

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

**November 9, 2023**

MINUTES

The Board of Directors (Board) of the Hawaii Housing Finance and Development Corporation (HHFDC) held its regular meeting on Thursday, November 9, 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 (<https://www.youtube.com/channel/UCJP6i8hhsS9EK769RJfT5w>).

**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  
Director Carol Reimann, Vice Chair  
Director Sean Sasaki, Secretary (remotely)  
Director Jason Bradshaw (remotely)  
Director James Tokioka (in-person/remotely)  
Director Scott Glenn

Interim Executive Director Dean Minakami

Excused: Director Luis Salaveria  
Director Donn Mende  
Director Jay Kimura

Staff: Delmond Won, Executive Assistant  
Sandra Ching, Deputy Attorney General  
Ryan Kanakaole, Deputy Attorney General  
Chris Woodard, Chief Planner  
David Oi, Housing Finance Manager  
Randy Chu, Interim Development Branch Chief  
Holly Osumi, Chief Financial Officer  
Lanz Dong, Real Estate Portfolio Manager  
Lee Miller, Property Management Specialist  
Hunter Miller, Real Estate & Planning Analyst  
Albert Palmer, Housing Development Specialist  
Gordon Pang, Housing Information Officer  
Marc Orbito, Information Technology Systems Analyst  
Helmer Betiong, Information Technology Intern  
Esa Pablo, Secretary to the Board

Guests: Theresa Ng (Senator Chang), Hawaii State Senate  
Chico Figueiredo, Office of the Governor  
Lindsay Apperson, Office of the Governor  
Rick Daysog, Office of the Governor  
Norman Cheng, Starn O`Toole Marcus and Fisher  
Lauren Kagawa, Starn O`Toole Marcus and Fisher  
Leilani Pulmano, Pacific Rim Land  
Matt Olson, Paramount  
Kyle Asher, Paramount  
Everett Dowling, Dowling Company, Inc.  
Jack Dowling, Dowling Company, Inc.  
Elsa Kings, Catholic Charities Hawaii  
Connie Yu-Pampalone, Catholic Charities Hawaii  
Grant Bigley, Ikaika Ohana

Keegan Flaherty, Ikenakea Development  
Alicia Ruelke, Ikenakea Development  
Mark Watase, Mark Development  
Dean Sakata, Mark Development  
Micah Witty Oakland, Mark Development  
Crystal Schip, Settle Meyer Law  
Tim Cantwell, Cloudbreak Hawaii  
Richelle Taylor, Cloudbreak Hawaii  
Kevin Kasai, Stanford Carr Development  
Reyn Kimura, Stanford Carr Development  
Kaloa Robinson, Stanford Carr Development  
Arjuna Heim, Hawaii Appleseed  
LG Office (screen name)

Vice Chair Reimann moved, seconded by Director Glenn, to approve the meeting minutes of October 12, 2023, as circulated.

The motion was carried unanimously.

Approval of the meeting minutes of executive session held on October 12, 2023 was deferred to later in the meeting.

Chair Mackler deferred the following agenda items:

- III.A. regarding the selection and hiring of an executive director, will be deferred until the arrival of Director Tokioka.
- III.I. regarding the approval of the 2024 Qualified Allocation Plan (QAP) will be deferred to the December 14, 2023 Board Meeting.

Chair Mackler confirmed that there was no one present at the remote locations of Directors Sasaki and Bradshaw.

Executive Assistant Delmond Won 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. Instructions on how to submit written testimony were noted to be on the first page of the meeting agenda.

Chair Mackler opened the floor for testimony on III.I., stating that all written testimony submitted and included within this meeting’s board packet for agenda item III.I. will be carried over to the December 14, 2023 Board Meeting. There being no testimony provided by the public, the Board proceeded to agenda item III.B.

(Director Tokioka arrived at this time – 9:03 a.m.)

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

There being no testimony provided by the public, Chief Planner Chris Woodard provided an overview on the Haggai International Mid-Pacific Center (Property), events leading up to the aftermath of the Maui wildfires, and HHFDC’s pivot in the

**II.A.**  
**APPROVAL**  
**OF**  
**MINUTES**  
Regular  
Meeting  
10/12/23

**II.B.**  
**APPROVAL**  
**OF**  
**MINUTES**  
Executive  
Session  
10/12/23

**III.B.**  
**DISCUSSION**  
**AND/OR**  
**DECISION**  
**MAKING**  
Approve: (1) the  
Acquisition of the



contemplated acquisition and temporary ownership and operation of the Property through May 2025, when closing on the leasehold sale of the Property to a private developer is anticipated.

In accordance with the requirements of Act 164, Session Laws of Hawaii 2023, Woodard stated that the Property shall be converted into permanent multifamily housing and pre-kindergarten educational uses. Under House Bill 300 (Budget Bill), \$45 million in Capital Improvement Projects funds were appropriated for the acquisition of the Property, should HHFDC deem the Property transaction to be feasible.

If deemed feasible, staff will proceed to seek the Board’s approval on the key terms of a request for proposals at the January 12, 2024 Board Meeting.

In addition, Woodard stated that staff is also requesting that a Dwelling Unit Revolving Fund budget be established in the amount of approximately \$1.7 million for payment of operating costs and contingency funds. Additional funding is further being explored to assist in operating costs through the Hawaii Community Foundation.

Vice Chair Reimann moved, seconded by Director Tokioka, to convene in executive session at 9:36 a.m. pursuant to Section 92-5(a)(3), to deliberate the authority of persons designated by the Board to conduct negotiations to acquire public property or during the conduct of such negotiations; and Section 92-5(a)(4), to consult with the Board’s attorney on questions and issues pertaining to the Board’s powers, duties, privileges, immunities, and liabilities, as it relates to this matter.

The motion was carried unanimously.  
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The meeting was reconvened at 10:12 a.m.

Chair Mackler summarized the Board’s discussion in executive session, which related to the Board’s concerns and questions pertaining to the acquisition of the Haggai property.

Woodard read staff’s recommendation within the For Action and the motion was carried unanimously.

Chair Mackler called for a recess at 10:14 a.m.  
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The meeting was reconvened at 10:22 am.

Chair Mackler stated that an Executive Director Search and Selection Permitted Interaction Group (PIG) was established to conduct a search for a permanent executive director. In completing its review, the PIG was unanimous in their decision to hire Dean Minakami as the Executive Director of the Hawaii Housing Finance and Development Corporation at a salary of \$154,812, effective immediately.

Director Glenn moved, seconded by Vice Chair Reimann, to approve the PIG’s recommendation.

Director Tokioka, Vice Chair Reimann, Chair Mackler, and Director Glenn commented on their experiences in working with Dean Minakami over the years, who they stated has exhibited the qualities of a leader and doer, having experience in both the private and public sectors, being a great asset to the State and implementing the Governor’s vision for housing.

With no further discussion, the motion was carried unanimously.

Haggai International Mid-Pacific Center f.k.a. the Maui Sun Hotel Located at 175 E. Lipoa Street, Kihei, Maui, TMK No.: (2) 3-9-002:084 (the Property); and (2) the Establishment of a Dwelling Unit Revolving Fund Budget Relating to the Property

**EXECUTIVE SESSION**  
9:36 a.m.

**RECONVENED**  
10:12 a.m.

**RECESSED**  
10:14 a.m.  
**RECONVENED**  
10:22 a.m.

**III.A. DISCUSSION AND/OR DECISION MAKING**  
Selection and Hiring of an Executive Director Pursuant to Section 201H-2(b), Hawaii Revised Statutes

The Board congratulated Executive Director Dean Minakami and recessed at 10:31 a.m. for picture taking, reconvening the meeting at 10:34 a.m.

Chair Mackler introduced newly appointed representative of the Governor's Office, Director Scott Glenn and welcomed him to the HHFDC Board.

Director Glenn provided a brief background of his 8-year experience with the State, having his first interaction with HHFDC in his capacity as the former director of Environmental Quality Control, in which he updated the State's Environmental Impact Statement Administrative Rules, introducing the exemption for affordable housing for Chapter 343.

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

(Director Bradshaw returned at this time – 10:41 a.m.)

There being no testimony provided by the public, Oi presented the For Action, stating that Cloudbreak Hawaii, LLC (Awardee) is requesting an increase to the RHRF loan award amount for the Hale Uhiwai Nalu – Phase II (Project) due to increases attributed to unexpected inflation pressures, rising interest rates, developmental issues arising from the Pandemic, and changes in the scope of the Project that requires new transformers and street widening.

Based on staff's evaluation of the Awardee's request, Oi stated that staff recommends an increased RHRF loan award in the amount of \$9,182,097 with an interest rate of 0.25% after Year 2, for a loan term of 49 years, contingent upon an award by the City and County of Honolulu's Affordable Housing Fund Project funds (of which HHFDC's RHRF Award will be amended and adjusted accordingly), approval by the Governor, and other factors stated within the For Action.

Chair Mackler asked whether the construction numbers are based on a completed set of plans for the Project. Mr. Tim Cantwell responded in the affirmative.

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

Director Glenn 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 A0705 Hilo, L.P. (Awardee) is requesting an extension to the deadline to issue the Hula Mae Multifamily Fund (HMMF) Bonds for the Kaiaulu O Kapiolani (Project) to June 30, 2024, to fulfill all financial requirements for closing.

Chair Mackler clarified that all easement agreements have been signed and placed in escrow. Mr. Grant Bigley responded in the affirmative.

Chair Mackler asked whether the rebidding of a construction contract to obtain the best possible pricing was completed. Mr. Bigley stated that they are close to an agreement.

Oi clarified that the Project would return with their final budget increase in respective resources needed for the Board's consideration.

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

(Director Tokioka was excused at this time – 10:53 a.m.)

**RECESSED**

10:31 a.m.

**RECONVENED**

10:34 a.m.

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

Approve a Request from the Developer to Amend the Rental Housing Revolving Fund for the Hale Uhiwai Nalu – Phase II Project Located in Kapolei, Oahu, TMK No.: (1) 9-1-013: 052 (por.)

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

Approve an Extension to Resolution No. 181, Which Provides for Official Intent with Respect to the Issuance of Hula Mae Multi-Family Tax-Exempt Bonds for the Kaiaulu O Kapiolani Project Located in Hilo, Hawaii, TMK No.: (3) 2-4-025: 048



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

There being no testimony provided by the public, Oi stated that this For Action requests the deadline extension for the Kaiaulu O Kapiolani Project's RHRF Letter of Intent (LOI) to coincide with the previous approved June 30, 2024, to fulfill all financial requirements for closing.

There being no questions, the motion was carried unanimously.

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

There being no testimony provided by the public, Oi presented the For Action, stating that due to insufficient HMMF Private Activity Bond (PAB) Cap for the 2023 Funding Round, a Cooperative Agreement was adopted, in which the City intends to award its private PAB cap to support Kaleimao Village (Project), contingent upon the award of RHRF and LIHTC from HHFDC. Therefore, a reservation of up to \$2,897,093 in annual 4% Federal LIHTC over a 10-year period and \$2,897,093 in annual 4% State LIHTC over a 5-year period is being recommended.

Chair Mackler noted that Director Tokioka rejoined remotely.

Mr. Reyn Kimura, with Stanford Carr Development, delivered a PowerPoint presentation on the Project's partnership, aerial view, vicinity map, site plan, building floor plan, affordable unit mix, renderings, and planned amenities.

There being no questions, the motion was carried unanimously.

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

Oi presented the For Action, summarizing the loan terms of the RHRF Award for the Kaleimao Village (Project) in the amount of \$14,600,000, with an interest rate of 0.40% after Year 2, for a loan term of 52 years.

There being no questions, the motion was carried without Director Bradshaw's vote.

Vice Chair Reimann moved, seconded by Director Sasaki, 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 Hale Makana O Uluwehi Project in the amount of \$4,750,000, with an interest rate of 0.50% after Year 2, for a loan term of 41 years. Oi also added that no RHRF program funds will be disbursed for relocation assistance attached to the Project.

Mr. Keegan Flaherty delivered a PowerPoint presentation along with Ms. Alicia Ruelke, with Ikenakea Development, providing an overview of the Project's site control, highlights, development team, milestone schedule, rendering, and floor

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

Approve an Extension to the Rental Housing Revolving Fund Letter to Intent for the Kaiaulu O Kapiolani Project Located in Hilo, Hawaii, TMK No.: (3) 2-4-025: 048

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

Approve a Reservation of Low-Income Housing Tax Credits for the Kaleimao Village Project Located in Ewa Beach, Oahu, TMK No.: (1) 9-1-122: 004

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

Approve a Rental Housing Revolving Fund Project Award for the Kaleimao Village Project Located in Ewa Beach, Oahu, TMK No.: (1) 9-1-122: 004

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

Approve a Rental Housing Revolving Fund Project Award for the Hale Makana O Uluwehi Project Located in Waianae, Oahu, TMK No.: (1) 8-7-

plan.

010: 030

There being no questions, the motion was carried unanimously.

Chair Mackler reiterated that agenda item III.I. will be deferred to the December 14, 2023 Board Meeting.

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

Approve the 2024 Qualified Allocation Plan for the Low-Income Housing Tax Credit Program

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

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

Approve the Commencement of the Fiscal Year 2024 Application Cycle for the Low-Income Housing Tax Credit Program, Rental Housing Revolving Fund Program, and the Hula Mae Multi-Family Tax Exempt Bonds

There being no testimony provided by the public, Oi presented the For Action, stating that the tentative deadline schedule for the Fiscal Year (FY) 2024 Funding Round is as follows:

- Application Available: December 15, 2023
- Application Due: February 16, 2024
- Award Recommendations: June/July 2024 (9% LIHTC/RHRF)  
July/August 2024 (4% LIHTC/HMMF/RHRF)

If approved, the 2024 Qualified Allocation Plan will be utilized in the evaluation of the LIHTC applications received in FY 2024.

There being no questions, the motion was carried unanimously.

Chair Mackler called for a motion to approve the executive session meeting minutes of October 12, 2023, regarding the PIG's update to the Board on its search for a permanent executive director for HHFDC.

Vice Chair Reimann moved, seconded by Director Sasaki, to approve the executive session meeting minutes of October 12, 2023.

The motion was carried unanimously, as circulated.

Executive Director Minakami reported on the following.

**IV.  
REPORT  
BY THE  
EXECUTIVE  
DIRECTOR**

- 1,386 properties were submitted, with an estimated 534 families finding housing through the Fire Relief Housing Program.
- Attended the October 14-17, 2023 National Council of State Housing Agencies Annual Conference and Showplace with Chair Mackler, in Boston, Massachusetts. Discussions revolved around ways of financing Homeownership and Mortgage programs, in which HHFDC is further exploring.
- HHFDC was designated to the lead on long-term housing recovery support function for the Maui Wildfires, assisting the County of Maui as needed.

There being no further business on the agenda, Vice Chair Reimann moved, seconded by Director Glenn to adjourn the meeting at 11:33 a.m.

The motion was carried unanimously.

*Sean Sasaki*

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SEAN SASAKI  
Secretary

**V.  
ADJOURNMENT**  
11:33 a.m.