



HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION



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Grand opening held for HHFDC-backed Hale Kalele affordable rental project

HONOLULU – Gov. David Ige joined Hawaii Supreme Court Chief Justice Mark Recktenwald and officials from the Kobayashi Group at today’s grand opening ceremony for the mixed-use Hale Kalele project which adds 200, all-affordable rental housing units at a prime and formerly underutilized location in lower Makiki.

“This project is significant because it took an aging building on underutilized state land and transformed it into a brand new center that will offer support services and shelter for our at-risk youth, as well as new affordable rental units for a segment of our community that is most in need – families earning no more than 60% of area median income which translates to no more than \$72,480 a year,” said Denise Iseri-Matsubara, executive director of the Hawaii Housing Finance and Development Corporation.

The project marks the first-ever partnership between HHFDC, the Hawaii Judiciary and the Kobayashi Group.

“I’m really happy to see the Kobayashi Group has expanded into the Low Income Housing Tax Credit field and am honored to share in its success on its first LIHTC project,” Iseri-Matsubara said.

The new complex is home to a juvenile services center and shelter, located on portions of the first- and second- floors of the building that are accessible via Alder Street.

The rest of the building houses 201 units, including one unit reserved for a resident manager. Residents are serviced by an entry on the Piikoi Street side.

Residents cannot earn more than 60% of area median gross income to qualify to live at Hale Kalele. Under 2021 guidelines put out by the U.S. Department of Housing and Urban

Development, a two-person household earning 60% AMI on Oahu is categorized as making a maximum of \$58,020 annually. For a family of four, it's \$72,480.

The developer will keep the units at affordable rates for a minimum of 73 years. Rents initially are running from \$664 to \$1,480 a month for a two-bedroom unit, \$570 to \$1,250 for a one-bedroom unit and \$542 to \$1,177 for a studio.

The \$91 million project received significant financial support from HHFDC, which provides opportunities to landowners and developers that construct or retain affordable housing units.

Hale Kalele received \$40.5 million in federal and state Low Income Housing Tax Credits, a Rental Housing Revolving Fund loan of up to \$24.5 million and \$25.4 million in Hula Mae Multi-Family tax-exempt revenue bonds.

The land remains under state ownership and is being provided to the developer for \$1 a year for 75 years.

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