

HAWAII GREEN INFRASTRUCTURE AUTHORITY
State of Hawai'i

Tuesday, August 2, 2022 – 3:00 p.m.

Conference Room # 436 and Video Conference

250 S Hotel Street
Honolulu, Hawai'i 96813

ATTENDANCE

Members Present: Mike McCartney, Scott Glenn, Richard Wallsgrove, Craig Hirai, Dennis Wong

Staff Present: Gwen Yamamoto Lau, Leatrice Galicinao, Jordan Wong

Others Present: Gregg Kinkley (Deputy Attorney General)

Members of the Public: Jason Long, Intern with the Hawaii Small Business Development Center

I. ROLL CALL

Vice Chair Glenn called the meeting of the Hawaii Green Infrastructure Authority to order at 3:00 PM as acting Chair. Vice Chair Glenn called a proper roll call of all members.

Chairperson McCartney	Present
Vice Chair Glenn	Present
Secretary Wallsgrove	Present
Member Hirai	Joined at 3:05 PM
Member Wong	Present

All members confirmed that no other adults were in the room with them.

MATERIALS DISTRIBUTED

1. Agenda for the August 2, 2022 Meeting.
2. Minutes from the April 29, 2022 Meeting.
3. HGIA's Quarterly Report for the period ended June 30, 2022.
4. Permitted Interaction Group for Commercial Property Assessed Financing Program Working Group

II. APPROVAL OF MINUTES

Vice Chair Glenn stated that the first item on the agenda is the approval of the minutes of the April 29, 2022 regular meeting.

Chairperson McCartney moved and Member Wong seconded the motion to approve the April 29, 2022 minutes. Vice Chair Glenn asked if there were comments or discussion from the Members. Hearing none, he asked if there were any questions from the general public. Hearing none, Vice Chair Glenn called for the vote via roll call.

Ayes: McCartney, Glenn, Wallsgrove, Hirai, Wong

Nays: None

The motion carried unanimously, 5 to 0.

III. PROGRAM UPDATES

Vice Chair Glenn stated that the next item on the agenda is Program Updates and called on Gwen Yamamoto Lau to report on the Residential Loan Portfolio.

Gwen Yamamoto Lau reported that HGIA received 69 new applications, funded 32 loans, and currently has 312 loan applications in process. She also stated, as detailed in the quarterly report, that GEM\$ delinquent loans have decreased slightly from 6% to 5.9%, and all of the direct billed loans are current.

Leatrice Galicinao reported that there weren't any commercial loans that closed since the last board meeting, however, three loans aggregating \$1.5 million are scheduled to close this month. HGIA is currently working on five applications. All of HGIA's commercial loans are being paid as agreed

Yamamoto Lau shared that Governor Ige will be hosting a bill signing ceremony for HGIA's Commercial Property Assessed Financing Program on August 5, 2022.

Vice Chair Glenn asked the members if there were any questions on the updates. Yamamoto Lau addressed questions from board members.

IV. DISCUSSION AND/OR DECISION MAKING

1. Vice Chair Glenn stated that Article III, Section 2 of the Bylaws of the Hawaii Green Infrastructure Authority (Appointments and Elections) states that the Vice-Chairperson and Secretary shall be elected by the Authority from among its members. Regular elections shall be held on the first regular or a special meeting held after July 1st of each year, and the officers elected at each regular election shall take office immediately following their election. Section

3 (Terms of Office) states that the terms of office of the Vice-Chairperson and Secretary shall serve until the annual regular elections are held.

The Vice-Chair of the Hawaii Green Infrastructure Authority will conduct the meetings of the HGIA when the Chair is not present. Vice Chair Glenn opened the floor for nominations for the seat of Vice Chair.

Secretary Wallsgrove nominated Scott Glenn as Vice Chair. The motion was seconded by Member Wong. Vice Chair Glenn asked if there were any additional nominations. Hearing none, he called for a vote via roll call.

Ayes: McCartney, Glenn, Wallsgrove, Hirai, Wong

Nays: None

The motion carried unanimously, 5 to 0.

Vice Chair Glenn announced that the next position under consideration is the Secretary. The Secretary will be responsible for compiling, publishing and submitting meeting minutes for Board review. Vice Chair Glenn opened the floor for nominations for the Secretary position.

Vice Chair Glenn nominated Richard Wallsgrove as Secretary. Member Hirai seconded the motion. Vice Chair Glenn asked if there were any additional nominations or discussion. Hearing none, Vice Chair Glenn called for the vote via roll call.

Ayes: McCartney, Glenn, Wallsgrove, Hirai, Wong

Nays: None

The motion carried unanimously, 5 to 0.

2. Vice Chair Glenn stated that HGIA's quarterly report to the PUC was due on July 31st. As the board was not able to meet in July, the report was filed before the deadline on July 29, 2022, and the next item on the agenda is the ratification of HGIA's quarterly report for the period ended June 30, 2022. He asked Gwen Yamamoto Lau to summarize the report.

Yamamoto Lau shared the following highlights:

- As of June 30th, HGIA had \$23.7 million available to lend to underserved ratepayers. HGIA also has \$7.5 million available for state agencies.
- Referring to the Bar Chart on page 7, of the \$23.7 million available to lend, there is only \$2.6 million available for small businesses and \$3.8 available for low- and moderate-income households. As indicated in the report, HGIA may need to consider reallocating some of its funds from the other categories in the future.

Vice Chair Glenn asked the members if there were any questions on the updates for HGIA's Quarterly Report for the period ending June 30, 2022.

Hearing none, Vice Chair Glenn called for a motion to ratify HGIA's Quarterly Report for the period ending June 30, 2022.

Chair McCartney moved and Member Wong seconded the motion to ratify HGIA's Quarterly Report for the period ending June 30, 2022. Vice Chair Glenn called for a vote via roll call.

Ayes: McCartney, Glenn, Wallsgrove, Hirai, Wong

Nays: None

The motion carried unanimously 5:0.

3. Vice Chair Glenn stated that the next item on the agenda is the establishment of a Permitted Interaction Group ("Working Group") to work with the Executive Director to design the Commercial Property Assessed Financing Program authorized under Act 183, SLH 2022 and called on Gwen Yamamoto Lau to provide information on this action item.

Yamamoto Lau shared that the Working Group would design HGIA's commercial property assessed financing program and develop standardized documents. The proposed timeline for this group once established would be to meet at least twice and present its findings and recommendations to the board on or around October 14, 2022. After hearing public testimony (as applicable), the Authority shall render a decision on the working group's recommendation on or around October 28, 2022.

Per HRS 92-2.5, only two board members are allowed to participate in the working group. Other possible participants could include representatives from a local bank, industry organizations, lender who originates loans, non-originating bank, private lender, administrator, and the County.

Vice Chair Glenn asked for a motion to (1) approve the establishment of a Permitted Interaction Group to work with the Executive Director to design the Commercial Property Assessed Financing Program authorized under Act 183, SLH 2022; (2) appoint Dennis Wong and Richard Wallsgrove to the Working Group as Chair and Vice Chair, respectively, and (3) authorize member Wong and Secretary Wallsgrove to select and invite non-board participants to the Working Group.

Chairperson McCartney moved and Secretary Wallsgrove seconded this motion. Vice Chair Glenn called for a vote via roll call.

Ayes: McCartney, Glenn, Wallsgrove, Hirai, Wong

Nays: None

The motion carried unanimously, 5 to 0.

4. Vice Chair Glenn moved on to the final item on the Agenda to discuss the performance of the Executive Director and asked Gwen Yamamoto Lau to provide the board an overview of her performance over the past three years.

In addition to the day-to-day management and oversight of HGIA's financing programs, Yamamoto Lau shared a few highlights as follows:

- HGIA was recognized by the US Department of Energy as a 2020 goal achiever for exceeding its \$25.0 million goal.
- Yamamoto Lau served as a project lead for the Hawaii Restaurant Card program which injected \$70.0 million into the restaurant industry with almost 2.1 million debit card transactions to over 4,200 restaurants and restaurant related business while assisting over 142,000 displaced workers over a 3-month period.
- Together with the Hawaii Technology Development Corporation, convened listening sessions to design SSBCI credit programs for Hawaii.
- HGIA was the first Green Bank in the nation to be approved for a USDA loan
- Yamamoto Lau was appointed to the Environmental Financial Advisory Board by the Environmental Protection Agency serving a term to 2025.
- HGIA launched the SSBCI HI CAP Collateral Support Program on July 13, 2022.

Vice Chair Glenn thanked Yamamoto Lau for the overview and asked for a motion to convene into Executive Session pursuant to Section 92-5(a)(2), HRS, where a board may hold a meeting closed to the public to consider the evaluation of an employee where matters affecting privacy will be involved, as well as section 92-5(a)(4) to consult with the board's attorney on questions and issues pertaining to the board's powers, duties, privileges, immunities and liabilities, in order to discuss the Executive Director's performance over the past three years.

Chair McCartney moved and Secretary Wallsgrove seconded the motion to enter executive session.

Vice Chair Glenn asked if there was any discussion on this motion. Hearing none he called for a vote via roll call.

Ayes: McCartney, Glenn, Wallsgrove, Hirai, Wong

Nays: None

The motion carried unanimously, 5 to 0.

Vice Chair Glenn then asked for all board members, Gwen Yamamoto Lau and Deputy Attorney General Gregg Kinkley to be moved to another zoom room. The meeting entered Executive sessions at 3:53 pm.

Executive Session

The meeting reconvened at 4:26 pm.


Vice Chair Glenn summed up the Executive session stating that the board has discussed the performance of the Executive Director, which will be provided to her in a report, and thanked Yamamoto Lau for her performance over the past three years.

V. ADJOURNMENT

Vice Chair Glenn asked if there were any other matters that should be discussed. Hearing none he asked for a motion to adjourn.

Chair McCartney moved, and Member Wong seconded the motion. Vice Chair Glenn adjourned the meeting by acclamation at 4:30 pm.

Respectfully Submitted

By: 

Richard Wallsgrove
Its: Secretary