



HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION



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For Release: September 22, 2022

Hale Kalele/Hale Hilina‘i affordable rental project wins American Planning Association Best Practice Award

HONOLULU – The Hale Kalele/Hale Hilina‘i complex – a project that blends an environmentally conscious 200-unit, all-affordable rental tower with a juvenile services facility -- has been honored by the American Planning Association Hawaii Chapter with its 2021 Best Practice Award.

The \$91 million Hale Kalele project was developed by the Kobayashi Group with low-income housing tax credits, tax-exempt revenue bonds and a low-interest loan, all provided through Hawaii Housing Finance and Development Corporation (HHFDC).

The centrally located Lower Makiki property, for decades, was home to a juvenile detention and services center. HHFDC, in collaboration with the Hawaii State Judiciary, provided the Kobayashi Group and the Judiciary with separate, long-term ground leases for the site that allowed the project to move forward.

“This affordable rental project marks the first inter-agency partnership between HHFDC and the Judiciary, and the Kobayashi Group’s first LIHTC housing development,” said HHFDC Executive Director Denise Iseri-Matsubara. “It provides a roadmap for other government agencies and private developers to follow.”

In the new complex, 30,000 square feet of the first two levels are dedicated to the Hale Hilina‘i juvenile services center and shelter. The rest of the building houses Hale Kalele’s 200 rental units, including one unit reserved for a resident manager. Residents cannot earn more than 60% of area median gross income in order to qualify to rent a unit.

“The jury was impressed by the project’s mix of affordable housing and civic uses, its timely completion despite the all too familiar implementation challenges that accompany such projects, and its efforts to showcase environmentally sustainable building practices and amenities that

are expected to result in utility savings, and lower living costs and (a reduction in) the project's carbon footprint," the APA Hawaii Chapter said in its presentation materials.

The Kobayashi Group, selected through a competitive Request for Proposals process, finished the project ahead of schedule and within budget despite pandemic restrictions, supply chain shortages and inflationary pressures. The developer achieved energy savings and carbon reduction through photovoltaic and battery storage systems, shared electric vehicles, and rentable electric bicycles. It is also the first structure in Hawaii to use CarbonCure technology to reduce carbon dioxide emissions.

"The Kobayashi Group team was thrilled to be awarded HHFDC funding, which enabled us to design and build our first low-income housing tax credit (LIHTC) development, Hale Kalele," said Kobayashi Group Chief Operating Officer Matthew Pennaz. "The opportunity to participate in a novel cross-government agency partnership, address the needs of our juvenile justice system, and provide affordable housing residences for the community was an honor."

"The Judiciary is a proud partner in this historic and innovative endeavor," said Chief Justice Mark E. Recktenwald. "Thanks to the vision and commitment of House Speaker Scott Saiki, HHFDC, the Kobayashi Group, Design Partners, and our First Circuit leadership team, Hale Kalele /Hale Hilina'i is now a place of hope and promise for many in our community."

APA Hawaii Chapter's Best Practice Award recognizes "a specific planning tool, practice, program, project or process." The category "emphasizes results, and demonstrates how innovative and state-of-the art planning methods and practices help to create communities of lasting value."

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