

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

March 12, 2026

MINUTES

The Board of Directors (Board) of the Hawaii Housing Finance and Development Corporation (HHFDC) held its regular meeting on Thursday, March 12, 2026. 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>).

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

On roll call, those in attendance were as follows:

Present: Director Gary Mackler, Chair
Director Carol Reimann, Vice Chair
Director Jason Bradshaw, Secretary
Director Grant Chun (remotely)
Director Sean Sasaki (remotely)
Director Seth Colby (remotely)
Director Scott Glenn
Designee Mary Alice Evans for Director James Tokioka

Executive Director Dean Minakami

Staff: Klemen Urbanc, Deputy Attorney General
Lindsey Hostetter-Takaesu, Deputy Attorney General
Michael Yee, Chief Planner
Jay Nakamura, Acting Housing Finance Manager
Randy Chu, Development Branch Chief
Holly Osumi, Chief Financial Officer
Dean Watase, Housing Planning Manager
Danielle Guthrie, Housing Finance Specialist
Michael Doyle, Housing Finance Specialist
Tina Morita, Housing Finance Specialist
Ryan Morita, Housing Finance Specialist
Lei Ikeda, Housing Finance Specialist
Marc Orbito, Information Technology Systems Manager
Jerome Wasserman, Information Technology Intern
Esa Pablo, Administrative Assistant

Guests: Dave Nakamura, Mutual Housing Association of Hawaii, Inc.
Kathleen Orlandi, Hawkins Delafield & Wood LLP
Makani Maeva, Ahe Group
Leilani Pulmano, Pacific Rim Land
Liz Char, HP LLC

Chair Mackler confirmed that there was no one present at the remote locations of Directors Chun, Sasaki, and Colby. He then read HHFDC's protocol for providing public testimony.

Director Bradshaw moved, seconded by Designee Evans, to approve the regular meeting minutes of February 12, 2026.

The motion was carried unanimously.

**II.A.
APPROVAL OF
MINUTES**
Regular
Meeting
2/12/26

Designee Evans moved, seconded by Vice Chair Reimann, to approve staff's recommendation.

With selection authorization by the Board in November 2025, Executive Director Minakami recommended the appointment of Mr. Douglas Nam Le as Executive Assistant following a formal recruitment process. He stated that out of 15 applicants, a three-member selection committee—consisting of himself, Chief Financial Officer Holly Osumi, and Office of Planning and Sustainable Development, Land Use Administrator Leodoloff Asuncion—unanimously chose Le for the position in accordance with the Hawaii Revised Statutes, Section 201H-2 and the Corporation's bylaws.

Chair Mackler acknowledged written testimony received in support of Mr. Le, from Hawaii County Councilmember Ashley Kierkiewicz.

There being no other testimony provided by the public, Chair Mackler called upon Mr. Le for questions by the Board.

Le expressed his gratitude and support for HHFDC's mission of advancing state housing opportunities. He provided an overview of his professional background in urban planning and public administration, highlighting his expertise in program development, grant management, and community engagement.

Director Glenn inquired about Mr. Le's current residency on the island of Hawaii and his ability to relocate to Oahu. Le confirmed active discussions with staff regarding a start date and stated that he and his family are prepared for a timely relocation upon a potential offer.

In response to Director Glenn's inquiry regarding his financial background and its intersection with HHFDC's complex programs, Le identified several key areas of focus, supporting rent-to-own models and the reactivation of the Down Payment Assistance Program (DPA), targeting initiatives for households up to 180% Area Median Income (AMI), advocating for adjustable interest rates for market adaptability (e.g., Hale Kamaaina Mortgage Program), and streamlining project timelines by addressing pre-development costs.

Director Evans inquired about Mr. Le's experience in disaster recovery and his application to affordable housing resilience (e.g., wildfire and flooding risks). Le shared insights from his tenure in New York City, highlighting flood-proofing ground floors and elevating critical infrastructure such as boilers, the shift from fossil fuels to electrification and heat pump deployment, noting the necessity of managing grid demand, and challenges including limited agency capacity and varying requirements for property owners across different building scales.

In response to Vice Chair Reimann's inquiry regarding his experience with the Hawaii State Legislature, Le clarified that while his professional background is largely at the county level (Puna district), he maintains strong ties with former colleagues now in the state legislature. He emphasized his commitment to a governance strategy based on partnership, role clarity, and trust-building when representing the agency.

Director Bradshaw questioned the transition from senior leadership roles in the New York City Mayor's Office to Hawaii. Le explained the move was a family-driven decision to position his family midway between relatives in the U.S. and Japan. He noted his desire to continue his career in public service within his new community.

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

Chair Mackler congratulated Le and inquired about an estimated start date. Executive Director Minakami confirmed the anticipated start date to be April 6, 2026.

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

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

There being no testimony provided by the public, Housing Finance Specialist Lei Ikeda presented the For Action, requesting approval of Resolution No. 224, authorizing the issuance of up to \$39.9 million from the Hula Mae Multi-Family (HMMF) Bond Program for the Kuakini Heights Apartments Project, which will consist of 100 affordable rental units for families earning at or below 60% of the AMI.

Ms. Makani Maeva, president of Ahe Group, was introduced and made available for questions by the Board.

Director Colby inquired about the origin and financing of the \$250,000 land acquisition. Maeva clarified that the 10-acre site is being contributed by a private landowner who owns an adjacent 128-acre parcel. Under these arrangements, the landowner will develop 94 market-rate single-family homes on the upper portion of the property, while the project will be developed on the lower 10 acres.

Designee Evans commended the inclusion of non-studio units and inquired if the 92-unit requirement at 60% AMI was a Hawaii County mandate. Ms. Maeva clarified that the current mix is driven by the Qualified Allocation Plan (QAP) rather than the County, noting that the QAP lacks incentives for a 30/60/80% AMI mixed-income model. She explained that while income averaging could allow for such a mix, it increases administrative complexity and would require QAP revisions to remove existing penalties.

Chair Mackler directed staff to record this feedback for consideration during the next QAP revision cycle.

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

Designee Evans moved, seconded by Director Chun, to approve staff's recommendation.

Housing Finance Specialist Ryan Morita presented a request for clarification regarding the land tenure for the Hoonanea – Phase 1 project. He explained that the Rental Housing Revolving Fund (RHRF) award would be secured by both the fee simple interest (owned by Mutual Housing Association of Hawaii, Inc. (MHAH)) and the leasehold interest (held by Hoonanea Homes Limited Partnership).

Morita noted that MHAH agrees to be bound by all mortgage terms and restrictive covenants in the event of a default. Staff determined this to be a minor clarification rather than a substantive change, ensuring awards remain unaffected.

Mr. David Nakamura, executive director of MHAH, was introduced and made available for questions by the Board.

In response to a query from Designee Evans, Morita clarified that MHAH serves as the General Partner of the Limited Partnership, maintaining oversight while the partnership holds the leasehold interest in operations.

Director Colby requested the reasoning behind this structure. Nakamura explained that the leasehold model keeps land costs out of the low-income housing budget (cost efficiency) and provides asset protection to prevent profit-driven entities from seizing control after the 15-year compliance period.

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

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

Approve: (1) Resolution No. 224, Authorize the Issuance of Hula Mae Multi-Family Tax-Exempt Revenue Bonds; and (2) Reservation of Low-Income Housing Tax Credits for the Kuakini Heights Apartments Project Located in Kailua-Kona, Hawaii, TMK No.: (3) 7-5-003: 007

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

Clarification in the Land Tenure for the Hoonanea – Phase I at Hoopili Gateway Project Located in Kapolei, Oahu, TMK No.: (1) 9-1-018: 062

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

Housing Finance Specialist Danielle Guthrie presented the For Action regarding the Hale Kamaaina Mortgage Program, launched in the fourth quarter of 2025. She stated that the program currently offers rates between 5.70% and 5.95%, remaining more competitive than the market average of 5.99%–6.36%. Loan originations have been impacted by lender system integration delays and a restrictive 5% buyer contribution requirement for down payment assistance, which is higher than other states.

To increase competitiveness, Guthrie stated that HHFDC is working with Raymond James & Associates, Inc. to evaluate lowering rates by up to 1.00%. In addition, HHFDC also plans to implement periodic rate adjustments per the Interest Rate Management Strategy, referenced within Exhibit A of the For Action.

Guthrie introduced Ms. Kathleen Orlandi, from Hawkins Delafield & Wood LLP, who was made available for questions by the Board.

In response to Director Bradshaw, Executive Director Minakami confirmed that a bill addressing buyer down payment challenges has crossed over and remains active.

Chair Mackler inquired about other State Housing Finance Agencies (HFAs). Guthrie noted that other HFAs typically offer forgivable loans with significantly lower minimum contributions (\$0–\$1,000).

Guthrie confirmed to Designee Evans that program loans carry a fixed 30-year rate that remains locked for the duration of the loan term.

In response to Designee Evans' follow-up question, Ms. Guthrie stated that lenders receive total compensation of 2.5% of the first mortgage/loan amount.

Director Colby inquired about the mechanism for waiving down payment requirements (moving from 5% to 0%) and whether HHFDC charges for mortgage insurance or assumes the additional credit risk. Guthrie clarified that mortgage insurance requirements are dictated by specific loan products rather than HHFDC-specific overlays; depending on the product, insurance may be canceled at 20% equity or remain for the life of the loan.

In response to Director Colby's follow-up regarding potential changes to financing terms if the down payment requirement dropped to 0%, Guthrie noted that while their mortgage rates are competitive with other HFAs nationwide, other states have an advantage because they offer more effective DPA loans, allowing homebuyers to contribute less upfront without requiring changes to current interest rates.

Director Colby sought a comparison between HHFDC's structure and the Veterans Affairs (VA) 0% down payment benefit. Guthrie explained that while the current program limit is 100% Loan-to-Value (LTV), proposed legislation seeks to increase the combined LTV limit to 105%. This alignment with VA, USDA, Fannie Mae, and Freddie Mac guidelines would allow funds to cover not only down payments but also closing costs, prepaids, and reserves.

Furthermore, Guthrie responded to Director Colby, confirming that should the legislation pass, HHFDC intends to update administrative rules to amend the existing program for immediate implementation rather than establishing a new program.

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

Housing Finance Specialist Michael Doyle presented an overview of the mixed-income subaccount within the RHRF, established by Act 159 (2025) to finance rental projects for moderate-income households, of which the Legislature appropriated \$100

**III.D.
DISCUSSION
AND/OR
DECISION
MAKING**
Approve the Hale
Kamaaina
Mortgage Program
Interest Rate
Management
Strategy

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

million total (\$50 million for Fiscal Year (FY)2026 and \$50 million for FY2027). Staff are developing an application process and program guidelines, with an anticipated program launch in March, board approval in May, and rolling applications through October 2026.

Executive Director Minakami reported mixed results from the 2022 pilot program, noting that projects currently rely too heavily on state financing. To improve long-term viability, he stated that HHFDC plans to prioritize projects that also have alternative equity sources for mixed-income rentals. He further stated that the current proposal is for informational purposes to gather developer feedback and allow staff to vet requirements, finalizing framework for project evaluation anticipated to be presented to the Board in May 2026.

Chair Mackler inquired about public meetings scheduled for the consultation period. Executive Director Minakami confirmed that no public meetings are currently scheduled. However, HHFDC is prioritizing direct outreach to developers to align projects and save resources. The program will utilize a rolling application process to balance essential guardrails with the flexibility needed for innovative housing projects.

Discussion ensued on implementing guardrails for mixed-income projects following the 2022 pilot program. Executive Director Minakami identified that applying Low Income Housing Tax Credit (LIHTC) models to projects lacking specific equity requires more support. To address rising costs and high demand for RHRF mixed-income funding, staff are proposing caps and prioritizing projects on state or county land that utilize interim funding to keep the fund revolving and improve long-term viability.

There being no testimony provided by the public, Chair Mackler proceeded to the Report by the Executive Director.

Housing Planning Manager Dean Watase reported that HHFDC is monitoring 168 legislative bills, with HHFDC acting as the lead on 56.

Key measures highlighted were as follows:

- House Bill (HB) 1724, aims to make the Dwelling Unit Revolving Fund Equity Pilot Program permanent.
- HB 1727, allows HHFDC to transfer funds from the RHRF to the mixed-income Subaccount.
- HB 2270, amends the Down Payment Loan Program.
- HB 1711, amends the Rent-to-Own Program's period during which the sales prices of a dwelling unit is required to remain fixed from 5-years to an option period determined by the Corporation.
- HB 1733, increases the HMMF Revenue Bond authorization ceiling.
- SB 2338, increases the salary of the Executive Director, renames the Executive Assistant to Deputy Executive Director, and provides HHFDC with autonomy in personnel matters.

Executive Director Minakami thanked Watase for stepping up to assist with legislation in addition to his regular duties and reported on the following:

- The Front Street Apartments project was awarded Community Development Block Grant Disaster Recovery funding. The project will be redeveloped in two phases.

MAKING
Information
Regarding the
Rental Housing
Revolving Fund
Mixed-Income
Rental Program for
Fiscal Years 2026
and 2027


**IV.
REPORT
BY THE
EXECUTIVE
DIRECTOR**

- A record-breaking 35 applications were received in the recent closing of the financing round, with 8 applications for 9% LIHTC projects and 27 applications for 4% LIHTC projects.
- The RHRF available balance is approximately \$150 million.
- Mr. Michael Doyle has been promoted to Housing Finance Manager (anticipated effective date of March 23, 2026), bringing over 20 years of experience, including a tenure as vice president at Bank of Hawaii.

Chair Mackler inquired about the transition to electronic applications. Doyle stated that the transition to an electronic consolidated application system had been smooth, with applicants finding the submission process straightforward. While there is a slight learning curve regarding technical setup, Doyle stated that the system is expected to improve future analysis through better data access and project comparisons.

There being no further business on the agenda, Director Bradshaw moved, seconded by Vice Chair Reimann to adjourn the meeting at 10:11 a.m.

The motion was carried unanimously.



JASON BRADSHAW
Secretary

V.
ADJOURNMENT
10:11 a.m.