HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
BOARD OF DIRECTORS
REGULAR MEETING

August 14, 2025

MINUTES

I. CALL TO ORDER/ ROLL CALL

The Board of Directors (Board) of the Hawaii Housing Finance and Development Corporation (HHFDC) held its regular meeting on Thursday, August 14, 2025. The meeting was called to order at 9:00 a.m. by Chair Gary Mackler, 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/UCJP6i8hhsS9EK769RJJfT5w).

On roll call, those present and excused were as follows:

Present:
Director Gary Mackler, Chair
Director Carol Reimann, Vice Chair
Director Jason Bradshaw, Secretary (Remote)
Director Sean Sasaki
Director Grant Chun
Director Luis Salaveria (Remote)
Director Scott Glenn (Remote; arrived at 9:01 a.m.)
Designee Mary Alice Evans for Director James Kokioka

Executive Director Dean Minakami

Staff:
Deputy Attorney General Klemen Urbanc
Michael Yee, Chief Planner
David Oi, Housing Finance Manager
Randy Chu, Development Brach Chief
Holly Osumi, Chief Financial Officer
Albert Palmer, Development Section Chief
Danielle Guthrie, Housing Finance Specialist
Jimmy Nguyen, Housing Finance Specialist
Ryan Morita, Housing Finance Specialist
Tina Morita, Housing Finance Specialist
Jessica Patterson, Housing Finance Specialist
Cameron Lowry, Housing Development Specialist
Lee Miller, Property Management Specialist
Gordon Pang, Housing Information Officer
Marc Orbito, Information Technology Systems Manager
Helmer Betiong, Information Technology Specialist
Esa Pablo, Administrative Assistant to the Board

Guests:
Chico Figueiredo, Office of the Governor
Tami Whitney, Office of the Governor
Kipling Sheppard, Kamaka
Jackson Seppard, Kamaka
Kaulana Park, Laulima
Makani Maeva, Ahe Group
Sarah DeVries, Ahe Group
Stanford Carr, Stanford Carr Development
Kaloa Robinson, Stanford Carr Development
Dustin Carr, Stanford Carr Development
Robert "Bob" Bruhl, Tradewind Capital
Kent Walther, Tradewind Capital
Sam Arico, Highridge Costa
Mark O'Brien, Raymond James

Alexzis Fuke, Raymond James
Connie Yu-Pampalone, Catholic Charities Hawaii
Tracy D. Tanaka, Strat Law
Ben Madorsky, cfX
Daniel Simonich, The Michaels Organization
Tregg Duerson, Standard Communities
Suzanne
C. Shoji
NT

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

II.A. APPROVAL OF MINUTES
Annual Meeting 7/10/25

Chair Mackler deferred approval of the Annual and Regular meeting minutes of July 10, 2025 to later in the meeting to allow additional time for the Board to review.

II.B. APPROVAL OF MINUTES
Regular Meeting 7/10/25

Housing Information Officer Gordon Pang was called upon to provide HHFDC's instructions for providing oral testimony and submission of written testimony to the Board as stated on the first page of the Meeting Agenda.

III.A. DISCUSSION AND/OR DECISION MAKING
Authorize an Application for Exemptions from Statutes, Ordinances, and Rules Pursuant to Section 201H-38, Hawaii Revised Statutes, and Approve: (1) Laulima Affordable Housing, LLC and WPP Hawaii LLC, or Other Successor Entities Approved by the Executive Director, as Eligible Developers Pursuant to Section 15-307-24, Hawaii Administrative Rules; (2) The Project Proposal; and (3) Execution of Development Documents for the Approved Exemptions, for

Director Sasaki moved, seconded by Vice Chair Reimann, to approve staff's recommendation presented by Housing Development Specialist Cameron Lowry, requesting approval of the 201H Application of the proposed exemptions for the Laulima Affordable Housing Project (Project), which is part of the residential portion of the master-planned Kapolei West development, consisting of 750 new construction rental units over 4 Phases for families and elderly earning up to 120% and below the Area Median Income (AMI).

Lowry summarized comments received by the Hawaii Office of Planning and Sustainable Development and the City and County of Honolulu's Department of Planning and Permitting (DPP) primarily relating to the support of the Project's higher density, concern of overcrowding of schools in the Kapolei Complex Area, traffic and transportation improvements, and a Revised Ordinances of Honolulu Section 21-6.80(b)(2) incorrectly stating the amount of canopy form trees required.

At the request of Laulima Affordable Housing, LLC and WPP Hawaii, LLC, Lowry noted an amendment to the For Action, to remove exemption number 16, under Impact Fees for Traffic and Roadway Improvements in Ewa, on page 2 of Exhibit H.

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

the Laulima Project Located in Honolulu, Oahu, TMK No.: (1) 9-1-015: 081

III.B. DISCUSSION AND/OR DECISION MAKING
Approve an Award of Federal and State Low-Income Housing Tax Credits from the State's 2025 Volume Cap to the Maluhia Project Located in Kapolei, Oahu, TMK No.: (1) 9-1-015: 081 (portion)

Designee Evans moved, seconded by Director Chun, to approve staff's recommendation presented by Housing Finance Special Jimmy Nguyen, requesting approval for an allocation of a Low-Income Housing Tax Credit (LIHTC) Award of up to $2,100,000 in annual Federal 9% LIHTC over a 10-year period and the corresponding State 9% LIHTC over a 5-year period for the Maluhia (Project), consisting of 70 units for elderly earning up to 60% and below the AMI.

Out of all the applicants, Nguyen stated that Maluhia received the highest aggregate LIHTC criteria score, including the highest score for LIHTC and HHFDC resources efficiency and length of affordability, the third highest score for project readiness, and the lowest cost per square foot for total construction cost. The Project's construction completion is estimated to be in December 2026.

On behalf of the Project, Laulima Affordable Housing's CEO Kip Sheppard and President Jackson Sheppard delivered a PowerPoint presentation to the Board, covering the Project's location, site plan, renderings, and floor plans for the proposed 70-unit new construction reserved for the elderly earning up to 60% and below the AMI.

Chair Mackler asked at what stage the 5-acre park development would be approved. K. Sheppard stated that the park development is anticipated to start next year, simultaneously with the rest of the phases of the community.

Director Salaveria inquired about the State's 2025 Volume Cap carryover amount. Nguyen stated there will be an estimated $1 million carryover balance to 2026.

There being no further discussion and no testimony provided by the public, the motion was unanimously carried.

III.C. DISCUSSION AND/OR DECISION MAKING
Approve a Rental Housing Revolving Fund Project Award for the Maluhia Project Located in Kapolei, Oahu, TMK No.: (1) 9-1-015: 081 (portion)

Designee Evans moved, seconded by Director Chun, to approve staff's recommendation presented by Housing Finance Specialist Jimmy Nguyen, requesting approval of a Rental Housing Revolving Fund (RHRF) Project Award loan of $5,966,116 to Maluhia Apartments, LP for the Maluhia (Project), with an interest rate of 0.25% for a loan term of 49 years.

Nguyen noted that Maluhia Apartments, LP worked with staff in reducing its RHRF request by $2.5 million.

There being no further discussion and no testimony provided by the public, the motion was unanimously carried.

III.D. DISCUSSION AND/OR DECISION MAKING
Approve: (1) Resolution No. 215, Which Provides for Official Intent with Respect to the Issuance of Hula Mae Multi-Family

Director Sasaki moved, seconded by Director Chun, to approve staff's recommendation presented by Housing Finance Specialist Ryan Morita, requesting approval of Resolution No. 215, which provides for official intent with respect to the issuance of revenue bonds of up to $79,000,000, reservations of up to $6,780,007 in annual Federal LIHTC over a 10-year period, and the corresponding amount in annual State LIHTC over a 5-year period from the non-volume pool (4% LIHTC) for the Melia Project (Project), consisting of 247 units for individuals and families earning up to 60% and below the AMI.

Morita noted that Hale Melia LLLP worked with staff in reducing its RHRF request by almost $6,000,000 and increased the interest rate by 70 basis points. Finance closing is anticipated in the first Quarter of 2026.

On behalf of the Project, Stanford Carr Development's Project Manager Kaloa Robinson delivered a PowerPoint presentation to the Board on the Project's site location, parcel improvements, unit mix, market demand study, floor plans, financing, and project status and timeline. The Development Team members were introduced as Mr. Stanford Carr, of Stanford Carr Development, Mr. Bob Bruhl and Mr. Kent Walter from Tradewind Capital. Mr. Chris Fong, Tradewind Capital, was also acknowledged but was unable to attend. Building permits and State of Hawaii Historic Preservation Division approval were noted to be anticipated before the end of year, with finance closing anticipated in the First Quarter of 2026.

Tax-Exempt Revenue Bonds; and (2) Reservation of Low-Income Housing Tax Credits for the Melia Project Located in Honolulu, Oahu, TMK Nos.: (1) 2-4-004: 046 (portion) and 078 (portion)

> At 9:46 a.m., Director Bradshaw was excused from the meeting. A quorum remained with Chair Mackler, Vice Chair Reimann, Directors Sasaki, Chun, Salaveria, Glenn, and Designee Evans.

There being no further discussion and no testimony provided by the public, the motion was carried.

III.E. DISCUSSION AND/OR DECISION MAKING Approve a Rental Housing Revolving Fund Project Award for the Melia Project Located in Honolulu, Oahu, TMK Nos: (1) 2-4-004: 046 (portion and 078 (portion)

Designee Evans moved, seconded by Director Chun, to approved staff's recommendation presented by Housing Finance Specialist Ryan Morita, requesting approval of the corresponding RHRF Award loan of $33,851,645 to Hale Melia LLLP for the Melia Project, with an interest rate of 0.95% for a loan term of 43 years.

There being no questions and no testimony provided by the public, the motion was carried.

III.F. DISCUSSION AND/OR DECISION MAKING Approve an Increase to the Low-Income Housing Tax Credit Reservation for the Lima Ola Apartments Project Located in Eleele, Kauai, TMK Nos.: (4) 2-1-013: 002 and 045

Director Chun moved, seconded by Vice Chair Reimann, to approve staff's recommendation presented by Housing Finance Specialist Tina Morita, requesting approval of an increase in annual Federal LIHTC to $2,377,580 over a 10-year period, and the corresponding amount of annual State LIHTC over a 5-year period from the non-volume pool (4% LIHTC) for the Lima Ola Apartments Project (Project), consisting of 85 units (includes 1 manager unit) on 2 land lots targeting elderly households with incomes of up to 80% and below the AMI.

Lima Ola Family Partners LP's request for additional LIHTC is to accommodate the Project's total development cost increases of $387,788 primarily attributed to hard costs, insurance and interest expenses, and decreased equity due to delays with the local utilities.

There being no questions and no testimony provided by the public, the motion was carried.

RECESSED 9:56 a.m. **RECONVENED** 10:05 a.m.

> At 9:56 a.m., the meeting recessed and was reconvened at 10:05 a.m.

III.G. DISCUSSION AND/OR DECISION MAKING

Director Sasaki moved, seconded by Director Chun, to approve staff's recommendation presented by Housing Finance Specialist Tina Morita, requesting approval of an increase in annual Federal LIHTC to $8,443,271 over a 10-year period, and the corresponding increased amount of annual State LIHTC over a 5-year period from the non-volume pool (4% LIHTC) for the Maunakea Tower Apartments Project

(Project), consisting of 379 units (includes 1 manager unit) for families earning up to 60% of the AMI.

Komohale Maunakea Venture LP's request for additional LIHTC is to accommodate the Project's total development cost increases of approximately $13.4 million primarily attributed to construction costs, relocation costs, and insurance and interest expenses incurred during renovation.

Designee Evans asked what triggered the acquisition/rehabilitation proposal for the 50-year-old building. Mr. Stanford Carr explained that the acquisition/rehabilitation addressed the risk of displacement for elderly residents with existing U.S. Department of Housing and Urban Development (HUD) Housing Assistance Payment (HAP) contracts initially set to expire, which were extended for an additional 20 years upon purchase.

There being no further discussion and no testimony provided by the public, the motion was carried.

Approve an Increase to the Low-Income Housing Tax Credit Reservation for the Maunakea Tower Apartments Project Located in Honolulu, Oahu, TMK No.: (1) 1-7-005: 041, CPR 0002

III.H. DISCUSSION AND/OR DECISION MAKING

Information on the Hawaii Housing Finance and Development Corporation Private Activity Bond Recycling Program

Housing Finance Manager David Oi presented the For Information, stating that Act 253, Session Laws of Hawaii 2025, allows HHFDC to use revenue bonds to secure financing for the PAB Recycling Program (Program), to assist in ensuring funds are available to manage the ongoing and oversubscribed bond demand in accordance with Federal law, to continue the development of affordable housing.

Oi stated that execution of the Program will require tracking and timely re-deployment of bond repayments from previous transactions, of which HHFDC has procured cfX Incorporated (cfX) as its program administrator and technical partner to assist in designing and managing the tracking, compliance, and redeployment systems for the Program. Hawkins Delafield & Wood LLP will provide legal counsel to ensure all IRS, State, and Federal tax laws are being followed.

Oi noted the limitations and opportunities of the Program, stating that while the recycled bonds do not count towards the 50% threshold for 4% LIHTC, it allows the opportunity for lower tax-exempt financing, providing a low-cost gap financing that can be paired with new volume cap to keep project costs down.

Oi stated that HHFDC anticipates having its first recycling opportunity in 2026, with the Maunakea Tower Apartments Project.

Oi informed the Board that cfX and HHFDC staff are working on securing a short-term line of credit to bridge repayments and ensure a timely issuance required for the Program, initiating the State to prepare a Request For Proposals, which have been copulated and will be posted and sent out within a week. Oi stated that another For Information could be done on this matter. Procedures to identify eligible projects and a real-time tracking notification system for repayments in coordination with HHFDC's trustees and original bond issuances are being created.

cfX's Ben Madorsky stated that they have helped establish such programs in other State Housing Finance Agencies across the country, especially with the current change from the 50% Test for the 4% LIHTC down to 25%, which is anticipated to go into effect in 2026.

Director Chun inquired about the 6-month deployment window and asked whether best practices have been implemented in the other jurisdictions that allow for that tight timeframe. Oi stated that what has typically been seen is that HFA's have 3-4 people with full time positions, which is the reason for HHFDC engaging cfX who also has the experience in other states and can scale on the programs of HHFDC's size. Madorsky added that outreach and communication with all projects is key.

Chair Mackler asked whether future policy would be needed on the redeployment and award process of the recycled bonds. Oi stated that staff is currently exploring various systems in terms of how to effectively deploy the Program funds.

Chair Mackler thanked the Finance Branch staff for all their work and stated that he looked forward to seeing the Program in effect.

III.I. DISCUSSION AND/OR DECISION MAKING
Information on the Hawaii Housing Finance and Development Corporation Downpayment Assistance and Single-Family Mortgage Programs

Oi presented the For Information, stating that under Section 143 of the Internal Revenue Code and Chapter 201H, Hawaii Revised Statutes, HHFDC has the authority to issue mortgage revenue bonds to provide downpayment assistance to qualified homebuyers under its Single-Family Mortgage program. On November 7, 2024, the Governor gave preliminary approval for issuing up to $160 million in revenue bonds for the Single-Family Mortgage Revenue Program. Through a competitive procurement and selection process, the HHFDC's Downpayment Assistance and Single-Family Mortgage Programs' (Programs) service providers were noted as follows:

1. Raymond James & Associates, Inc. was selected as the co-senior manager and Lead Bookrunner, along with Bank of America Securities and Barclays Capital.

2. Money Source, Inc. will be the Master Servicer.

3. HDS Companies will be the Program Administrator.

4. Hawkins Delafield & Wood, LLP appointed as the state's single-family program bond counsel.

5. U.S. Bank Trust Company, National Association will be the Trustee for HHFDC's Programs.

6. Participating Lenders must be approved by both HHFDC and the Master Servicer.

To support the program branding and emphasize these as new offerings, Oi stated that the Programs have been tentatively named Hale Kamaaina Single Family Mortgage Program and the Hale Kamaaina Downpayment Assistance Program. Current priorities for staff have been drafting amendments to the current bond indenture, finalizing professional service agreements mentioned above, onboarding lenders, finalizing training, looking at program returns and public outreach, and completing all legal and compliance documentation for bond issuances.

Oi commended Housing Finance Specialists Danielle Guthrie and Nathan Serdenia for their work on the Programs.

Raymond James & Associates Inc.'s Alexzis Fuke (attending in person) and Mark O'Brien (attending remotely) were made available for questions. They expressed appreciation and looked forward to working with HHFDC staff. Chair Mackler concurred.

There being no testimony provided by the public, the motion was carried.

III.J. DISCUSSION AND/OR DECISION MAKING
Update on Modifications Approved by the Honolulu Department of

Housing Development Specialist Michele Leong presented the For Information. In reference to the 2024 City and County of Honolulu's DPP Memorandum of Record and the 2025 DPP Letter, Leong updated the Board on modifications made to the Mayor Wright Homes Redevelopment Project, primarily pertaining to the unit type and affordability mix.

Planning and Permitting to the Mayor Wright Homes Redevelopment Project Located in Honolulu, Oahu, TMK No.: (1) 1-7-029: 003

There being no further discussion or testimony provided by the public, Chair Mackler went back to agenda items II.A. and II.B., Approval of the Minutes.

II.A. APPROVAL OF MINUTES Annual Meeting 7/10/25

Director Chun moved, seconded by Director Sasaki, to approve the annual meeting minutes of July 10, 2025.

The motion was carried, as circulated.

II.B. APPROVAL OF MINUTES Regular Meeting 7/10/25

Director Chun moved, seconded by Director Sasaki, to approve the regular meeting minutes of July 10, 2025.

The motion was carried, as circulated.

> At 10:42 a.m., Director Glenn was excused from the meeting. A quorum was maintained with those remaining – Chair Mackler, Vice Chair Reimann, Directors Sasaki, Chun, Salaveria, and Designee Evans.

IV. REPORT BY THE EXECUTIVE DIRECTOR

Executive Director Minakami reported on his attendance and takeaways from the National Council of State Housing Agencies' Executive Director Workshop in Annapolis, Maryland and the 2025 Housing Delegation in Washington, DC and Vancouver, Canada.

- Two significant changes that The One Big Beautiful Bill Act affects within the LIHTC program:

  1. Increases the amount of 9% LIHTC by 12%, which would allow HHFDC to finance approximately 12 – 18 more units per year in addition to its current annual count of approximately 100 – 150 units.

  2. Reduce the 50% Test down to 25% for the 4% LIHTC. While this could help stretch the State's bond cap in decreasing project requests, gap financing from other sources will need to be explored.

- Housing models where the county becomes the owner of a mixed-income project long-term and BC Builds Program streamlining the development process from conception to construction in 12-18 months are being explored to see if such models can be applied in Hawaii.

Director Chun asked whether there is an expectation that Hawaii has the critical mass in the way of bond recycling to achieve that type of shift. Executive Director Minakami stated that only time will tell, with the challenges of being able to overcome the 6-month timing and communication between projects.

Designee Evans asked whether the timing of the board meetings would contribute to the timing issue. Executive Director Minakami stated he did not believe the timing of the board meetings to be an issue; however, a special meeting could also be scheduled.

Designee Evans suggested that another option could be to pass delegation to the executive director to ensure that the 6-month window is achievable, should a quorum or other factors not be achievable to hold a special board meeting.

Designee Evans asked what happens to the PABs if we do not meet the 6-month window. Oi stated that while the State doesn't lose or waste its overall volume cap—the total amount of new bonds it can issue—it loses the opportunity to reuse funds from early redemptions to finance a new project.

Director Salaveria noted that their office had a power surge where his connection was temporarily lost.

There was no testimony provided by the public on the Report by the Executive Director.

V. ADJOURNMENT
10:54 a.m.

There being no further business on the agenda, Director Sasaki moved, seconded by Director Chun to adjourn the meeting at 10:54 a.m.

The motion was carried unanimously.

JASON BRADSHAW
Secretary