Mr. Keith Kato, on behalf of the Project.

In reference to Exhibit C, the extension letter request, Vice Chair Mackler inquired about the delay with the building permit reviews. Kato stated that the allocation of the bonds for the sewer line is pending final approval by the County Council anticipated in April 2022, with a Notice to Proceed on the construction of the sewer line and building permit to follow.

In reference to Exhibit C, the extension letter request, Designee Becker inquired about additional resources (i.e., bond cap) that would be needed for the Project in addition to Low Income Housing Tax Credits (LIHTC). Kato stated that he does not anticipate the need to increase the Project's bond allocation or Rental Housing Revolving Fund (RHRF).

Designee Becker inquired about the SHPD review and whether there was an update on the Project's estimated construction timeline. Kato stated that commencement of construction is still anticipated in July 2022.

In terms of SHPD's review, Kato shared images on the project site and location map of the burial sites that archeologist found and discussed its Burial Treatment Plan to build around and preserve the site accordingly. The plan is currently under SHPD's review since December 2021.

There being no further discussion, the motion was carried unanimously.

Director Kahele moved, seconded by Director Sasaki, that staff's recommendation be approved.

Oakes stated that the For Action requests an extension of the deadline for the RHRF Letter of Intent that runs concurrently with the HMMF bond extension just granted for the Kaloko Heights Project.

There being no questions, the motion was carried unanimously.

Chair Mende returned to agenda item IV.A. to address an oversight of convening in executive session pursuant to Section 92-5(a)(4), Hawaii Revised Statutes, to consult with the Board's attorney on questions or issues regarding the Board's powers, duties, privileges, immunities, and liabilities as it relates to the termination of the ROE for Lots 48 and 49.

Director McCartney moved, seconded by Director Kahele, to convene in executive session at 9:47 a.m.

**IV.D.  
DISCUSSION  
AND/OR  
DECISION  
MAKING**

Approve an Extension to the Rental Housing Revolving Fund Project Letter of Intent for the Kaloko Heights Affordable Housing Project Located in Kailua-Kona, Hawaii, TMK No.: (3) 7-3-009: 032

**EXECUTIVE  
SESSION**  
9:47 a.m.

The motion was carried unanimously.

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Chair Mende called for a recess and reconvened the meeting at 10:53 a.m.

Chair Mende reaffirmed the Board’s delegation of authority to HHFDC staff to administer the rules and policies set by the Board, and therefore, supports staff’s decision to terminate the ROE for Lots 48 and 49.

Director Kahele moved, seconded by Director Reimann, to approve staff’s recommendation.

Oakes stated that based on progress made in three basic milestones of site control, zoning approvals, and financing commitments, the deadline to issue HMMF Bonds for the DE Thompson Village project (Project) is being requested to be extended to March 31, 2023.

Oakes reported that bond closing calls on the project has commenced as DET Renton Partners LP (Awardee) is diligently working with the U.S. Department of Agriculture (USDA) to finalize its 515 Loan documents and 521 Rental Assistance agreement.

Oakes opened for questions, along with Ms. Sara DeVries, on behalf of the Project.

Designee Becker inquired about the delay of the 515 Rural Development (RD) Loan. DeVries explained that the delay was primarily attributed to the change in USDA’s review process of RD Loans, processing from a local level to a centralized national processing effort that requires independent reviews and approvals from various departments.

There being no further discussion, the motion was carried unanimously.

Director Kahele moved, seconded by Vice Chair Mackler.

Housing Finance Branch Specialist Mark Ogata presented the For Action, stated that the subject For Action requests the authorization to issue of up to \$12,412,322 in HMMF Bonds through the adoption of Resolution No. 166, for the benefit of the Pauahi Kupuna Hale project (Project). The HMMF bonds will be a private placement with the Bank of Hawaii.

There being no questions, the motion was carried unanimously.

(Director McCartney was excused at this time – 11:08 a.m.)

Housing Development Specialist Stan Fujimoto updated the Board on the events below, that occurred subsequent to staff’s previous For Information presented in August 2021, regarding the development of HHFDC’s master planned community within the Villages of Leiali`i (Leiali`i) in Lahaina, Maui, providing affordable housing units at 140% and below the area median income (AMI) for more than 50% of the units.

- In November 2021, the 200-unit Kaiaulu O Kuku`ia Apartments affordable family rental project received HHFDC Board approval of its tax credit, Hula Mai Multi-Family Bond and Rental Housing Revolving

**RECONVENED/  
RECESSED**

10:44 a.m.

**RECONVENED**

10:53 a.m.

**IV.E.  
DISCUSSION  
AND/OR  
DECISION  
MAKING**

Approve an Extension to Resolution No. 140, Which Provides for Official Intent with Respect to the Issuance of Hula Mae Multi-Family Tax-Exempt Revenue Bonds for the DE Thompson Village Project Located in Ewa Beach, Oahu, TMK No.: (1) 9-1-046: 088

**IV.F.  
DISCUSSION  
AND/OR  
DECISION  
MAKING**

Approve Resolution No. 166, Authorizing the Issuance of Hula Mae Multi-Family Tax-Exempt Revenue Bonds for the Pauahi Kupuna Hale Project Located in Honolulu, Oahu, TMK No.: (1) 1-7-003: 038

**IV.G.  
DISCUSSION  
AND/OR  
DECISION  
MAKING**

Update on Villages of Leiali`i in Lahaina, Maui, TMK Nos.: (2) 4-5-021: 003, 004 (por.), 005 (por.), 013, 018, 019, 020, 021, 022 (por.),

Fund financing, and the developer began their weekly bond calls in January 2022.

041; (2) 4-5-028:  
070 and 081; (2)  
4-5-036: 001 to 112

- In December 2021, the Maui County Council approved the West Maui Community Plan, which approved about 50 acres at the Villages of Leiali'i for residential use, out of the 245 acres for 1,200 units approved under the Urban Growth Boundaries of the Maui Island Plan.
- In January 2022, transferring HHFDC's remaining undeveloped lands at Leali'i to DHHL were discussed with DHHL and a draft transfer agreement was forwarded to DHHL for review and comment on February 22, 2022. The transfer agreement will be subject to the approvals of the HHFDC Board, Hawaii Homes Commission, and the Governor prior to execution.

Fujimoto opened for questions, along with Mr. Stewart Matsunaga, on behalf of DHHL.

Director Kahele inquired about the AMI restrictions for the remainder of units. Fujimoto stated that the remaining units would be market. However, if the property is transferred to DHHL, the affordability criteria will be determined by DHHL.

Due to legislative hearings, Matsunaga sent Chair Aila's regrets for not being able to attend today's board meeting, conveying DHHL's appreciation on HHFDC's efforts and partnership.

Executive Director Iseri-Matsubara highlighted key Legislative bills relating to bond cap and the RHRF.

House Bill (HB) 1829, specifies that the entire allocation of the state bond ceiling shall be allocated to the HHFDC to be used for housing related projects.

HB1748, HD1, authorizing the issuance of General Obligation bonds for affordable housing.

HB2513, HD1, deposits funds into the RHRF to be used to provide loans or grants to mixed-income rental projects or units for persons and families with incomes between 61% and 100% of the median family income.

Executive Director Iseri-Matsubara further stated that HHFDC continues to work with Council for Native Hawaiian Advancement to administer the Homeownership Assistance Fund Program. While the Finance Branch has begun to make new issuances of Mortgage Credit Certificates this year.

Executive Director Iseri-Matsubara thanked the Board for their continued support and hoped for a very productive Legislative session.

Designee Becker inquired about HHFDC's process in signifying its support or opposition for a bill and the involvement of the Board. Woodard stated that the Board delegated authority to the Executive Director to represent HHFDC before the Legislature and provides monthly updates on the status of the bills to the Board.

Designee Becker suggested that the policy be revisited to allow the Board to receive a deeper understanding of what HHFDC is supporting or opposing, particularly on the Private Activity Bond Bill. Executive Director Iseri-Matsubara stated that matter could be looked into.

Chair Mende opened for public testimony for those who had not yet testified.

**V.  
REPORT  
BY THE  
EXECUTIVE  
DIRECTOR**

Regarding agenda item IV. A., Mr. Elijah Kane, requested for more one-on-one discussions for a better understanding of their situation and avoid homelessness. He expressed his appreciation for the Board's time and hard work.

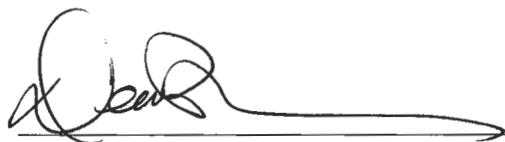
Ms. Blossom Feiteria, an advocate for affordable housing, provided testimony in support of agenda item IV.G., regarding the transfer of Leiali'i lands to DHHL and looked forward to future conversations.

Designee Becker expressed concern on project extension requests, asking whether a project tracking update (i.e., where we stand with all of the awards made, what projects are behind, what projects are on track, and what are we doing to ensure deadlines are met) could be provided. Executive Director Iseri-Matsubara stated that she will work with the Finance Branch; however, noted that many variables, such as, but not limited to, the Pandemic, affect the progress of projects.

Chair Mende stated that project tracking information would be helpful to the Board.

Director Reimann moved, seconded by Director Sasaki, to adjourn the meeting at 11:35 a.m.

The motion was carried.



for SEAN SASAKI  
Secretary

**VI.**  
**ADJOURNMENT**  
11:35 a.m.