

FOR ACTION

I. REQUEST

Approve Resolution No. 210, Authorizing the Issuance of Hula Mae Multi-Family Tax-Exempt Revenue Bonds for the Hale Pilina Project Located in Kahului, Maui, TMK No.: (2) 3-7-013: 026

II. FACTS

<i>Project Name:</i>	Hale Pilina		
<i>Applicant:</i>	Hale Pilina I LP		
<i>Tax Map Key and Location:</i>	TMK No.: (2) 3-7-013: 026 150 S. Puunene Avenue, Kahului, HI 96732		
<i>Land Tenure:</i>	Fee Simple Fee Owner: Hale Pilina I LP		
<i>Project Type:</i>	New Building		
<i>Target Population:</i>	Family		
<i>Length of Affordability:</i>	66 Years		
<i>Affordability Restrictions:</i>	<div>18 Units @ 30% Area Median Income (AMI)</div> <div>18 Units @ 50% AMI</div> <div>142 Units @ 60% AMI</div> <div>1 Manager Unit</div> <div>179 Total Units</div>		
<i>Projected Unit and Rent Mix:</i>	Units	Unit Type	Monthly Rent*
	9	1-Bedroom	\$547
	9	1-Bedroom	\$1,015
	71	1-Bedroom	\$1,249
	9	2-Bedroom	\$630
	9	2-Bedroom	\$1,191
	71	2-Bedroom	\$1,472
<i>*Rents are based on the 2024 HUD guidelines and net of utility allowance</i>			
<i>Estimated Completion:</i>	First Building – February 2027 Project Completion (Last Building) – April 2027		
<i>Type of Construction:</i>	New Construction Type V-A & I-B		

<i>Amenities and Services:</i>	Project Amenities: playground/tot lot, picnic area, computer with high-speed internet, laundry room, elevator, community meeting room Unit Amenities: range, refrigerator, disposal, cable TV and high-speed internet access
<i>Floor Area:</i>	111,388 SF Residential Area 31,001 SF Common Area 142,389 SF Total Area
<i>Developer:</i>	Catholic Charities Housing Development Corporation Contact: Denise Iseri-Matsubara 1822 Keeaumoku Street, Honolulu, HI 96822 (808) 940-2838
<i>Consultant:</i>	Design Partners Inc. Contact: Ryan Nakamura 1580 Makaloa Street, Suite 1100, Honolulu, HI 96814 (808) 864-6663
<i>Contractor:</i>	Maryl Group Construction Inc. Contact: John Ogoshi 1100 Alakea Street, 14 th Floor, Honolulu, HI 96813 (808) 260-6654
<i>Property Manager:</i>	EAH Housing Contact: Josh Romoff 22 Pelican Way, San Rafael, CA 94901 (415) 689-9402

- A. On July 11, 2024, the Hawaii Housing Finance and Development Corporation (HHFDC) Board of Directors approved the following for the benefit of Hale Pilina (Project) attached as **Exhibit A**:
1. \$58,808,173 intended tax-exempt issuance from the Hula Mae Multi-Family (HMMF) Bond Program (Resolution No. 204);
 2. \$4,222,207 in annual Federal Low-Income Housing Tax Credits (LIHTC) over a 10-year period and \$4,222,207 in annual State LIHTC over a 5-year period from the non-volume pool (4% LIHTC); and
 3. A Rental Housing Revolving Fund (RHRF) loan of up to \$39,570,217.
- B. On November 1, 2024, HHFDC submitted a request to the Department of Budget and Finance, and the Governor’s Office for preliminary approval to issue revenue bonds. The request was approved by the Governor on January 27, 2025.
- C. Available authority under the HMMF Bond Program as of March 31, 2025, is summarized below:

HMMF Program Bond Authority	\$ 3,000,000,000
Less: Bonds Issued to Date (71)	(1,997,164,677)
<u>Less: HMMF Pending Issuance (3)</u>	<u>(119,208,173)</u>
Uncommitted HMMF Program Bond Authority	\$ 883,627,150

III. DISCUSSION

- A. The Project is a new construction 179-unit affordable rental housing facility targeted for families with households earning between 30% and 60% of the AMI. The Project consists of four (4) buildings, of which two (2) are three-story residential buildings, with 44 and 45 units, and two (2) are four-story buildings on a podium, with tenant parking on the ground level and 45 units each. The Project includes amenities to improve the quality of life for tenants, including a community meeting room, playground/tot lot, picnic area and laundry room. See **Exhibit B** for the Project Location, Plans & Images.
- B. Hale Pilina I LP (Awardee) is a single asset, real estate holding company, specifically established to develop, own, and operate the Project. The General Partner of the Partnership is Hale Pilina I LLC, whose sole member is the non-profit Catholic Charities Housing Development Corporation. The Limited Partners in this transaction are RJ MT Hale Pilina I LLC and RJ State Tax Credit Investor Fund XI LLC.
- C. The current Financing Structure (Source of Funds) is as follows:

Source	Interim	Permanent
Sponsor Equity	\$ 5,080	\$ 89,524
LIHTC Equity	7,618,526	50,790,170
HMMF Bond	58,807,010	—
Senior Debt - ASB	—	11,085,000
RHRF	32,590,217	39,570,217
Maui County HOME	1,266,594	1,266,594
Maui County AHF*	10,660,000	10,660,000
Deferred Developer Fee	2,500,000	1,166,023
Other Deferred Costs	1,180,101	—
Total	\$ 114,627,528	\$ 114,627,528

**Proceeds from Maui County’s Affordable Housing Fund will be provided as a grant with no repayment terms*

- D. The current Budget (Use of Funds) is as follows:

Budget Item	Amount	Cost/sf	Total Cost %
Land Acquisition	\$ 3,363,232	\$ 23.62	2.93%
Construction	89,883,559	631.25	78.41%
Interim and Soft Costs	6,401,108	44.96	5.58%
Financing and Syndication Costs	5,337,040	37.48	4.66%
Developer Fee	3,000,000	21.07	2.62%
Project Reserves	1,190,461	8.36	1.04%
Contingency	5,452,128	38. 29	4.76%
Total	\$ 114,627,528	\$ 805.03	100%

E. The Project's estimated milestones are as follows:

- | | | |
|----|---------------------------|-----------|
| 1. | Building Permits: | Completed |
| 2. | Loan Closing: | 2025 – Q2 |
| 3. | Construction Start: | 2025 – Q2 |
| 4. | Building Completion: | 2027 – Q2 |
| 5. | Certificate of Occupancy: | 2027 – Q2 |
| 6. | Stabilized Occupancy: | 2027 – Q3 |

F. The Project has completed the necessary requirements for bond issuance:

1. Awardee expects the HMMF Bond issuance amount to fund over 50% of the Project's anticipated basis. This qualifies the Project to receive Federal 4% LIHTC along with the corresponding State LIHTC.
2. HHFDC conducted a Tax Equity and Fiscal Responsibility Act (TEFRA) hearing on July 26, 2024.
 - a. No members of the public attended
 - b. HHFDC did not receive any testimony
 - c. Meeting started at 9:30 a.m. and was adjourned at 9:47 a.m., Hawaii Standard Time
3. The Project satisfied all bond checklist requirements from HHFDC.

G. Resolution No. 210 satisfies the requirement to accomplish and complete the HMMF Bond sale, attached as **Exhibit C**:

1. Authorizes the issuance, sale, and delivery of HMMF bonds in a principal amount not to exceed \$58,808,173 for the purpose of making a mortgage loan to provide financing to the Awardee for the Project; and
2. Determines and prescribes certain other matters relating thereto; and
3. Approves and authorizes related actions, and the execution and delivery of related documents and agreements.

H. Final bond issuance is subject to (i) availability of volume cap and (ii) approval by the Department of Budget and Finance, and the Governor.

IV. RECOMMENDATION

That the HHFDC Board of Directors approve the following:

- A. Resolution No. 210, which authorizes a tax-exempt issuance of up to \$58,808,173 from the HMMF Bond Program, subject to the provisions and conditions detailed therein; and
- B. Authorize the Executive Director to undertake all tasks necessary to effectuate the purposes of this For Action.

Attachments: Exhibit A – HMMF/LIHTC Award For Action (Resolution No. 204),
dated July 11, 2024 (without Exhibits)

Exhibit B – Project Location, Plans & Images

Exhibit C – Resolution No. 210

Prepared by: Haley Jiao, Finance Specialist I

HJ

Reviewed by: Jay Nakamura, Finance Specialist II



Reviewed by: David Oi, Finance Manager

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Approved by the Board of Directors as

☒ Circulated ☐ Amended

April 10, 2025

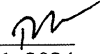
On April 10, 2023

Finance Branch

Please take necessary action.

Dr. C. K. K.

Executive Director

Reviewed and Approved by the Executive Director: 
July 11, 2024

FOR ACTION

I. REQUEST

Approve: (1) Resolution No. 204, Which Provides for Official Intent with Respect to the Issuance of Hula Mae Multi-Family Tax-Exempt Revenue Bonds; and (2) Reservation of Low-Income Housing Tax Credits for the Hale Pilina Project Located in Kahului, Maui, TMK No.: (2) 3-7-013: 026

II. FACTS

<i>Project Name:</i>	Hale Pilina		
<i>Applicant:</i>	Hale Pilina I LP		
<i>Tax Map Key and Location:</i>	TMK No.: (2) 3-7-013: 026 150 S. Puunene Avenue, Kahului, HI 96732		
<i>Land Tenure:</i>	Fee Simple Fee Owner: Catholic Charities Housing Development Corporation		
<i>Project Type:</i>	New Building		
<i>Target Population:</i>	Family		
<i>Length of Affordability:</i>	66 Years		
<i>Affordability Restrictions:</i>	18 Units @ 30% Area Median Gross Income (AMGI) 18 Units @ 50% AMGI 142 Units @ 60% AMGI 1 Manager Unit 179 Total Units		
<i>Projected Unit and Rent Mix:</i>	Units	Unit Type	Monthly Rent*
	9	1-Bedroom	\$499
	9	1-Bedroom	\$934
	71	1-Bedroom	\$1,151
	9	2-Bedroom	\$573
	9	2-Bedroom	\$1,094
	71	2-Bedroom	\$1,355
<i>* Rents are based on the 2023 HUD guidelines and net of utility allowance</i>			
<i>Estimated Completion:</i>	First Building – July 2026 Project Completion (Last Building) – October 2026		
<i>Type of Construction:</i>	New Construction Type V-A & I-B		

<i>Amenities and Services:</i>	Project Amenities: playground/tot lot, picnic area, computer with high-speed internet, laundry room, elevator, community meeting room Unit Amenities: range, refrigerator, disposal, cable TV and high-speed internet access
<i>Floor Area:</i>	111,388 SF Residential Area <u>31,001 SF Common Area</u> 142,389 SF Total Area
<i>Developer:</i>	Catholic Charities Housing Development Corporation Contact: Robert Van Tassell 1822 Keeaumoku Street, Honolulu, HI 96822 (808) 600-1025
<i>Consultant:</i>	Design Partners Inc. Contact: Ryan Nakamura 1580 Makaloa Street, Suite 1100, Honolulu, HI 96814 (808) 864-6663
<i>Contractor:</i>	Maryl Group Construction Inc. Contact: John Ogoshi 725 Kapiolani Boulevard, Suite C-305, Honolulu, HI 96813 (808) 260-6654
<i>Property Manager:</i>	EAH Housing Contact: Josh Romoff 22 Pelican Way, San Rafael, CA 94901 (415) 689-9402

- A. The Hula Mae Multi-Family (HMMF) Bond Program is a federally authorized program, which allows the Hawaii Housing Finance and Development Corporation (HHFDC) to issue tax-exempt revenue bonds to finance the acquisition and rehabilitation or development of privately owned affordable rental projects.
- Under the HMMF Program, the HHFDC can issue tax-exempt revenue bonds to provide below market financing to private developers or owners of affordable housing projects. The HHFDC acts as a financing conduit by issuing the bonds on behalf of the project. However, repayment of the bonds is the responsibility of the financed project and its owners, not HHFDC or the State of Hawaii (State).
- Multi-family, tax-exempt bonds require Private Activity Bond Cap (Bond Cap), which the State receives annually in a limited amount from the Federal Government. For 2024, the State received \$378,230,000 in Bond Cap.
- The Department of Budget and Finance oversees the allocation and use of the Bond Cap. Half of the Bond Cap is available to the four counties with the balance available to the State. HHFDC is one of many competing issuers that can use Bond Cap. HHFDC uses Bond Cap for its HMMF and Mortgage Credit Certificate Programs.
- B. The Tax Reform Act of 1986 established the Low-Income Housing Tax Credit (LIHTC) Program, which replaced tax incentives for low-income housing investments. The 1993 Budget Act granted permanent authority to the LIHTC Program.
1. Only a designated state or local housing credit agency can allocate LIHTC. The designated agency for the State is the HHFDC.

EXHIBIT A

2. The HHFDC publishes a Qualified Allocation Plan (QAP), which includes the criteria for evaluating and allocating LIHTC. The QAP also includes the procedures to monitor compliance of projects that receive a LIHTC allocation.
3. To qualify for LIHTC, projects must meet the following general guidelines in addition to other program requirements as mandated under Section 42 of the Internal Revenue Code.
 - a. The LIHTC is available only for units rented to low-income occupants.
 - b. A project must have at least:
 - i. 20% of its units rented to households with income 50% or less than AMGI; or
 - ii. 40% of its units rented to households with income 60% or less than AMGI.

The United States Department of Housing and Urban Development (HUD) establishes the AMGI for each county annually. HUD considers family size in the AMGI calculation.

- c. Low-income rents are restricted based on the number of bedrooms in the units, adjusted by a utility allowance.
 - d. Projects must comply with the rental rate and household income restrictions for a minimum of 30 years.
 - e. All units must be available to the general public.
 - f. Before awarding the LIHTC, staff must evaluate proposed projects to award the least amount of LIHTC necessary to make a project feasible.
- C. On February 16, 2024, Hale Pilina I LP (Applicant) submitted a Consolidated Application on behalf of Hale Pilina (Project) for:
1. \$58,808,173 tax-exempt issuance from the HMMF Bond Program;
 2. \$4,222,207 in annual Federal LIHTC over a 10-year period and \$4,222,207 in annual State LIHTC over a 5-year period from the non-volume pool (4% LIHTC); and
 3. \$39,570,217 Rental Housing Revolving Fund (RHRF) loan. A separate For Action is being presented to the HHFDC Board requesting approval for this item.
- D. Available authority under the HMMF Bond Program as of June 30, 2024, is summarized below:

HMMF Program Bond Authority	\$ 3,000,000,000
Less: Bonds Issued to Date (64)	(1,720,636,144)
Less: HMMF Pending Issuance (9)	(325,469,533)
Uncommitted HMMF Program Bond Authority	\$ 953,894,323

III. DISCUSSION

- A. The Project is a new construction 179-unit affordable rental housing facility targeted for families with households earning between 30% and 60% of the AMGI. The Project consists of four (4) buildings, of which two (2) are three-story residential buildings, with 44 and 45 units, and two (2) are four-story buildings on a podium, with tenant parking on the ground level and 45 units each. The Project includes amenities to improve the quality of life for tenants, including a community meeting room, playground/tot lot, picnic area and laundry room. See **Exhibit A** for the Financing Summary/Analysis and **Exhibit B** for the Project Location, Plans and Images.
- B. The Applicant is a single asset, real estate holding company, specifically established to develop, own, and operate the Project. The General Partner of the Partnership is Hale Pilina I LLC, whose sole member is the non-profit Catholic Charities Housing Development Corporation. The Limited Partners are to be determined.
- C. The proposed Financing Structure (Source of Funds) is as follows:

Source	Interim	Permanent
Sponsor Equity	\$ 100,000	\$ 437,775
LIHTC Equity	7,567,755	50,451,701
HMMF Bond	58,808,173	—
Senior Debt - ASB	—	11,270,000
RHRF	31,981,801	39,570,217
Maui County AHF*	10,660,000	10,660,000
Deferred Developer Fee	2,500,000	—
Other Deferred Costs	771,964	—
Total	\$ 112,389,693	\$ 112,389,693

**Proceeds from Maui County’s Affordable Housing Fund will be provided as a grant with no repayment terms*

- D. The proposed Budget (Use of Funds) is as follows:

Budget Item	Amount	Cost/sf	Total Cost %
Land Acquisition	\$ 3,186,466	\$ 22.38	2.84%
Construction	89,990,945	632.01	80.07%
Interim and Soft Costs	4,869,029	34.20	4.33%
Financing and Syndication Costs	5,298,965	37.21	4.71%
Developer Fee	3,000,000	21.07	2.67%
Project Reserves	735,964	5.17	0.65%
Contingency	5,308,324	37.28	4.72%
Total	\$ 112,389,693	\$ 789.32	100%

- E. The Project’s estimated milestones are as follows:

- | | | |
|----|---------------------------|-----------|
| 1. | Building Permits: | 2024 - Q4 |
| 2. | Loan Closing: | 2025 - Q1 |
| 3. | Construction Start: | 2025 - Q2 |
| 4. | Building Completion: | 2026 - Q4 |
| 5. | Certificate of Occupancy: | 2026 - Q4 |
| 6. | Stabilized Occupancy: | 2027 - Q1 |

- F. The proposed “Inducement Resolution” (Resolution) for the bond issue is **Exhibit C** to this For Action. The Resolution is a non-binding resolution, which states that it is HHFDC’s intent to possibly issue tax-exempt revenue bonds for a project. Staff conducted a review of the preliminary information submitted and the Project appears to meet the requirements for tax-exempt bond financing. Upon submittal of all other requested and required information, staff will be able to make a final recommendation to the Board with respect to a commitment for tax-exempt bond financing.

One of the reasons for requesting the approval of the Resolution deals with recognizing the expenditures made by the developer. Pursuant to the Federal guidelines that govern tax-exempt bond financing, bond proceeds can reimburse eligible expenditures made sixty (60) days prior to the Resolution approval. Thus, the Developer is requesting the approval of the Resolution to be eligible for reimbursements on current expenditures for the Project.

Approval of the Resolution by the Board may be viewed as “Official Action” being undertaken by the issuer HHFDC. This is one of the requirements of the multi-family housing bond program.

Approval of the Resolution does not authorize the sale of tax-exempt bonds for the Project. Section 147(f) of the Internal Revenue Code requires that the “applicable elected representative of the affected governmental units” approve all private activity bond obligations after a public hearing.

Approval of the Resolution only facilitates further discussions and negotiations between staff, developer, underwriter, bond counsel, and other appropriate parties to determine the feasibility of the contemplated project. Approval of a Resolution neither commits nor obligates HHFDC to issue bonds for the Project.

If the Board approves the Resolution and the bond issue is determined to be feasible, staff will return to seek the Board’s final approval for the issuance, sale, and delivery of the Bonds. Furthermore, the bond issuance is subject to the approval by the Department of Budget and Finance and the Governor.

- G. The recommendation to reserve LIHTC is in accordance with the QAP.
- H. The recommendation to approve the Resolution and a LIHTC reservation are subject to the provisions and conditions in **Exhibit D**, **Exhibit E**, and **Exhibit F** and completion of reporting requirements as shown on **Exhibit G**.

IV. RECOMMENDATION

That the HHFDC Board of Directors approve the following:

- A. Resolution No. 204, attached as **Exhibit C**, which provides for official intent with respect to the issuance of revenue bonds up to \$58,808,173 for the Hale Pilina project, subject to the provisions and conditions recommended in **Exhibit D** and **Exhibit F**.
- B. Reserve up to \$4,222,207 in annual Federal LIHTC over a 10-year period and \$4,222,207 in annual State LIHTC over a 5-year period from the non-volume pool (4% LIHTC) for the Hale Pilina project, subject to the provisions and conditions recommended in **Exhibit E** and **Exhibit F**.

EXHIBIT A

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

Attachments: Exhibit A – Financing Summary/Analysis
Exhibit B – Project Location, Plans and Images
Exhibit C – Inducement Resolution No. 204
Exhibit D – Inducement Resolution No. 204 Provisions and Conditions
Exhibit E – Low-Income Housing Tax Credit Provisions and Conditions
Exhibit F – Provisions and Conditions applicable to both Inducement Resolution No. 204 and Low-Income Housing Tax Credits
Exhibit G – Submittal Form and Requirements for IRS Form 8609 (subject to update and change)

Prepared by:	Mike Doyle, Finance Specialist I	<u>MD</u>
Reviewed by:	Jay Nakamura, Finance Specialist II	<u>JN</u>
Reviewed by:	David Oi, Finance Manager	<u>DO</u>
Reviewed by:	Craig K. Hirai, Executive Assistant	<u>CH</u>

Approved by the Board of Directors as

☒ Circulated ☐ Amended

On July 11, 2024
Finance Branch

Please take necessary action.


Executive Director

EXHIBIT A

PROJECT LOCATION, PLANS & IMAGES

Hale Pilina
Tax Map Key: (2) 3-7-013: 026
150 S. Puunene Avenue
Kahului, HI 96732

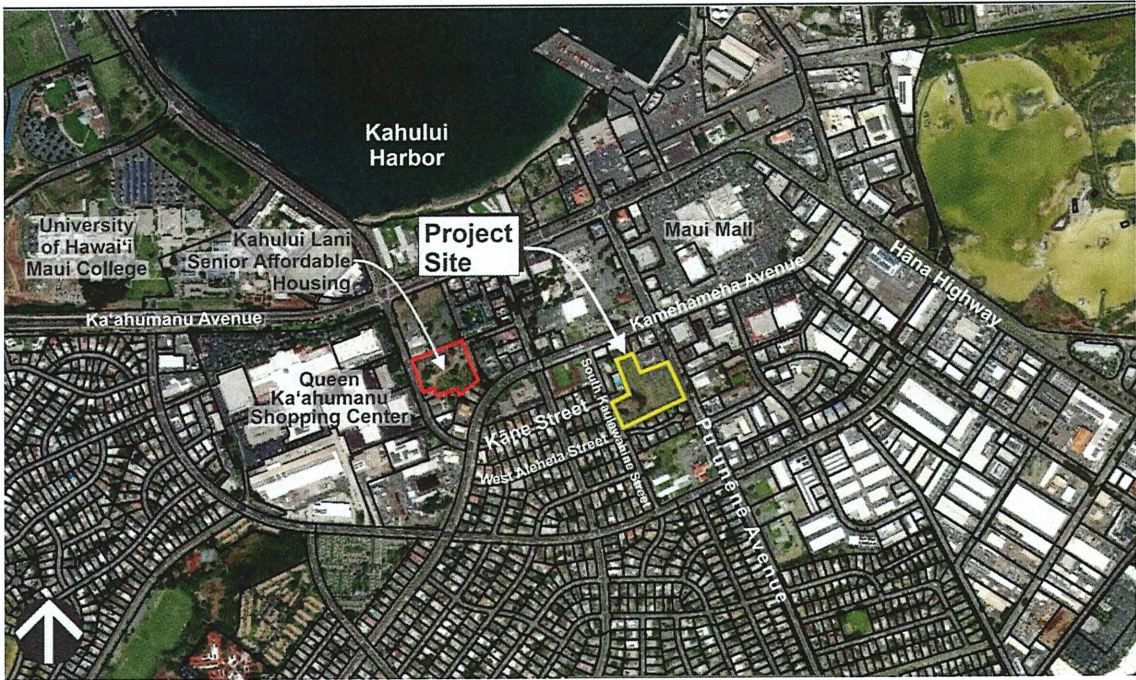


EXHIBIT B

RESOLUTION NO. 210

RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF ONE OR MORE MULTIFAMILY HOUSING REVENUE NOTES IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED FIFTY-EIGHT MILLION EIGHT HUNDRED EIGHT THOUSAND ONE HUNDRED SEVENTY-THREE DOLLARS (\$58,808,173) FOR THE PURPOSE OF MAKING A LOAN TO PROVIDE FINANCING TO HALE PILINA I LP, A HAWAII LIMITED PARTNERSHIP, FOR THE ACQUISITION, CONSTRUCTION AND DEVELOPMENT OF MULTIFAMILY RENTAL HOUSING; DETERMINING AND PRESCRIBING CERTAIN OTHER MATTERS RELATING THERETO AND APPROVING AND AUTHORIZING RELATED ACTIONS AND THE EXECUTION AND DELIVERY OF RELATED DOCUMENTS AND AGREEMENTS.

WHEREAS, Part III of Chapter 39 and Part III of Chapter 201H, Hawaii Revised Statutes, as amended, authorize the Hawaii Housing Finance and Development Corporation, a public body and a body corporate and politic of the State of Hawaii (the "Corporation") to issue bonds and other obligations to provide moneys to make mortgage loans available to assist in providing affordable housing;

WHEREAS, Hale Pilina I LP, a Hawaii limited partnership (the "Borrower"), has applied to the Corporation for a mortgage loan (the "Loan") to assist the Borrower for the purpose of the acquisition, construction and development of a multifamily rental housing development to contain 179 units (including one manager's unit), to be generally known as Hale Pilina, located in Kahului, in the County of Maui (the "Project"); and

WHEREAS, to provide moneys to make the Loan to the Borrower to assist the Borrower in acquiring, constructing and developing the Project, the Board of Directors of the Corporation has determined to authorize the execution and delivery of one or more multifamily housing revenue notes, in one or more series, in an aggregate principal amount not to exceed fifty-eight million eight hundred eight thousand one hundred seventy-three dollars (\$58,808,173) (whether one or more, collectively, the "Note"), and to pledge the revenues from the repayment of the Loan to the repayment of the Note;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Hawaii Housing Finance and Development Corporation as follows.

Section 1. Finding and Determination. It is hereby found and determined that it is necessary and desirable for the Corporation to provide a loan through the execution and delivery of the Note for the purpose of assisting the Borrower in acquiring, constructing and developing the Project.

Section 2. Authorization of the Note. To provide moneys with which to make the Loan there is hereby authorized the execution and delivery of the Note in an aggregate principal amount not to exceed fifty-eight million eight hundred eight thousand one hundred seventy-three dollars (\$58,808,173).

The Note shall have a final maturity date not exceeding 40 years from the date of execution and delivery thereof. Principal of and interest on the Note shall be payable in lawful money of the United States of America.

In accordance with and subject to the provisions of this resolution, the Executive Director is hereby authorized to determine the form, dated date, interest rate or rates or manner of determining the interest rate or rates from time to time, interest payment dates, due dates for principal, prepayment provisions and all other details of the Note, subject to such specific limitations as are provided in this resolution and applicable law.

EXHIBIT C

The Note shall be a special obligation of the Corporation and shall be payable as to principal and interest, and the obligations of the Corporation under a Pledge and Assignment (as hereinafter defined) shall be paid and satisfied, solely from the rents, revenues, receipts and other assets derived from or related to the Loan, as more fully provided in the Pledge and Assignment. The Note shall not be a general or moral obligation of the State of Hawaii or the Corporation or a charge on the general fund of the State, and neither the full faith and credit of the State of Hawaii nor of the Corporation is pledged to the payment of the principal and interest in respect thereof. Neither the Note nor any of the Corporation's agreements or obligations with respect to the Note shall be construed to constitute a debt of the State of Hawaii or any political subdivision or body corporate and politic thereof, within the meaning of any Constitutional or statutory debt limitation. The Note shall contain a recital that it is executed and delivered pursuant to Part III of Chapter 201H, and Part III of Chapter 39, Hawaii Revised Statutes.

Section 3. Execution and Form of Note. The Note shall be lithographed or engraved, shall bear the manual or facsimile signature of the Chairperson or Executive Director (or the Executive Director's authorized designee in writing) and Secretary and shall be sealed with the seal or a lithographed or engraved facsimile seal of the Corporation and shall be countersigned with a lithographed or engraved facsimile signature of the Director of Finance of the State of Hawaii, provided, however, the Executive Director may, with the approval of the Governor of the State (the "Governor"), provide for the Note to be issued in typewritten, printed or other reproduced form and that the signature of the Director of Finance may be a manual signature.

Section 4. Execution and Delivery of Note. The Executive Director is authorized to provide for the execution and delivery of the Note to American Savings Bank F.S.B., a federal savings bank (or an affiliate), as funding lender under the Pledge and Assignment and as agent of the Governmental Lender under the Agency Agreement (as applicable, the "Agent" and the "Funding Lender"), in a private placement transaction, upon such terms and conditions as the Executive Director determines, with the approval of the Governor.

Section 5. Approval of Agency Agreement. To Authorize the Agent to enter into, execute, deliver and perform under the Pledge and Assignment and the Loan Agreement between the Agent and the Borrower, as agent for the Governmental Lender, to advance the proceeds of the Note to fund the Loan, to service and administer the Loan and otherwise to act on behalf of the Governmental Lender as and to the extent contemplated by the Pledge and Assignment, the Executive Director or the Executive Director's authorized designee in writing (each an "Authorized Signer") is hereby authorized and directed to execute and deliver an Agency Agreement between the Corporation and the Agent (herein, the "Agency Agreement"). Such Agency Agreement shall be in substantially the form thereof presented at this meeting, with such changes as the Executive Director may approve, the execution thereof to constitute conclusive evidence of such approval of all such changes.

Section 6. Approval of Pledge and Assignment. To provide for the details of and to prescribe the terms and conditions upon which the Note is to be executed, delivered and secured, the covenants and representations of the Corporation with respect to the Note and the terms and conditions upon which the Loan to be financed with proceeds of the Note is to be made, any Authorized Signer is hereby authorized and directed to execute and deliver a Pledge and Assignment from the Corporation and the Agent to the Funding Lender or such other entity approved by the Director of Finance (herein, the "Pledge and Assignment"). Such Pledge and Assignment shall be in substantially the form thereof presented at this meeting, with such changes as the Executive Director may approve, the execution thereof to constitute conclusive evidence of such approval of all such changes.

Section 7. Approval of Regulatory Agreement. To establish the regulations concerning the development, use and operation of the Project by the Borrower, any Authorized Signer is hereby authorized and directed to execute and deliver a Regulatory Agreement and Declaration of Restrictive Covenants (the "Regulatory Agreement") by and between the Corporation and the Borrower in substantially the form of such Regulatory Agreement presented

EXHIBIT C

at this meeting with such changes as the Executive Director may approve, the execution thereof to constitute conclusive evidence of such approval of all such changes.

Section 8. *Prior Actions Ratified and Confirmed.* The actions of the officers of the Corporation in doing any and all acts necessary in connection with the execution, delivery and sale of the Note and the making of the Loan are hereby ratified and confirmed.

Section 9. *Further Actions Authorized.* The proper officers, agents and employees of the Corporation are hereby authorized, empowered and directed to do all such acts and things and to execute and deliver all such documents, including but not limited to a tax certificate, loan related documents, an assignment of deed of trust, an endorsement, allonge or assignment of any note and such other documents as described in the Pledge and Assignment and the other documents herein approved, as may be necessary in connection with the execution and delivery of the Note and the making of the Loan, including impressing the seal of the Corporation on any document or instrument and attesting the same. References in this resolution to the Executive Director shall include any duly appointed and acting interim Executive Director and any designee of the Executive Director authorized in writing. In addition, the Executive Assistant of the Corporation is hereby authorized to execute and deliver the Note and all other documents, certificates, agreements and other instruments authorized to be executed and delivered by the Executive Director hereunder.

Section 10. *Conflicting Resolutions Repealed.* All prior resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby superseded, amended and/or replaced by the terms of this resolution.

Section 11. *Severability.* If any section, paragraph or provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any remaining provisions of this resolution.

Section 12. *Effective Date.* This resolution shall take immediate effect from and after its adoption. Notwithstanding the foregoing, the Note shall not be executed and delivered prior to the approval of the provisions hereof and of the Pledge and Assignment by the Governor, and the filing of this resolution in the office of the Director of Finance together with an opinion of the Attorney General of the State as to certain matters relating to the Note and an executed copy of the Pledge and Assignment.

The undersigned hereby certify that the foregoing Resolution was duly adopted by the Directors of the Hawaii Housing Finance and Development Corporation on April 10, 2025.

Gary Mackler, Chair

Carol Reimann, Vice Chair

Sean Sasaki, Secretary

Donn Mende, Director

Jason Bradshaw, Director

Jay Kimura, Director

Luis Salaveria, Director

James Kunane Tokioka, Director

Scott Glenn, Director