CALL TO ORDER/ ROLL CALL

II. A. APPROVAL OF MINUTES
04/14/16
Regular

A quorum was present.

Vice Chair Taira moved, seconded by Director Abe

That the minutes of the Regular Meeting held on April 14, 2016 be approved as circulated.

HHFDC Regular Meeting – May 12, 2016
Upon unanimous vote, the motion was approved.

Chair Pulmano deferred the approval of item II. B. to later in the meeting.

Staff’s recommendation was presented as follows:

That the HHFDC Board of Directors:

A. Authorize the Executive Director to undertake all tasks necessary to effectuate the purposes of this For Action, including negotiating and executing an Agricultural Lot Ground Lease for Waiahole Valley Lot No. 126 with Arthur F. Reppun on the key terms outlined herein.

Vice Chair Taira moved, seconded by Director Abe

That staff’s recommendation be approved.

Property Management Coordinator Chris Woodard presented the For Action, stating the events that led up to the termination of Mr. Arthur Reppun’s revocable permit from the Department of Land and Natural Resources (DLNR) through the passage of Act 330, Session Laws of Hawaii 1993, conveying 108 acres of land in Waiahole Valley to the Hawaii Finance Development Corporation (HFDC), predecessor to the HHFDC. Pursuant to Act 330, SLH 1993, HHFDC is obligated to offer a long-term agricultural lot ground lease in Waiahole Valley to Mr. Reppun.

However, because there is no physical road access (only “paper road” access) and the former DLNR parcel is located outside the Waiahole Valley Subdivision, Mr. Reppun was unable to obtain a lease, but continued to farm and voluntarily paid the HHFDC at the former revocable permit rental rate through 2015.

Therefore, in May 2014, HHFDC procured services of Austin, Tsutsumi & Associates to complete a boundary survey and a preliminary estimate of the cost to construct a road within the road lot beginning at lots 127 and 128, estimated to be over $1.3 million, being economically unfeasible for HHFDC to construct.

In April 2015, HHFDC procured services of Plasch Econ Pacific LLC to prepare an analysis and estimate financial loses that Mr. Reppun incurred because of an ongoing dispute between lessees, closing access to the dirt road, which led to his farm. In the economic consultancy conducted, an estimated total of $59,800.00 would cover Mr. Reppun’s financial losses due to the restricted access to his farm.

In concurrence with Act 330 and Mr. Reppun, staff proposes to lease lot No. 126 to Mr. Reppun consistent with terms of the HHFDC agricultural lot ground leases in Waiahole Valley in addition to the $59,800 lessee improvement allowance to be disbursed and managed by HHFDC staff.

Mr. Woodard noted that within the draft lease language, reimbursement of improvements would need to be completed within two years of signing the lease.

Mr. Woodard opened for questions, along with Mr. Reppun and Mr. Plasch.

In reference to Exhibit D, term number 35, Disbursement of Lessee Improvement Allowance, Director Evans asked what would happen if Mr. Reppun was not able to complete the six incurred cost terms. Mr. Woodard clarified that the six reimbursement categories are areas of improvements that are eligible for
reimbursement but are not necessarily required improvements. Improvements costing in excess of the allowance would be funded by Mr. Reppun’s own capital.

In reference to the draft lease language, Director Evans asked whether there may be a different interpretation of term number 35 after the two-year period. Mr. Woodard stated that staff could look over the lease language again to ensure further clarity.

Mr. Woodard stated that in collaboration with the Oahu Resource Conservation and Development (ORCD) Council, outside grant funds are available through the Department of Health, a matching program focused on the Waiahole and Kaalaea water sheds. Funds are anticipated to be available in October 2016.

Director Evans asked whether the $59,800 would be eligible for the matching. Mr. Woodard stated that he would need to check with the ORCD.

Director Abe asked whether Mr. Plasch’s report considered the asset value of the plants, grading, and work on the land. Mr. Woodard stated that the report does include those things, valuing the farm based on its income stream over a period of time, with a residual value of $30,000. Mr. Woodard further explained that the current value was arrived by discounting the future net income and the future residual value of the farm. Mr. Plasch concurred.

Director Spindt asked whether a prescriptive use easement was looked into for access rights. Mr. Woodard stated that staff did not pursue that option due to the time and resources it would require of staff and legal counsel. Also, the outcome of the endeavor would be up to a court and therefore uncertain.

Director Spindt asked whether an archeological survey was necessary. Mr. Woodard stated that he did not believe so considering the property was within the subdivision and went through an EIS process in the early 80’s, before permits and lots were transferred out.

Director Spindt stated that it appears the State did not cause the lack of access and therefore, rather than gifting Mr. Reppun the $59,800 amount, suggested that a zero percent interest loan be provided to Mr. Reppun for the life of the lease, which he believe to be a more effective use of staff’s time and resources.

Mr. Woodard added that a provision for a 20-year extension option would be available once the other agricultural leases in the subdivision expire in June 2053.

Director Spindt asked that the Board have further discussion on the suggested option.

Director Abe asked why a ground lease was not issued to him in 1993. Mr. Woodard reiterated that in order for a lease to be issued, the property would have required a subdivision, which was currently located outside of the subdivision and perhaps considered cost prohibitive by the agency at that time.

In response to Director Becker, Mr. Woodard concurred, stating that pursuant to the Act, a revocable permit was issued in 1989, which was later terminated by the DLNR in 1993 when the land was conveyed to HFDC.

Chair Pulmano suggested that Board have further discussion to address Director Spindt’s concern and asked if Mr. Reppun agreed to the amount estimated within Mr. Plasch’s report.

Mr. Reppun stated that he was unsure, due to the uncertainty of the actual outcome; however, stated that he did submit a letter with an estimation of $140,000.

Discussion ensued on Mr. Plasch’s report and the process of evaluation.
Chair Pulmano asked for a motion to go into executive session to consult with the Board’s attorney on questions and issues pertaining to the Board’s powers, duties, privileges, immunities, and liabilities.

Director Evans moved, seconded by Director Abe

That the Board convene in executive session at 9:43 a.m.

Upon unanimous vote, the motion was approved.

The Board reconvened in regular session at 10:06 a.m. and Chair Pulmano called for the vote.

Upon unanimous vote, the main motion was approved.

Vice Chair Taira moved, seconded by Director Evans

That the board recess at 10:07 a.m.

Upon unanimous vote, the motion was approved.

The Board reconvened into regular session at 10:14 a.m. and proceeded to agenda item III. B.

Staff’s recommendation was presented as follows:

That the HHFDC Board of Directors approve the following:

A. Approve proposed Chapter 15-319, HAR, subject to approval as to form by HHFDC’s Deputy Attorney General, and to the Governor’s approval, and authorize the Executive Director, or designated representative(s), to conduct a public hearing on the adoption of Chapter 15-319, HAR;

B. Authorize the Executive Director to make any necessary non-substantive amendments to the draft rule following the public hearing; and

C. Subsequent to the public hearing, authorize the Executive Director to transmit Chapter 15-319, HAR, to the Governor for final approval if no substantive amendments are required.

Vice Chair Taira moved, seconded by Director Abe

That staff’s recommendation be approved.

Planner Mavis Masaki presented the For Action, stated that HHFDC owns and operates a private potable water system in Waiahole Valley, which serves the Waiahole Valley Agricultural Park and Residential Subdivision, as well as the Department of Hawaiian Home Land lots, Kuleana lots, and the Waiahole Elementary school.

Current water rates for the system have not been changed since 1989, which are below the Board of Water Supply’s (BWS’s) rates and do not generate revenues sufficient to cover the systems operating costs, even with the proposed rate change.

The proposed Chapter 15-319, Hawaii Administrative Rules were drafted using existing BWS rules and private water system consumer agreements as models, with intentions to:
1. Set forth a clear procedure for an application to obtain water service for new consumers;

2. Clarify the respective rights and responsibilities of the HHFDC and water consumers;

3. Establish a new water rate schedule and service fees; and

4. Establish clear procedure for discontinuation of water service for nonpayment of bills or noncompliance with HHFDC requirements for services.

The current BWS rate schedule as of July 1, 2015 was referenced and the median residential and agricultural/mixed water uses were noted to be 9,000 gallons per month and 18,000 gallons per month, respectively.

Under the proposed rules, HHFDC will be responsible for the installation of service connection and installation of shut-off valve and check valve on the consumer supply pipe, at the consumer’s expense. The HHFDC will also be responsible for the maintenance of the potable water system pumps and tanks, water mains and transmission lines, and the service connection, up to and including the water meter.

The proposed water rate schedule implements a fee increase to match the BWS rate schedule approved by the Public Utilities Commission, on a tiered discount, that will be reduced each year for a four-year period, at which point users will be charged the BWS rate itself. Thereafter, rates will automatically increase on an annual basis by the percentage established in the Consumer Price Index for water, sewer, and trash collection services in the month of July of the prior calendar year.

The next steps in the rulemaking process was noted as follows:

1. Governor approval of the request to conduct a public hearing on the proposed rules, via the Department of Budget and Finance and the Department of Business, Economic Development and Tourism’s small Business Regulatory Review Board;

2. Statewide publication of notice of the public hearing no later than 30 days prior to the hearing date;

3. The public hearing; and

4. Submission of a request for the Governor’s final approval of the proposed rules. The request will include a summary of all public comments on the proposed rules.

If necessary, staff will return to the Board for further discussion and approval of any substantive amendments to the proposed rules.

Ms. Masaki opened for questions, along with Mr. Woodard.

Vice Chair Taira asked whether the water rates accounted for the different size meters. Mr. Woodard stated that other than the differentiation between residential and agricultural water uses, the rates are the same across all meter sizes, with a slight variation in cost to remove and install.

Vice Chair Taira asked whether the meters required anti-siphon devices for the back-up flow. Mr. Woodard stated that he believed the current draft rules required back-up flow preventers for agricultural lots and uses only.

Director Kahele asked what is the difference between Blocks 1, 2, and 3. Mr. Woodard stated that those are the various tranches of use in gallons.
Director Kahele asked about the increased rate changes. Ms. Masaki explained that within Block 1, up to 13,000 gallons, proposed rates will increase from 90 cents to $4.42 at the end of the 4-year period, which is the reason for the tier discounting, providing users time to adjust.

Director Iseri-Matsubara asked for the agency's estimated net subsidy amount over a three- to five-year period. Mr. Woodard stated that for the water system alone, HHFDC provides approximately $150,000 on an annual basis, with approximately $200,000 - $400,000 annually for the whole Waihole Valley, school, and DHHL lots, funded from the Dwelling Unit Revolving Fund.

In response to Chair Pulmano, Mr. Woodard stated that the estimated subsidy amount is just the operating amount and does not reflect capital improvement costs.

Chair Pulmano asked whether the proposed changes were being communicated to the customers. Mr. Woodard stated that in 2011, HHFDC held a community meeting at Waihole school and have since incorporated at least one substantial comment into the revised draft rules. The Community Association and individual lessees/water users have also been informed.

Director Abe asked whether the proposed rates were comparable to other agricultural areas. Mr. Woodard stated that these rates were designed to be consistent with the BWS agricultural rates for potable water. Although the Department of Agriculture own systems that provide irrigation water at lower rates, that water is untreated.

Director Kahele asked about the 67% tax credits. Mr. Woodard stated that what the draft rules propose is to provide a credit towards the actual face rate that would be reduced over time.

Upon unanimous vote, the motion was approved.

Staff's recommendation was presented as follows:

That the HHFDC Board of Directors approve the following:

A. Resolution No. 086, attached as Exhibit D, which provides approval to issue revenue bonds of up to $8,150,000 for the Kamana Elderly project, subject to the provisions and conditions recommended in Exhibit C; and

B. Authorize the Executive Director to undertake all tasks necessary to effectuate the purposes of this For Action.

Vice Chair Taira moved, seconded by Director Abe

That staff's recommendation be approved.

Finance Manager Darren Ueki presented the For Action, stating that the 62 elderly unit project is located in Hilo, Hawaii.

Construction of the Kamana Elderly Apartments (Project) is anticipated to begin in June 2016, with Project completion in October 2016.

The Hula Mae Multi-Family (HMMF) Bond shall have two series aggregating the $8.15 million.

Series A is a $2.836 million private placement with Freddie Mac through Berkeley Point Capital LLC and shall support the construction and permanent financing.

Series B is a $5.31 million private placement with Alden Capital Partners, LLC and shall support solely the construction financing.
Tax equity will be used to pay off Series B upon the Project’s conversion to its permanent financing structure.

A TEFRA hearing was conducted on April 25, 2016, with one person from the public in attendance. No written or oral testimony was received.

Resolution No. 086, authorizes the issuance, sale, and delivery of the Mortgage Revenue Bonds in the amount of $8.15 million.

Mr. Ueki opened for questions, along with Mr. Randy Hue, on behalf of the Project.

There being no question, Chair Pulmano called for the vote.

Upon unanimous vote, the motion was approved.

Staff’s recommendation was presented as follows:

That the HHFDC Board of Directors:

A. Approve the State of Hawaii’s Consolidated Plan Annual Action Plan for Program Year 2016-2017; and

B. Authorize the Executive Director to undertake all tasks necessary to submit and implement the PY2016 annual Action Plan.

Vice Chair Taira moved, seconded by Director Evans

That staff’s recommendation be approved.

Planner Lisa Wond stated that an amended version of the For Action was distributed, reflecting a $52.00 increase in our HOME allocation from HUD and requests the approval of the 2016 Annual Action Plan covering the period from July 1, 2016 to June 30, 2017. No comments were received for the draft Action Plan during the 30-day comment period.

If approved, the Action Plan is anticipated to be submitted to HUD by May 15, 2016.

In addition to funding received through the HOME, ESG, and HOPWA grants, the State will also receive approximately $3 million in Housing Trust Fund monies.

Once eligible projects from the City and County of Honolulu and the County of Kauai are identified, staff will return to the Board for possible approval of a substantial amendment to the Action Plan to include the National Housing Trust Fund projects.

Ms. Wond opened for questions.

In response to Vice Chair Taira, Ms. Wond stated that exact amounts are needed in order for HUD to sign and award grant amounts.

Upon unanimous vote, the motion was approved.

Staff’s recommendation was presented as follows:

That the HHFDC Board of Directors approve amendments to the Development Agreement and related documents with Forest City Hawaii Kona, LLC, necessary for a reduction in the scope of work and possible withdrawal of Forest City as the master developer for Kamakana Villages at Keahou, North Kona, Hawaii, TMK Nos.: (3) 7-4-021: 020, 024, 028 to 041, and 044 to 049, as approved by the Executive Director, substantially as discussed in this For Action, and...
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION

authorize the Executive Director to take all actions necessary to effectuate the purpose of this For Action, subject to the following:

A. Resolution of amendment(s) to the Development Agreement and Michaels Sub-DA, as approved by the HHFDC Executive Director;

B. Approval and execution of necessary documents by the Department of Attorney General and the HHFDC Executive Director; and

C. Compliance with all rules and regulations and such other terms and conditions as may be required by the Executive Director.

Vice Chair Taira moved, seconded by Director Kahele

That staff’s recommendation be approved.

Development Section Chief Stan Fujimoto presented the For Action, stating that the Kamakana Villages (Project) is HHFDC’s 2300 unit Master Planned Community in North Kona, Hawaii, with Forest City selected as the Developer for the project in 2008, through an RFP process.

On May 2, 2016, HHFDC received a letter from Forest City, proposing an amendment to the Development Agreement for the Project.

Chair Pulmano entertained a motion to go into executive session to consult with the Board’s attorney on questions and issues pertaining to the Board’s powers, duties, privileges, immunities, and liabilities.

Vice Chair Taira moved, seconded by Director Evans

That the Board convene in executive session at 10:40 a.m.

Upon unanimous vote, the motion was approved.

The Board reconvened in regular session at 11:23 a.m. and with no further discussion, Chair Pulmano called for the vote.

Upon unanimous vote, the main motion was approved.

Staff’s recommendation was presented as follows:

That the HHFDC Board of Directors approve Kamakana Family Phase I, LLC, or other entity approved by the Executive Director, as an Eligible Developer pursuant to Section 15-307-24, HAR, and a DURF interim and permanent loan in the principal amount of up to $500,000 for the development of the Kamakana Villages – Family Rental Phase I Project at the Kamakana Villages at Keahuolu Project located in Keahuolu, North Kona, Hawaii, TMK Nos. (3) 7-4-021: 049, substantially as discussed in this For Action, and authorize the Executive Director to take all actions necessary to effectuate the purpose of this For Action, subject to the following:

A. Availability of DURF Funds;

B. Approval and release of funds by the Governor;

C. Approval and execution of necessary loan documents by the Executive Director;

D. Resolution of the Michaels Letter Agreement between Michaels, Forest City and HHFDC;

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E. All of the units in the Project shall remain affordable for the term of the Ground Lease pursuant to restrictions as agreed to by the Executive Director;

F. Submittal of necessary compliance monitoring fees and documents including, but not limited to, an annual rent roll and Borrower's certification that the rents and household incomes of the affordable units are in compliance with the Project's affordability requirements, in a form and content as may be requested by HHFDC;

G. Other conditions prior to closing of the DURF loan, unless otherwise approved by the Executive Director:
   1. Recordation of the affordability requirement of the Project as required by HHFDC as land use restrictions on the Ground Lease for the Project;
   2. Concurrent and prior closing of the first mortgage and RHRF construction loans;
   3. Submittal of a current appraisal of the proposed Project verifying that the loan-to-cost ratio of the DURF and all senior mortgages do not exceed 77.4%;
   4. Receipt of grading or building permit for the Project; and
   5. ALTA Lender's title insurance with a mechanics' lien endorsement acceptable to HHFDC insuring the priority of the DURF loan behind the primary and RHRF construction lenders and against statutory liens for labor or materials for the improvement of the Property caused by the visible commencement of operations prior to closing of the DURF loan:

H. Commencement of construction of the Project by December 31, 2016, unless otherwise extended at the sole discretion of the Executive Director;

I. Completion of the Project by December 31, 2017, unless otherwise extended at the sole discretion of the Executive Director; and

J. Compliance with all rules and regulations and such other terms and conditions as may be required by the Executive Director.

Vice Chair Taira moved, seconded by Director Kahele

That staff's recommendation be approved.

Mr. Fujimoto stated that this For Action addresses the Michaels family rental project within the Kamakana Villages.

By application dated April 25, 2016, Michaels informed HHFDC that due to cost increases both their senior and family projects had a funding deficiency and therefore, needed to submit an application for a DURF interim and permanent financing. Under the Sub-Development Agreement with Forest City, Michaels pays an offsite infrastructure fee of $1.885 million for both projects.

The proposed DURF loan terms are as follows:

Purpose: Kamakana Villages – Family Rental Phase 1 Project
Borrower: Kamakana Family Phase I, LLC, or other entity approved by the Executive Director
Loan Amount: Principal amount of up to $500,000 in interim and permanent financing
Interest Rate: 0.0% per annum during the 24-month construction period; 3% per annum interest accrued annually during the permanent loan period.
Loan Fee: 0.0 points
Loan Term: 47 years, including a 2-year construction period
Mortgage Priority: Junior mortgage; the DURF loan shall not be enforceable prior to the maturity date of the senior loans Ground Lease; Non-recourse loan
Repayment: 75% of available net cash flow of the Project based on annual audited financial statements of rental operation provided to HHFDC by March 31 of the following calendar year; no prepayment penalty.

Under pending negotiations with Forest City for an amendment to the Development Agreement, the offsite infrastructure fee for the project is proposed to be split evenly between HHFDC and Forest City, enabling a $250,000 payment to HHFDC from HHFDC’s development rights under the Development Agreement.

The RHRF loan is anticipated to be repaid in year 39, with the DURF loan projected to be repaid in year 44.

Development Branch Chief Rick Prahler provided a status update on the DURF funds. Pie-chart handouts were distributed to the Board.

Executive Director Hirai asked whether the legislative appropriation of $25 million was included with the DURF balance. Mr. Prahler stated that the $25 million appropriation is not included.

In response to Director Iseri-Matsubara, Mr. Prahler stated that there is a projected use of the funds.

Director Abe asked about the junior mortgages. Mr. Prahler stated that junior mortgages are subordinate to the primarily lenders or banks and eventually become a permanent loan.

Mr. Fujimoto stated that a community meeting was held on May 3, 2016 and opened for questions, along with Ms. Monica Mordisini, on behalf of the project.

Ms. Mordisini thanked the Board for their support and help, especially to Executive Director Hirai and the Development and Finance staff, for all their hard work.

Ms. Mordisini stated that community meeting consisted of over 50 people, who were excited about having affordable rentals in their community. General information related to the project were discussed. Having Project Based Section 8 vouchers, a waiting list will be maintained by the County. The Project is expected to close June 6, 2016, with construction anticipated to start on June 13, 2016.

Vice Chair Taira asked whether the CDBG was a loan or a grant. Ms. Mordisini stated that for tax purposes, the CDBG funds is a grant from the County that is given to our non-profit entity, which is loaned to the partnership and written off. The loan falls in a junior position to the RHTF and DURF loans.

Upon unanimous vote, the motion was approved.

Staff's recommendation was presented as follows:

That the HHFDC Board of Directors approve Kamakana Senior, LLC or other entity approved by the Executive Director, as an Eligible Developer pursuant to Section 15-307-24, HAR, and a DURF interim and permanent loan in the principal amount of up to $500,000 for the development of the
Kamakana Villages – Senior Rental Project at the Kamakana Villages at Keahuolu Project located in Keahuolu, North Kona, Hawaii, TMK Nos. (3) 7-4-021: 038, substantially as discussed in this For Action, and authorize the Executive Director to take all actions necessary to effectuate the purpose of this For Action, subject to the following:

A. Availability of DURF funds;

B. Approval and release of funds by the Governor;

C. Approval and execution of necessary loan documents by the Executive Director;

D. Resolution of the Michaels Letter Agreement between Michaels, Forest City and HHFDC;

E. All of the units in the Project shall remain affordable for the term of the Ground Lease pursuant to restrictions as agreed to by the Executive Director;

F. Submittal of necessary compliance monitoring fees and documents including, but not limited to, an annual rent roll and Borrower’s certification that the rents and household incomes of the affordable units are in compliance with the Project’s affordability requirements, in a form and content as may be requested by HHFDC;

G. Other conditions prior to closing of the DURF loan, unless otherwise approved by the Executive Director:
   1. Recordation of the affordability requirement of the Project as required by HHFDC as land use restrictions on the Ground Lease for the Project;
   2. Concurrent and prior closing of the first mortgage and RHRF construction loans;
   3. Submittal of a current appraisal of the proposed Project verifying that the loan-to-cost ratio of the DURF and all senior mortgages do not exceed 58.9% of the Total Project Budget;
   4. Receipt of grading or building permit for the Project; and
   5. ALTA Lender’s title insurance with a mechanics’ lien endorsement acceptable to HHFDC insuring the priority of the DURF loan behind the primary and RHRF construction lenders and against statutory liens for labor or materials for the improvement of the Property caused by the visible commencement of operations prior to closing of the DURF loan;

H. Commencement of construction of the Project by December 31, 2016, unless otherwise extended at the sole discretion of the Executive Director;

I. Completion of the Project by December 31, 2017, unless otherwise extended at the sole discretion of the Executive Director; and

J. Compliance with all rules and regulations and such other terms and conditions as may be required by the Executive Director.

Mr. Fujimoto stated that this For Action seeks approval of the following DURF interim and permanent loan for the Michaels Kamakana Senior rental project at Kamakana Villages.
Proposed DURF loan terms are as follows:

**Purpose:** Kamakana Villages – Senior Rental Project

**Borrower:** Kamakana Family Phase I, LLC, or other entity approved by the Executive Director

**Loan Amount:** Principal amount of up to $500,000 in interim and permanent financing

**Interest Rate:** 0.0% per annum during the 24-month construction period; 3% per annum interest accrued annually during the permanent loan period.

**Loan Fee:** 0.0 points

**Loan Term:** 47 years, including a 2-year construction period

**Mortgage Priority:** Junior mortgage; the DURF loan shall not be enforceable prior to the maturity date of the senior loans Ground Lease; Non-recourse loan

**Repayment:** 75% of available net cash flow of the Project based on annual audited financial statements of rental operation provided to HHFDC by March 31 of the following calendar year; no pre-payment penalty.

The RHRF loan is anticipated to be repaid in year 39, with the DURF loan projected to be repaid in year 44.

Mr. Fujimoto opened for questions, along with Ms. Monica Mordisini.

Upon unanimous vote, the motion was approved.

Executive Director Craig Hirai reported on the following:

- $75 million infusion into the Rental Housing Revolving Fund.
- $36.6 million from House Bill (HB) 1700, the State Budget.
- $9.5 million from the Rental Assistance Revolving Fund through Senate Bill (SB) 2566.
- Approximately $30 million from 50% of the Conveyance Tax.
- $25 million infusion into the Dwelling Unit Revolving Fund from HB 1700, the State Budget.
- HB 2293 – enables HHFDC to develop mixed-use developments in partnership with state and county departments and agencies to create communities with housing, jobs, shops, and government services located in close proximity.
- HB 2305 – authorizes the creation of regional state infrastructure improvement subaccounts within the Dwelling Unit Revolving Fund (DURF) and the use of the DURF funds to provide loans and grants to finance regional state infrastructure improvements in areas of planned growth.
- SB 2833 – increases funding for affordable rental housing development by making the state Low Income Housing Tax Credit more valuable by reducing the tax credit period from ten years to five years.
- SB 3077 – designates the office of planning as the lease state agency for Transit-Oriented Development (TOD) coordination and establishes the Hawaii Interagency Council for TOD co-chaired by the Office of Planning
and HHFDC to coordinate effective and efficient TOD planning and implementation on a statewide level.

- SB 2561 – establishes a goal of developing or vesting the development of at least 22,500 affordable rental housing units ready for occupancy between January 1, 2017 and December 31, 2026.

- HB 1527 – requires the auditor to periodically review certain credits, exclusions, and deductions under the income tax and financial insinuations; including the Low Income Housing Tax Credit under HRS Sections 235-110.8 and 241.47.

- SB 2547 – requires the auditor to periodically review certain exemptions, exclusions, and credits under the general excise and use taxes, public service company tax, and insurance premium tax; including the General Excise Tax Exemption for approved low-income housing projects under HRS Section 237-29.

- SB 2823 – authorizes the HHFDC Board of Directors to set the salary of the HHFDC executive director in an amount not to exceed the salary of the Director of Business, Economic Development, and Tourism.

With no further discussion, Chair Pulmano called for a motion to adjourn the meeting.

Vice Chair Taira moved, seconded by Director Spindt

That the meeting be adjourned at 11:50 a.m.

Upon unanimous vote, the motion was approved.