

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

**September 14, 2023**

MINUTES

The Board of Directors (Board) of the Hawaii Housing Finance and Development Corporation (HHFDC) held its regular meeting on Thursday, September 14, 2023, at 9:00 a.m., in the HHFDC Board Room, located at 677 Queen Street, Suite 300, Honolulu, Hawaii. The meeting was also livestreamed via Zoom and YouTube.

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

A roll call was taken with a quorum present. Those present and excused were as follows:

**Present:** Director Gary Mackler, Chair (in-person)  
Director Carol Reimann, Vice Chair (in-person)  
Director Sean Sasaki, Secretary (remote)  
Director Donn Mende (in-person)  
Director Jason Bradshaw (in-person)  
Director Jay Kimura (in-person)  
Designee Scott Murakami (in-person)

Interim Executive Director Dean Minakami

**Excused:** Director Luis Salaveria  
Director Nani Medeiros

**Staff:** Sandra Ching, Deputy Attorney General  
Ryan Kanakaole, Deputy Attorney General  
Chris Woodard, Chief Planner  
David Oi, Housing Finance Manager  
Holly Osumi, Chief Financial Officer  
Rodney Shiraishi, Development Support Unit Manager  
Danielle Guthrie, Housing Finance Specialist  
Kan Cheung, Housing Finance Specialist  
Lee Miller, Property Management Specialist  
Stan Fujimoto, Housing Development Specialist  
Albert Palmer, Housing Development Specialist  
Heather Murakami, Housing Development Specialist  
Keri Higa, Planner  
Cynthia Nyross, Planner  
Gordon Pang, Housing Information Officer  
Marc Orbito, Information Technology Systems Analyst  
Helmer Betiong, Information Technology Intern  
Esa Pablo, Secretary to the Board

**Guests:** Karen Seddon, EAH  
Marian Gushiken, EAH  
Questor Lau, EAH  
Sunday Mezurashi, EAH  
Grant Chang, Lowney Architecture  
Anthony Musielak, Moss  
Matt Jun, Moss  
Chivas Miho, Moss  
Tom Schnell, PBR  
Christopher Abbott, Bank of Hawaii  
Craig Watase, Mark Development Inc.  
Micah Witty-Oakland, Mark Development Inc.

Dean Sakata, Mark Development Inc.  
Nainoa Watson, Ikenakea  
Crystal Schip, Settle Meyer  
Ava Goldman, Ava Goldman Associates, LLC  
Devin Belnap, Riverbend Management  
Bryan Foulger, Foulger Pratt  
Jeremiah Pratt, Foulger Pratt  
Ailina Laborte, City & County of Honolulu  
Connie Yu-Pampalone, Catholic Charities Housing Development Corporation  
Elsa Kings (screen name)  
iPhone (screen name)

Chair Mackler confirmed that there was no one present at the remote location of Director Sean Sasaki.

Chair Mackler introduced and welcomed Director James Tokioka’s named designee, Mr. Scott Murakami, former director of the Department of Labor and Industrial Relations, now serving as the economic development coordinator for the state Department of Business, Economic Development and Tourism (DBEDT).

Housing Information Officer Gordon Pang went over HHFDC’s protocol for providing testimony, stating that a testifier will be limited to three minutes, at the discretion of the presiding officer, to address matters directly related to the agenda. Written testimony instructions were noted to be on the first page of the meeting agenda.

Director Bradshaw moved, seconded by Vice Chair Reimann, to approve the minutes of the regular Board of Directors meeting held on August 10, 2023, as circulated.

The motion was carried unanimously.

Approval of the minutes of executive session held on May 11, 2023 was approved as circulated in executive session.

Approval of the minutes of executive session held on June 8, 2023 was approved as circulated in executive session.

Interim Executive Director Dean Minakami presented the For Information, providing an update on the affordable housing properties that were affected by the wildfires on Maui; the Hawaii Fire Relief Housing (HFRH) Program; Housing Response and Recovery Phases in collaboration with the American Red Cross, Federal Emergency Management Agency (FEMA), and the State; and potential strategies in which the HHFDC could undertake to facilitate housing recovery on Maui.

Interim Executive Director Minakami commended HHFDC staff who have contributed their time to standing up a call center for the HFRH Program by answering phone calls, responding to emails, contacting property owners, and providing technical support.

**II.A  
APPROVAL  
OF  
MINUTES**  
Regular  
Meeting  
8/10/23

**II.B.  
APPROVAL  
OF  
MINUTES**  
Executive  
Session  
5/11/23

**II.C.  
APPROVAL  
OF  
MINUTES**  
Executive  
Session  
6/8/23

**III.A.  
DISCUSSION  
AND/OR  
DECISION  
MAKING**  
Information on the  
Impact of the Maui  
Wildfires on  
Affordable Housing  
Inventory and  
Potential Strategies  
that Hawaii Housing  
Finance and



Interim Executive Director Minakami summarized the various recovery phases, stating that while HHFDC is currently in phase 2 of temporary non-congregate sheltering and transitional sheltering assistance, discussions with the Governor’s Office to address phases 3 (providing long-term temporary housing through FEMA’s Rental Assistance program, Direct Lease program, and other provision of alternative housing units) and 4 (construction of permanent housing to replace housing units lost) are being considered and relayed to Hawaii’s congressional representatives, in support of the Maui County’s lead on its plans and decisions for long-term recovery.

Development Corporation may Undertake to Facilitate Recovery

Potential strategies being considered by HHFDC to facilitate housing recovery on Maui were noted.

- 1. Allocate a percentage of Private Activity Bond (PAB) cap specifically for projects on the island of Maui to help replenish the supply of affordable housing units lost.
- 2. Expedite the delivery of affordable housing projects under development.
- 3. Issue loans from the Dwelling Unit Revolving Fund for infrastructure development.
- 4. Increase Hawaii’s allocation of 9% Low Income Housing Tax Credits (LIHTC) to aid in restoring their inventory of affordable housing units.
- 5. Reduce the 50% PAB test for 4% LIHTC projects, allowing a state to stretch its allocation of PAB to finance a greater number of affordable units.
- 6. Broaden the 130% basis boost to be eligible for the island of Maui, providing additional capital for affordable housing projects.
- 7. Suspend the placed-in-service deadline to allow for delays that the Maui County may encounter in its recovery from the wildfires.
- 8. Issuance of special PAB in areas affected by presidentially declared natural disasters.

There being no public testimony provided by the public, the Board thanked Interim Executive Director Minakami and HHFDC staff for stepping up and doing a great job.

Chair Mackler suggested that a single-family financial assistance program be explored to help those who have underinsured homes or in need of loan assistance. Interim Executive Director Minakami stated that is something being discussed in which additional bond issuance could help to stand up such a program.

There being no further discussion, Chair Mackler proceeded to agenda item III.B.

Director Mende moved, seconded by Director Bradshaw, to approve staff’s recommendation.

Housing Finance Manager David Oi presented the For Action, stating that based on progress made in the areas of site control, zoning approvals, and financial commitments, an extension to issue Hula Mae Multi-Family (HMMF) bonds for the Hale O Piikea I project is being recommended from October 12, 2023 to February 16, 2024, as a precautionary measure to fulfill all financial requirements for closing targeted in October 2023.

There being no testimony provided by the public or questions by the Board, the motion was carried unanimously.

**III.B. DISCUSSION AND/OR DECISION MAKING**  
Approve an Extension to the Resolution No. 158, Which Provides for Official Intent with Respect to the Issuance of Hula Mae Multi-Family Tax-Exempt Revenue Bonds for the Hale O Piikea I



Director Bradshaw moved, seconded by Vice Chair Reimann, to approve staff's recommendation.

There being no testimony provided by the public, Oi presented the For Action, stating that based on progress made in the areas of site control, zoning approvals, and financial commitments, an extension to the Rental Housing Revolving Fund (RHRF) Letter of Intent (LOI) for the Hale O Piikea I project is being recommended from October 12, 2023 to February 16, 2024, as a precautionary measure to fulfill all financial requirements for closing targeted in October 2023.

There being no questions, the motion was carried unanimously.

Director Bradshaw moved, seconded by Vice Chair Reimann to approve staff's recommendation.

There being no testimony provided by the public, Oi presented the For Action, stating that Resolution No. 188, authorizes the issuance, sale, and delivery of the HMMF bonds, which will be a private placement with Bank of Hawaii (BOH), in a principal amount not to exceed \$28.8 million, subject to the availability of volume cap, and approval by the Department of Budget and Finance (B&F) and the Governor.

There being no questions, the motion was carried unanimously.

Director Bradshaw moved, seconded by Director Mende, to approve staff's recommendation.

There being no testimony provided by the public, Oi presented the For Action, stating that applications were reviewed and scored based on criteria and guidelines of the 2022/2023 Qualified Allocation Plan, along with other relevant factors. As a result, an allocation of up to \$1,680,000 in annual Federal 9% LIHTC over a 10-year period and \$1,680,000 in annual State 9% LIHTC over a 5-year period for the Uahi Ridge Phase 2 project is being recommended.

Mr. Micah Witty-Oakland, with Mark Development Inc., along with colleagues Mr. Craig Watase, and Mr. Dean Sakata, delivered a PowerPoint presentation on the project's development team's experience, project location and surrounding services, conceptual design, project amenities, and development plan and timeline schedule.

There being no questions, the motion was carried unanimously.

Director Bradshaw moved, seconded by Director Mende to approve staff's recommendation.

There being no testimony provided by the public, Oi presented the For Action, summarizing the RHRF Award loan terms for the Uahi Ridge Phase 2 project, in the amount of \$14 million in RHRF with a maturity loan term of 62 years.

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

Approve an  
Extension to the  
Rental Housing  
Revolving Fund  
Letter of Intent for  
the Hale O Piikea I  
Project Located in  
Kihei, Hawaii, TMK  
No.: (2) 3-9-002:  
076, CPR 0001

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

Approve Resolution  
No. 188,  
Authorizing the  
Issuance of Hula  
Mae Multi-Family  
Tax-Exempt  
Revenue Bonds for  
the Hale O Piikea I  
Project Located in  
Kihei, Hawaii, TMK  
No.: (2) 3-9-002:  
076, CPR 0001

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

Approve an Award  
of Federal and State  
Low-Income  
Housing Tax  
Credits from the  
State's 2023  
Volume Cap for the  
Uahi Ridge Phase 2  
Project Located in  
Lihue, Kauai, TMK  
No.: (4) 3-8-005:  
002, CPR 0003

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

Approve a Rental  
Housing Revolving  
Fund Project Award



There being no questions, the motion was carried unanimously.

Director Bradshaw moved, seconded by Vice Chair Reimann, to approve staff’s recommendation.

There being no testimony provided by the public, Oi presented the For Action, stating that Resolution No. 192, authorizes the issuance, sale, and delivery of the HMMF bonds, which will be a private placement with BOH, in a principal amount not to exceed \$33,175,000, subject to the availability of volume cap and approval by B&F and the Governor.

There being no questions, the motion was carried unanimously.

Director Bradshaw moved, seconded by Director Mende, to approve staff’s recommendation.

There being no testimony provided by the public, Oi presented the For Action, stating that the Rice Street Apartments was reevaluated with the 2022 Funding Round applications and was found meritorious in their request to increase the project’s existing HMMF bond issuance to \$20.3 million and \$1,859,076 in both Federal and State 4% LIHTC allocation due to a total project budget increase of \$5,419,912, primarily attributed to increases in construction and financing costs. He further stated that the project worked to obtain 5 additional Section 8 Project Based Vouchers (PBV) for a total of 20 PBV units for the project to enhance operational cash flow and facilitate debt service.

Ms. Ava Goldmann, with Ava Goldmann Associates, LLC, along with Mr. Devin Belnap, Riverbend Management, and Mr. Jeremiah Pratt, Foulger Pratt, delivered a PowerPoint presentation on the project’s development team’s history and experience, project location, unit breakdown, special site conditions attributed to the increase of construction and financing costs, and revised financing sources.

Chair Mackler inquired about the removal of the existing 2-story structure on the project site and asked how the development team has worked with Kauai County on minimizing the impact to the landfill in removing the existing structure. Mr. Belnap stated that while they have some ideas on having a rock crusher on site, further discussions with the Kauai County on solutions to minimize impact will be done when they reach that point.

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

Director Bradshaw moved, seconded by Vice Chair Carol Reimann, to approve staff’s recommendation.

There being no testimony provided by the public, Housing Development Specialist Stan Fujimoto presented the For Action, and stated that through a Request for Proposals (RFP) process, approval of EAH Inc.’s proposal is being requested for the master plan, subdivision or creation of condominium spatial units for a mixed-use project, and the leasehold development, ownership and operation of a 303-unit affordable family rental project.

for the Uahi Ridge Phase 2 Project Located in Lihue, Kauai, TMK No.: (4) 3-8-005: 022, CPR 0003

**III.G. DISCUSSION AND/OR DECISION MAKING**  
Approve Resolution No. 192, Authorizing the Issuance of Hula Mae Multi-Family Tax-Exempt Revenue Bonds for the Halewiliko Project Located in Aiea, Oahu, TMK No.: (1) 9-9-078: 006

**III.H. DISCUSSION AND/OR DECISION MAKING**  
Approve: (1) Resolution No. 193, Which Amends Resolution No. 173 by Increasing the Intended Issuance Amount of the Hula Mae Multi-Family Tax-Exempt Revenue Bonds; and (2) Request from the Awardee to Increase the Low-Income Housing Tax Credits Reservation for the Rice Street Apartments Project Located in Lihue, Kauai, TMK Nos.: (4) 3-6-003: 010 and 066

**III.I. DISCUSSION AND/OR DECISION MAKING**  
Approve: (1) Proposal and Master Plan Submitted by EAH Inc. in Response to Hawaii Housing Finance



EAH Housing’s Ms. Karen Seddon, along with Mr. Questor Lau, Ms. Marian Gushiken, Ms. Sunday Mezurashi; Lowney Architecture’s Mr. Grant Chang, and Moss’ Mr. Anthony Musielak, Mr. Matt Jun, Mr. Chivas Miho, and Mr. Tom Schnell, with PBR, delivered a PowerPoint presentation on the project’s developer experience, design concept, financial resources, and estimated timeline.

Vice Chair Reimann commented that she was glad to see something happening in that location.

Designee Murakami recused himself from the vote due to a potential conflict.

Chair Mackler asked whether there were opportunities to bring in additional financing that could allow for a broader range of incomes to be served with the project (i.e., RHRF Tier II funding, addressing those up to the 100% AMI). Seddon responded in the affirmative.

Chair Mackler thanked Fujimoto for all his work and in providing a very comprehensive For Action.

Chair Mackler asked whether proposers who are not selected have an opportunity to be debriefed by the Corporation. Fujimoto stated that the RFP specifies that evaluation and award is not made public until a development agreement and ground lease is executed, and requests for a debriefing will be entertained at that time.

In reference to the developer’s timetable, Chair Mackler questioned the lengthy timeframe between the November 2025 and January 2027 dates for completed construction plans and documents for phases 1 and 2 and the issuance of permits. Seddon stated that they will do everything they can to expedite the process. Fujimoto added that the timetable is also synchronized with the financing cycles of the Finance Branch.

With 6 ayes, 0 nays, and one recusal, the motion was carried.

A recess was taken at 10:27 a.m.

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Chair Mackler reconvened the meeting at 10:37 a.m.

Director Bradshaw moved, seconded by Director Mende to approve staff’s recommendation.

There being no testimony provided by the public, Chief Planner Chirs Woodard presented the For Action, summarizing the substantive provisions being incorporated within the proposed Chapter 15-321, Hawaii Administrative Rules (HAR) regarding minimum eligibility criteria, awarding priorities, inclusion of nonprofit community development financial institutions (CDFIs), as well as minimal loan fees and charges.

Given that the program provides for competitive funding rounds, Chair Mackler inquired about how funding availability would be announced and about the application process. Oi stated that a Notice of Funding Availability (NOFA) would be published along with the application.

and Development Corporation’s Request For Proposals (RFP) DEV-RFP-23-001; (2) EAH Inc. or Other Successor Entity Approved by the Executive Director as an Eligible Developer Pursuant to Section 15-307-24, Hawaii Administrative Rules; (3) Negotiation and Execution of a Development Agreement; (4) Conveyance of the Property and Development of the Project in Accordance with the Development Agreement; (5) Subdivision of the Property and/or Creation and Amendments to a Condominium Property Regime; and (6) Issuance of Ground Leases for the Approved Uses for the Kahului Civic Center Mixed-Use Complex Located at 153 West Kaahumanu Avenue, Kahului, Maui, TMK No.: (2) 3-7-004: 003 (portion)

**RECESSED**  
10:27 a.m.  
**RECONVENED**  
10:37 a.m.

**III.J.**  
**DISCUSSION**  
**AND/OR**  
**DECISION**  
**MAKING**  
Approve Proposed New Chapter 15-321 “Affordable Homeownership Revolving Fund Program,” Hawaii Administrative Rules, Implementing the Provisions of Section 201H-206,



Given the limited \$5 million appropriated amount, Chair Mackler asked whether there would be a “cap” on the amount requests or terms of the loan. Oi responded in the negative, stating that an applicant could request the entire amount; however, the proposed loan would still need to underwrite and meet required criteria.

Chair Mackler asked whether potential applicants would require approval by the Board. Oi responded in the affirmative.

Woodard commented that one or two applicants requesting the entire \$5 million amount on a combined basis might be ideal, would show the demand, and hopefully demonstrate success therefore leading to additional infusions by the legislature.

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

*(\*Agenda title wording was changed to reflect the correct title of the board report.)*

Director Bradshaw moved, seconded by Director Mende, to approve staff’s recommendation.

There being no testimony provided by the public, Development Support Unit Manager Rodney Shiraishi presented the For Action, requesting approval for the use of the Villages of Kapolei Spending Budget for matters relating to the Villages of Kapolei perimeter walls.

Director Bradshaw moved, seconded by Director Mende to convene in executive session to discuss with the board’s attorneys on questions or issues regarding the board’s powers, duties, immunities, privileges, and liabilities.

The motion was carried unanimously.

The Board convened in executive session at 10:52 a.m.  
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The meeting was reconvened at 11:26 a.m.

Chair Mackler reported that in executive session the Board discussed with the Interim Executive Director, staff, and attorneys on the ongoing dispute with the maintenance of the perimeter walls at the Villages of Kapolei and alternatives for resolving the dispute.

The Executive Session Meeting Minutes of May 11, 2023 and June 8, 2023 were noted to have been approved in executive session.

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

Planner Kerri Higa presented the For Information, stating that the Sate’s Consolidated Annual Performance and Evaluation Report (CAPER) for Program Year (PY) 2022 focuses on the activities and administration of the HOME Investment Partnerships program, Emergency Solutions Grant program, Housing Opportunities for Persons with AIDS program, and the National Housing Trust Fund (HTF) program.

Higa noted that the City and County of Honolulu did not elect to receive PY 2022 HTF funds, which were allocated to the Kauai County. Upon submittal to the U.S. Housing and Urban Development by September 30, 2023, the final CAPER will be posted to HHFDC’s website for public viewing.

There being no testimony provided by the public, Chair Mackler inquired about the Community Housing Development Organization’s (CHDO’s) activities on the neighboring islands. Higa stated that although a challenge, each neighboring island county has a CHDO activity, except for the Maui County due to the recent wildfires.

Hawaii Revised Statutes by Establishing an Affordable Homeownership Revolving Fund Program

**III.K.\*  
DISCUSSION  
AND/OR  
DECISION  
MAKING**  
Approve the Use of the Villages of Kapolei Spending Budget for Matters Relating to the Perimeter Walls in Kapolei, Oahu, TMK Nos.: (1) 9-1- (various)

**EXECUTIVE  
SESSION**  
10:52 a.m.  
**RECONVENED**  
11:26 a.m.

**III.L.  
DISCUSSION  
AND/OR  
DECISION  
MAKING**  
Information on the State of Hawaii Program Year 2022 (July 1, 2022 through June 30, 2023) Consolidated Annual Performance and Evaluation Report for the U.S. Department of Housing and Urban Development Office of Community

There being no further discussion, Chair Mackler proceeded to the Report of the Executive Director.

Planning and Development's HOME Investment Partnerships, Housing Trust Fund, Emergency Solutions Grant, and Housing Opportunities for Persons With AIDS Programs

Interim Executive Director Minakami reported on the following.

HFRH Program: Interim Executive Director Minakami thanked and recognized HHFDC staff Mr. Marc Orbito, Mr. Helmer Betiong, Mr. Gordon Pang, and Mr. David Oi were recognized for quickly putting up a user-friendly website, online database, gathering of external and internal communications, and managing day-to-day operations for the program, respectively.

Waiahole Valley Lease Renegotiations: 13 Agricultural Lot lessees opted for group mediation scheduled on October 27, 2023; 49 of 53 Residential Lot lessees were concluded. If no agreement is reached with the remaining 4 lessees, they must surrender their leases; and 2 commercial lot lessees concluded.

As a result of a request made by the Ways and Means Committee of the Hawaii State Senate, onboarding procedures and a HHFDC resource book were developed to provide information on the Corporation and be distributed to new board members. Board members were encouraged to meet with staff regarding any questions they may have.

Director Mende thanked Interim Executive Director Minakami and staff for standing up the call center for the HFRH program in such a short period of time.

There being no further business on the agenda, Director Bradshaw moved, seconded by Director Mende to adjourn the meeting at 11:37 a.m.

The motion was carried unanimously.

**IV.  
REPORT  
BY THE  
EXECUTIVE  
DIRECTOR**

**V.  
ADJOURNMENT  
11:37 a.m.**

*Sean Sasaki*

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SEAN SASAKI  
Secretary