

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

April 9, 2026

MINUTES

The Board of Directors (Board) of the Hawaii Housing Finance and Development Corporation (HHFDC) held its regular meeting on Thursday, April 9, 2026. The meeting was called to order at 9:06 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/UCJP6i8hhsS9EK769RJfT5w>).

**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 (remote)
Director Jason Bradshaw, Secretary
Director Seth Colby (remote - arrived 9:06 a.m.)
Designee Mary Alice Evans for Director James Tokioka

Executive Director Dean Minakami

Excused: Director Grant Chun
Director Sean Sasaki
Director Scott Glenn

Staff: Klemen Urbanc, Deputy Attorney General
Lindsey Hostetter-Takaesu, Deputy Attorney General
Douglas Le, Executive Assistant
Michael Doyle, Housing Finance Manager
Randy Chu, Development Branch Chief
Holly Osumi, Chief Financial Officer
Dean Watase, Housing Planning Manager
Albert Palmer, Development Section Chief
Lorna Kometani, Sales & Counseling Section Chief
Danielle Guthrie, Housing Finance Specialist
Vivanwan Verawudh, Project Manager
Layla Kilolu, Housing Planner
Marc Orbito, Information Technology Systems Manager
Helmer Betiong, IT Support Specialist
Esa Pablo, Administrative Assistant

Guests: Albert Boyle, Waikapu Properties, LLC
Jeff Ueoka, Wells Street Law, LLC
Brandon Hong, Core Tech International

Chair Mackler confirmed that there was no one present at the remote locations of Vice Chair Reimann and Director Colby. He then stated HHFDC's protocol for providing public testimony.

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

The motion was carried unanimously.

**II.A.
APPROVAL OF
MINUTES**
Regular
Meeting
3/12/26

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

Development Section Chief Albert Palmer presented an updated project financing structure for the Nanaikeola Self-Help Housing project, an 87-unit, new construction development, targeting families at 50% to 80% of the Area Median Income. Palmer reported that while the Dwelling Unit Revolving Fund (DURF) and Affordable Homeownership Revolving Fund (AHRF) loan terms remain unchanged, the senior Rural Community Assistance Corporation (RCAC) loan increased from \$7,924,198 to \$13,102,341 and was consolidated into a single senior loan. Closing of the DURF and AHRF loans is contingent upon permits and senior loan closure.

There being no testimony provided by the public, Chair Mackler opened the floor for questions. Palmer noted that Ms. Claudia Shay, representative for Self-Help Housing Corporation, was unavailable to attend the meeting due to the short notice.

Director Seth Colby raised questions regarding the administration and interest rates of the project's loan programs. Palmer clarified that RCAC is a private non-profit lender. Regarding state funding, Housing Finance Specialist Danielle Guthrie confirmed the AHRF loan interest rate is 1%, while Palmer noted a 5% interest rate for the DURF loan. Staff committed to following up with the specific interest rate for the RCAC loan.

Director Colby further inquired if participating families would own their homes and if restrictions applied. Executive Director Minakami confirmed that occupants would own their homes, subject to HHFDC's 10-year Buyback and Shared Appreciation Equity (SAE) restrictions.

Director Seth Colby noted the significantly lower per-unit cost of the loan compared to other locations and asked for the primary drivers. Executive Director Minakami attributed the savings to the "sweat equity" self-help housing model, where families form teams to purchase land and provide the construction labor following infrastructure development. Additionally, he highlighted the use of in-kind donations of labor and materials, noting that the single-family 3- to 4-bedroom designs are inherently more cost-effective than high-rise construction.

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

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

Housing Development Project Manager Vivaswan Verawudh presented the For Action, stating that the Waikapu Country Town (WCT) is a master-planned community in Waikapu, Maui, consisting of 500 workforce housing units, 900 market-rate homes, and 146 ohana units, including commercial facilities. Verawudh noted that WCT Partners LLC (Developer) is requesting for a \$17 million DURF interim loan to fund Phase 1 regional infrastructure improvements, pursuant to Section 15-307-247, Hawaii Revised Statutes (HRS). DURF repayment is structured through lot sale proceeds, carrying a moderate-to-high risk profile due to the potential volatility in the timing of sales.

There being no testimony provided by the public, WCT's manager Albert Boyce introduced himself and was made available for questions.

Chair Mackler questioned the strategy of utilizing market lot sales to fund the initial phase of the WCT backbone infrastructure, specifically requesting the total number of lots necessary to achieve revenue targets. Boyce indicated that there are 31 market lots and expressed confidence in meeting revenue goals based on a current market study, noting that official marketing would commence upon receipt of the Final Order of Registration from the Department of Commerce and Consumer Affairs.

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

Approve the Updated Financing Structure for the Proposed Nanaikeola Self-Help Housing Project Located in Nanakuli, Oahu, TMK No.: (1) 8-7-008: 076

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

Approve: (1) WCT Partners, LLC, or Other Successor Entity Approved by the Executive Director, as an Eligible Developer Pursuant to Section 15-307-24, Hawaii Administrative Rules; and (2) a Dwelling Unit Revolving Fund Interim Loan for Construction of Regional Infrastructure Improvements for the Waikapu Country Town Backbone

Despite the lack of formal marketing, Boyce reported 400 inquiries, with 45 identified as serious buyers. He further clarified that the cash flow spreadsheet reflects revenues from the market lot sales occurring near the end of construction, consistent with the anticipated timing of when those sales are expected to close. Additional funding would be derived from the Sales and Purchase Agreements with Aikanaha Residences and D.R. Horton.

Chair Mackler inquired about the projected absorption rate for the market lots. Mr. Boyce reported an estimated rate of 3 to 4 lots per month, noting that total sales would likely be distributed over a two-year period.

Designee Evans confirmed the project area is within the county's urban growth boundary. Boyce clarified that while a 2017 Land Use Commission reclassified majority of the site to urban, an 800-acre agricultural reserve has been maintained. He further stated that the 800-acre agricultural reserve currently supports active farming, which will remain a permanent component of the development.

Designee Evans inquired about the project's water system. Boyce confirmed that the system is privately owned by them, noting that a previous attempt to connect to county water a decade ago was unsuccessful. He added that the project utilizes a parallel system approved by the Commission on Water Resource Management and the Department of Health Safe Drinking Water Branch, consisting of two (2) potable wells (alternating operation) for drinking water and one (1) non-potable well dedicated to landscaping and irrigation.

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

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

Real Estate Services Section Chief Lorna Kometani, presented the For Action requesting Board approval to amend and compile the Dwelling Unit Revolving Fund Equity Pilot (DEP) Program proposed rules, specifically aligning them with Act 92 (2023) to address unit sales and funding repayment. The proposed amendments to Chapter 15-309, Hawaii Administrative Rules, aim to streamline operations, clarify definitions, adjust fees, and ensure compliance with federal mortgage lending requirements.

There being no testimony provided by the public, Chair Mackler opened the floor for questions by the Board.

Designee Evans raised concerns regarding the proposed changes and fee schedule in Exhibit A, specifically questioning if the proposed addition of fees would impact the existing program in a way that might hinder homebuyers. Kometani clarified that the amendments are consistent with current programs—such as the 10-year Buyback and SAE programs—and are intended to formalize fee collection and enhance oversight. These measures aim to ensure compliance, prevent borrowers from exceeding contract sale prices, and provide full disclosure of HHFDC's financial contributions.

Designee Evans asked whether the fees could be capitalized into the loan. Kometani responded in the affirmative.

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

Housing Planning Manager Dean Watase introduced HHFDC's new Housing Planner Layla Kilolu to the Board, who will assist as the new legislative coordinator within the Planning Evaluation and Compliance Branch.

As of March 27, 2026, Watase reported that HHFDC is now monitoring 96 legislative bills of interest, serving as the lead agency on 25.

Infrastructure
Located in
Waikapu, Maui,
TMK Nos.: (2) 3-
6-002: 003; (2) 3-
6-004: 003 and
006; (2) 3-6-005:
007; and (2) 3-6-
006: 036

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

Approve Proposed
Amendments to
and Compilation of
Chapter 15-309
"Dwelling Unit
Revolving Fund
Equity Pilot
Program," Hawaii
Administrative
Rules to Provide
Clarification to
Appreciation of
Value, Meet
Federal Lending
Requirements and
Make Technical
Amendments

**IV.
REPORT
BY THE
EXECUTIVE
DIRECTOR**

The following key measures were highlighted and noted to be moving forward:

- House Bill (HB) 1711, amends the Rent-to-Own Program to replace the fixed 5-year purchase period with a more flexible option period.
- HB 1724, makes the DEP Program permanent.
- HB 1727, authorizes HHFDC to transfer funds between the Rental Housing Revolving Fund and the Mixed-Income Rental Housing Program.
- HB 1733, increases the Hula Mae Multi-Family revenue bond ceiling amount to continue financing affordable rental housing projects.
- HB 2270, updates HHFDC's Down Payment Assistance Program.
- Senate Bill 2338, provides HHFDC with autonomy in personnel matters.

Designee Evans inquired about the status of the pending measures mentioned above. Watase noted that HB 1711 and HB 1739 have passed their final committees and are proceeding to the conference phase. Other measures are currently awaiting hearings; the Senate Committee on Ways and Means (WAM) has been notified of the request to schedule.

Executive Director Dean Minakami reported on the following:

- As of April 1, 2026, the Hale Kamaaina Mortgage Program's interest rates have been lowered. Two reservations have been received to date.
- Due to the past inclement weather, a property in Waiahole Valley sustained substantial damage after a large banyan tree fell on the house. The home is currently uninhabitable, and the lessee was injured. The property is covered by homeowner's insurance, which will handle repairs.
- The Hale O Laie property experienced moderate flooding in some areas but remains occupiable. Staff are currently coordinating with Risk Management.

Designee Evans asked whether HHFDC assets are covered by the State's self-insurance. Executive Director Minakami clarified that properties owned by HHFDC (e.g., Hale O Laie) are covered by the State's self-insurance. However, properties leased to third parties (e.g., properties in Waiahole) are required to maintain their own independent insurance coverage.

- Transfer of the Villages of Kapolei Infrastructure is pending execution of the Memorandum of Agreement by the City and County of Honolulu.
- A concurrent resolution is urging the Department of Land and Natural Resources (DLNR) to partner with HHFDC and Hawaii Community Development Authority to develop the "East Kapolei Transit-Oriented Development lands." The site consists of approximately 170 acres of state lands located adjacent to a transit station. HHFDC is currently in discussions with DLNR to take a more active role in the planning and implementation of housing on the property. Staff are currently reviewing the existing site plan and property commitments to determine if amendments are necessary and to identify the next steps for housing development.

Designee Evans stated that the Office of Planning and Sustainable Development (OPSD) testified to the concurrent resolution, proposing that DLNR retain control of these parcels and the associated revenue to fund DLNR programs. She noted that this approach aims to address DLNR's priorities while facilitating the transfer of residential parcels to HHFDC for housing development.

- HHFDC is working with consultants to identify underutilized, state-owned parcels for housing development. Two sites in Kapolei were identified and are being assessed to determine the feasibility of the property. The Board will be kept apprised of additional information.

There being no further business on the agenda, Designee Evans moved, seconded by Director Bradshaw to adjourn the meeting at 9:49 a.m.

The motion was carried unanimously.



JASON BRADSHAW
Secretary

V.
ADJOURNMENT
9:49 a.m.