

HAWAII GREEN INFRASTRUCTURE AUTHORITY
State of Hawai'i

Monday, January 29, 2024 – 3:00 p.m.

Conference Room # 436 and Video Conference

250 S. Hotel Street
Honolulu, Hawai'i 96813

ATTENDANCE

Members Present: James Kunane Tokioka, Dennis Wong, Mark Glick,
Richard Wallsgrove.

Member Absent: Luis Salaveria.

Staff Present: Gwen Yamamoto Lau, Nhu-An Tran, Carol Montes-
Alarcon, Peter Tan, Dante Hirata-Epstein,
Latrisha Nakasone.

Others Present: John Cole (Deputy Attorney General).

Members of the Public: Cyrus Howe

I. ROLL CALL

Chair Tokioka called the meeting of the Hawaii Green Infrastructure Authority to order at 3:00 p.m. Chair Tokioka called a proper roll call of all members.

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|---------------------|-----------------------------|
| Chairperson Tokioka | Present |
| Vice Chair Wong | Present |
| Secretary Glick | Present Joined at 3:02 p.m. |
| Member Wallsgrove | Present |
| Member Salaveria | Absent |

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

MATERIALS DISTRIBUTED

1. Agenda for the January 29, 2024 Meeting.
2. Minutes from the October 31, 2023 Regular Meeting.
3. GEMS Bond Fund Audit for the fiscal year ended June 30, 2023.

4. HGIA Loan Fund Audit for the fiscal year ended June 30, 2023.
5. 2023 Report to the Governor and Legislature
6. HGIA Quarterly Report to the PUC for the Quarter ended December 31, 2023

II. APPROVAL OF MINUTES

1. Chair Tokioka stated that the first item on the agenda is the approval of the minutes of the October 31, 2023 regular meeting and asked for a motion to approve the minutes.

Member Wallsgrove moved, and Secretary Glick seconded the motion to approve the October 31, 2023 regular meeting minutes. Chair Tokioka asked if there was any discussion on the meeting minutes. Hearing none, he asked if there were any questions from the general public. With no questions from the general public, he called for a vote via roll call.

Ayes: Tokioka, Wong, Glick, Wallsgrove.

Nays: None.

The motion carried unanimously, 4 to 0.

III. PROGRAM UPDATES

Chair Tokioka stated that the next item of the agenda is Program Updates starting with Carol Montes-Alarcon on the Residential Loan Portfolio.

1. **Residential Portfolio:** During the past quarter, HGIA received 276 new applications – 85 on-bill applications and 191 on-bill consumer lease applications. HGIA also funded 17 loans and is currently processing 679 loan applications. No direct applications were received during the past quarter for loans and consumer leases.
2. **Commercial Portfolio:** Nhu-An Tran reported that during the past quarter, HGIA approved two on-bill loans aggregating \$296,000, and closed two loans aggregating \$1.7 million. We currently have an active pipeline of \$2.3 million for applications received, and are engaged in discussions with various investors for potential projects valued at \$7 million. All loans within the commercial portfolio have been paid as agreed.
3. **Special Programs Portfolio:** Peter Tan reported that this past quarter, the HI-CAP Collateral Support Program provided cash collateral to support over \$1.2 million in loans for small businesses.
4. **Legislative and Miscellaneous Updates:**

Yamamoto Lau reported on the following HGIA-related bills:

HB2372/SB3061: To transfer the \$50 million in general funds approved by the Legislature last year to HGIA's clean energy and energy efficiency revolving loan funds.

HB1692/SB2727 & HB2801/SB2533: To allow condominiums to be eligible for C-PACER financing.

HB2685/SB2225: To establish a solar hui program that would allow condo owners without roofs to participate in solar initiatives by co-investing in solar systems for LMI homes. Participating condo owners could offset their energy or other household expenses through tax credit benefits and excess cashflow generated by the solar systems.

Chair Tokioka asked if there were any questions from the Members. Hearing none, he asked if there were any questions from the public. With no questions from the public, he moved on to the next item on the agenda.

IV. DISCUSSION AND/OR DECISION MAKING

Member Wallsgrove left the meeting at 3:15 p.m.

1. Chair Tokioka stated that the next item on the agenda is the ratification of HGIA's bond fund audit for fiscal year ended June 30, 2023 and called on Gwen to present highlights.

Yamamoto Lau shared the following highlights:

- N&K CPA's completed its audit of the GEMS bond fund financial statements and opines that said financial statements are presented fairly in all material respects, in accordance with generally accepted accounting principles.
- Every 6 months, HGIA submits a true-up to the Public Utility Commission, detailing the Green Infrastructure Fee (GIF) amount to be charged to ratepayers for bond repayment. For the period spanning January 1, 2024, to June 30, 2024, the GIF stands at \$1.21, representing a decrease of approximately two cents compared to the previous period.
- The fund's assets, liabilities, and fund balances remain relatively stable year to year.
- There were no findings or deficiencies in internal controls, compliance, or other matters.

Yamamoto Lau addressed questions from the members.

Chair Tokioka asked if there were any questions. Hearing none, he asked if there were any questions from the general public. With no questions from the public, Chair Tokioka asked for motion to ratify HGIA's bond fund audit for fiscal year ended June 30, 2023. Vice Chair Wong moved, and Secretary Glick seconded

the motion. Chair Tokioka asked if there was any discussion. Hearing none, he called for a vote via roll call.

Ayes: Tokioka, Wong, Glick.

Nays: None.

The motion carried unanimously, 3 to 0.

2. Chair Tokioka stated that the next item on the agenda is the ratification of HGIA's loan fund audit for fiscal year ended June 30, 2023 and called on Yamamoto Lau to present highlights.

Yamamoto Lau presented the following highlights:

- N&K CPA's completed its audit of the GEMS loan fund financial statements and opines that the financial statements are presented fairly in all material respects, in accordance with generally accepted accounting principles.
- While it appears that the authority ended fiscal year 2023 with a net profit of \$1.4 million, it's important to highlight that this figure includes \$2.3 million in SSBCI HI-CAP funds recognized as earned revenue, net of \$3.7 million in principal and interest loan repayments transferred to the PUC.
- There were no findings or deficiencies in internal controls, compliance, and other matters.

Yamamoto Lau addressed questions from the members.

Chair Tokioka asked if there were any further questions or comments. Hearing none, he called for a motion to ratify HGIA's loan fund audit for the fiscal year ended June 30, 2023. Secretary Glick moved and Vice Chair Wong seconded the motion to ratify HGIA's loan fund audit for the fiscal year ended June 30, 2023. Chair Tokioka called for a vote via roll call.

Ayes: Tokioka, Wong, Glick

Nays: None.

The motion carried unanimously, 3 to 0.

3. Chair Tokioka stated the next item on the agenda is the ratification of HGIA's 2023 Report to the Governor and Legislature and asked Gwen Yamamoto Lau to present.

Yamamoto Lau shared the following highlights:

- As an enhancement to the GEM\$ Financing Program, the PUC approved HGIA's request to eliminate all credit barriers, right-size PV to accommodate new electric vehicle charging load, bundle eligible

improvements, and enable outside sources of capital to access HGIA's on-bill repayment mechanism.

- Thanks to the Legislature and the Governor for releasing the additional \$50 million in loan funds for solar + storage financing designed for ALICE households.
- HGIA submitted an application requesting \$100 million in federal funds under the EPA's Solar for All program. Award announcements are expected in late March 2024.

Yamamoto Lau addressed questions from the members.

Chair Tokioka asked if there were any further questions or comments. Hearing none, he asked if there were any questions from the general public. With no questions from the public, Chair Tokioka called for a motion to ratify HGIA's 2023 Report to the Governor and Legislature. Vice Chair Wong moved and Secretary Glick seconded the motion to ratify HGIA's 2023 Report to the Governor and Legislature. Chair Tokioka called for a vote via roll call.

Ayes: Tokioka, Wong, Glick.

Nays: None.

The motion carried unanimously, 3 to 0.

4. Chair Tokioka stated the last item on the agenda is the approval of HGIA's Quarterly Report for the period ended December 31, 2023 and asked Gwen Yamamoto Lau to present.

Yamamoto Lau shared the following highlights:

- Along with the \$50.0 million in general funds, the authority has nearly \$14.1 million available for state departments and \$7.7 million available for other eligible undeserved ratepayers in GEMS funds to lend.
- During the quarter, HGIA was featured in three articles and participated as a panelist or presenter in a number of convenings. Additionally, HGIA exhibited in the Hawaii Energy Innovation Symposium and Hawaii Solar Energy Association's Expo.

Yamamoto Lau addressed questions from the members.

Chair Tokioka asked if there were any further questions or comments. Hearing none, he asked if there were any questions from the general public. With no questions from the public, Chair Tokioka called for a motion to approve HGIA's Quarterly report for the period ended December 31, 2023. Secretary Glick moved and Vice Chair Wong seconded the motion to approve HGIA's Quarterly Report for the period ended December 31, 2023. Chair Tokioka called for a vote via roll call.


Ayes: Tokioka, Wong, Glick.
Nays: None.
The motion carried unanimously, 3 to 0.

V. ADJOURNMENT

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

Secretary Glick moved, and Vice Chair Wong seconded the motion. Chair Tokioka adjourned the meeting by acclamation at 3:28 p.m.

Respectfully Submitted

By: 

Mark Glick
Its: Secretary