

DEPT. COMM. NO. 166

DAVID Y. IGE
GOVERNOR

DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM

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December 20, 2017

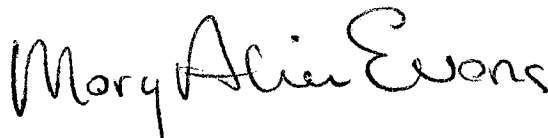
The Honorable Ronald D. Kouchi,
President and Members
of the Senate
Twenty-Ninth State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

The Honorable Scott K. Saiki,
Speaker and Members of the
House of Representatives
Twenty-Ninth State Legislature
State Capitol, Room 434
Honolulu, Hawaii 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

For your information and consideration, I am transmitting copies of the Report Relating to the Adjustment of Salary of the Executive Director, as required by Section 201H-2(c), and the Report Relating to Rental Housing Revolving Fund Project Awards, as required by Section 201H-202(f), Hawaii Revised Statutes. In accordance with Section 93-16, Hawaii Revised Statutes, I am also informing you that the reports may be viewed electronically at: <http://dbedt.hawaii.gov/overview/annual-reports-reports-to-the-legislature/>.

Sincerely,

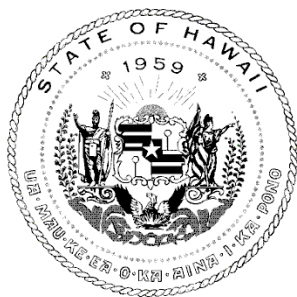

Luis P. Salaveria

Enclosures

c: Legislative Reference Bureau

Report to the 2018 Hawaii State Legislature:

**Pursuant to Section 201H-2(c), Hawaii Revised Statutes,
Relating to the Adjustment of Salary of the Executive
Director.**



Prepared by:
Hawaii Housing Finance and Development Corporation
Department of Business, Economic Development & Tourism

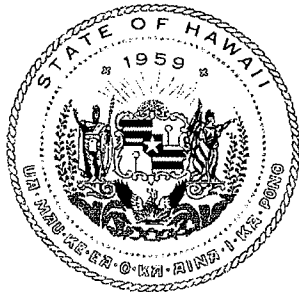
December 2017

Act 91, Session Laws of Hawai'i 2016, codified as section 201H-2(c), Hawaii Revised Statutes (HRS), requires the Hawaii Housing Finance and Development Corporation (HHFDC) Board to "submit a report to the legislature no later than twenty days prior to the convening of the regular session immediately following each adjustment of salary of the executive director." Act 91 became effective on July 1, 2016.

This report is intended to satisfy this reporting requirement. At the Regular Meeting on June 8, 2017, the HHFDC Board of Directors, conducted a performance evaluation of the Executive Director. Subsequently, the Board voted to approve an increase to the salary of the HHFDC Executive Director, to \$140,000 per year, effective on July 1, 2017.

Report to the 2018 Hawaii State Legislature:

**Pursuant to Section 201H-202(f), Hawaii Revised Statutes,
Relating to Rental Housing Revolving Fund Project Awards
for Calendar Year 2017.**



Prepared by:
Hawaii Housing Finance and Development Corporation
Department of Business, Economic Development & Tourism

December 2017

Section 201H-202, Hawaii Revised Statutes (HRS), requires the Hawaii Housing Finance and Development Corporation (HHFDC) to "describ[e] the projects funded and, with respect to rental housing projects targeted for persons and families with incomes at or below thirty per cent of the median family income, its efforts to develop those rental housing projects, a description of proposals submitted for this target group and action taken on the proposals, and any barriers to developing housing for this target group" (§201H-202(f)).

During Calendar Year 2017, HHFDC made Rental Housing Revolving Fund (RHRF) awards to thirteen projects. These project awards totaled \$160,855,327 and will result in 1,267 units of rental housing being added to the statewide inventory of affordable housing.

The following RHRF project applications were received on June 15, 2016, but received awards in early 2017. The totals below for "RHRF Award," "Unit Count," and "30% MFI Units" columns are for **awarded units only**.

PROJECT	LOCATION	RHRF REQUEST	RHRF AWARD	UNIT COUNT	30% MFI UNITS
Kahului Lani I	Kahului, Maui	\$14,500,000	\$14,500,000	82	8
Kaiaulu O Waikoloa	Waikoloa, Hawaii	\$9,900,000	\$9,900,000	60	12
Kaiwahine Village	Kihei, Maui	\$10,240,000	\$10,240,000	64	7
Kapolei Mixed Use Development Ph 2	Kapolei, Oahu	\$14,777,516	0	143	
Kenolio Apartments	Kihei, Maui	\$9,250,000	\$9,250,000	186	10
Mohouli Heights Sr Neighborhood Phase 3	Hilo, Hawaii	\$15,751,726	15,751,726	93	5
Nohona Hale	Honolulu, Oahu	\$21,881,809	\$21,881,809	107	11
Total		\$96,301,051	\$81,523,535	592	53

All projects receiving RHRF awards must meet the required set aside of 5% of total units for households at or below 30% of the median family income (MFI), and the remaining units have income restrictions that do not exceed 60% MFI.

HHFDC also received fourteen new 2017 project applications on February 15, 2017 during the first 2017 competitive funding round. These project applications requested loans for a total of up to \$146,553,644 in RHRF funding. The following table lists all applicants and their RHRF requests.

Of these, seven project received RHRF awards totaling \$79,331,792 in Calendar Year 2017. **The totals below for "RHRF Award," "Unit Count," and "30% MFI Units" columns are for awarded units only.**

PROJECT	LOCATION	RHRF REQUEST	RHRF AWARD	UNIT COUNT	30% MFI UNITS
Hale Kewalo*	Honolulu, Oahu	\$3,400,000	\$3,400,000	128	13
Hale Kupuna	Hilo, Hawaii	\$440,000	\$0	37	
Hale Makana O Maili	Waianae, Oahu	\$6,500,000	\$0	52	
Kahului Lani II	Kahului, Maui	\$10,000,000	\$0	83	
Kaiwahine Village Ph. II	Kihei, Maui	\$9,465,460	\$0	56	
Kaloko Hgts Aff Hsg	Kailua-Kona, Hawaii	\$17,696,600	\$17,632,320	81	4
Kapolei Mixed Use Development Phase 2	Kapolei, Oahu	\$17,963,472	\$17,963,472	143	8
Keahumoa Place Ph 2	Ewa Beach, Oahu	\$25,500,000	\$16,239,000	82	5
Keahumoa Place Ph 3	Ewa Beach, Oahu	\$23,500,000	\$14,547,000	82	5
Keahumoa Place Ph 4	Ewa Beach, Oahu	\$23,500,000	\$0	81	
Meheula Vista III	Mililani, Oahu	\$6,500,000	\$6,500,000	75	8
Ola Ka 'Ilima Artspace Lofts**	Honolulu, Oahu	\$3,050,000	\$3,050,000	84	9
Queen Emma Tower	Honolulu, Oahu	\$12,948,112	\$0	71	
Waikoloa Family Affordable Rental	Waikoloa, Hawaii	\$21,000,000	\$0	111	
	TOTAL	\$181,463,644	\$79,331,792	675	52

* Project received additional RHRF award. Total Project RHRF loan: \$14,000,000.

** Project received additional RHRF award. Total Project RHRF loan: \$10,080,000.

NOTE: Beginning in Fiscal Year 2018, HHFDC will satisfy the Section 201H-202(f), HRS, Rental Housing Revolving Fund reporting requirement in HHFDC's Annual Report.