

HAWAII GREEN INFRASTRUCTURE AUTHORITY
State of Hawai'i

Friday, October 14, 2022 – 3:00 p.m.

Conference Room # 436 and Video Conference

250 S Hotel Street
Honolulu, Hawai'i 96813

ATTENDANCE

Members Present: Mike McCartney, Richard Wallsgrove, Dennis Wong

Member Absent: Scott Glenn, Craig Hirai

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

Others Present: Gregg Kinkley (Deputy Attorney General)

Members of the Public: Deanna Sako, Doug Adams, Lisa Miura, Michael Yaki and
K.B. Chun

I. ROLL CALL

Chair McCartney called the meeting of the Hawaii Green Infrastructure Authority to order at 3:04 P.M. Chair McCartney called a proper roll call of all members.

Chairperson McCartney	Present
Vice Chair Glenn	Excused
Secretary Wallsgrove	Present
Member Hirai	Excused
Member Wong	Present

All members confirmed that no other adult(s) were in the room with them.

MATERIALS DISTRIBUTED

1. Agenda for the October 14, 2022 Meeting.
2. C-PACE Financing Program Product Sheet

II. Permitted Interaction Group

Chair McCartney stated that the only item on the agenda is a report and recommendation from the Permitted Interaction Group (“Group”) to design the Commercial Property Assessed Financing Program authorized under Act 183, SLH 2022.

HGIA members, Dennis Wong and Richard Wallsgrove served as Chair and Vice Chair respectively for the Group. Michael Yaki, a member of the Group, was invited to present the findings and recommendations.

Michael Yaki introduced himself as a Senior Vice President of Petros PACE Finance. He summarized the C-PACE Program, as follows:

- Each County, as its own separate entity, will need to authorizing C-PACE in its service area.
- Participating Lenders are any financial institution as defined by Hawaii statute or any public or private lender approved by HGIA.
- Qualifying Improvements include alternatives to cesspools, clean energy technology, water or energy efficiency and resiliency measures.
- Eligible properties are commercial, multi-family, non-profit or commercial leasehold properties.
- Every lender shall certify that the C-PACE loan is underwritten using reasonable commercial underwriting standards. Interest rates and lender’s fees are negotiated between property owner and capital provider.
- The maximum term is not to exceed the useful life, or the weighted average useful life of the qualifying improvement being financed.
- In order to protect smaller businesses with property valued at less than \$1.0 million from overleveraging, C-PACE loans shall not exceed the lesser of 25% of the loan to value or 90% of the cumulative loan to value.
- The loans are non-recourse and the security is a special assessment recorded in the Bureau of Conveyances against the eligible property.
- An important aspect of the C-PACE program is lender consent. A C-PACE assessment cannot be placed on a property until a lender is paid off or provides its consents.
- Counties will need to opt into the C-PACE program.

After allowing time for questions, Chair McCartney thanked Member Wong, Secretary Wallsgrove, Mr. Yaki, Ms Sako and the rest of the members of the Permitted Interaction Group for their participation and work on this initiative.

Chair McCartney stated that per HRS 92-2.5, deliberation and decision-making on the recommendation of the Permitted Interaction Group shall not occur until HGIA’s next board meeting tentatively scheduled for Friday, October 28, 2022. Written testimony regarding the recommendation can be submitted to HGIA. Additionally, the public shall have an opportunity to provide oral testimony during the next board meeting.

III. **ADJOURNMENT**

Chair McCartney asked if there were any other matters that should be discussed or any objections to adjourning the meeting.

Hearing none Chair McCartney adjourned the meeting at 3:29 pm.

Respectfully Submitted,



By: _____
Richard Wallsgrave
Its: Secretary