

HAWAII GREEN INFRASTRUCTURE AUTHORITY
State of Hawai'i

Monday, July 29, 2024 – 3:00 p.m.

Conference Room B and Video Conference

Honolulu, Hawai'i 96813

ATTENDANCE

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

Staff Present: Gwen Yamamoto Lau, Demaney Kihe, Allison Hamada,
Kara Daley, Dante Hirata-Epstein, Peter Tan, Jenna
Seagle, Latrisha Nakasone

Others Present: John Cole (Deputy Attorney General)

Members of the Public: K.B. Chun

I. ROLL CALL

Chair Tokioka called the meeting of the Hawaii Green Infrastructure Authority to order at 3:05 p.m. Chair Tokioka called a proper roll call of all members.

Chairperson Tokioka	Present
Vice Chair Wong	Present via zoom
Secretary Glick	Present
Member Wallsgrove	Present
Member Salaveria	Present via zoom

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

MATERIALS DISTRIBUTED

1. Agenda for the July 29, 2024 Meeting.
2. Minutes from the April 29, 2024 Regular Meeting.
3. HI C-PACER Financing Program Guidelines
4. HGIA's Quarterly Report for the period ended June 30, 2024

II. APPROVAL OF MINUTES

Chair Tokioka stated that the first item on the agenda is the approval of the minutes of the April 29, 2024 regular meeting and asked for a motion to approve the minutes.

Member Wallsgrove moved and Secretary Glick seconded the motion to approve the April 29, 2024 regular meeting minutes. Chair Tokioka asked if there was any discussion on the meeting minutes. Hearing none, Chair Tokioka asked if there were any questions from the general public. Hearing none, Chair Tokioka called for a vote via roll call.

Ayes: Tokioka, Wong, Glick, Wallsgrove, Salaveria
Nays: None.

The motion carried unanimously, 5 to 0.

As Secretary Glick will need to leave the meeting early, Chair Tokioka stated that he'll be moving the Discussion and Decision Making up next on the agenda.

III. DISCUSSION AND/OR DECISION MAKING

1. Chair Tokioka 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. Chair Tokioka stated the floor is now open for nominations for the seat of Vice Chair.

Member Glick nominated Dennis Wong to be Vice Chair.

Chair Tokioka asked if there were any other nominations. Hearing none, Chair Tokioka asked for motion to elect Dennis Wong as Vice Chair. Member Salaveria moved and Secretary Wallsgrove seconded the motion. Chair Tokioka asked if there was any discussion. Hearing none, he asked if there were any public comments. Hearing none, he called for a vote via roll call.

Ayes: Tokioka, Wong, Wallsgrove, Glick, Salaveria.
Nays: None.

The motion carried unanimously, 5 to 0.

Chair Tokioka stated the next position under consideration is the Secretary. The Secretary will be responsible for compiling, publishing, and submitting meeting minutes for board review. Chair Tokioka asked if there are any nominations for the office of Secretary.

Vice Chair Wong nominated Mark Glick as Secretary.

Chair Tokioka asked if there were any other nominations. Hearing none, Chair Tokioka asked for motion to elect Mark Glick as Secretary. Member Wallsgrove moved and Vice Chair Wong seconded the motion. Chair Tokioka asked if there was any discussion. Hearing none, he asked if there were any public comments. Hearing none, he called for a vote via roll call.

Ayes: Tokioka, Wong, Wallsgrove, Glick, Salaveria.

Nays: None.

The motion carried unanimously, 5 to 0.

Chair Tokioka congratulated Vice Chair Wong and Secretary Glick.

2. Chair Tokioka stated that the next item on the agenda is the approval of Additional Qualifying Improvements and a revisit of HRS 225-PS for C-PACER. Chair Tokioka asked Gwen Yamamoto Lau to present.

Yamamoto Lau provided an overview of the passage of Act 183, SLH 2022 and the initial design of the HI C-PACER program guidelines based on the recommendation of a Permitted Interaction Group (PIG) convened for that purpose. The Board approved the PIG'S recommendation in October 2022, including a condition that bridge technology would not be eligible for C-PACER financing if it had a useful life beyond 2045.

Yamamoto Lau also provided an overview of the passage of Act 41, SLH 2024 which added condominium associations as an eligible borrower and transitioned the program from a county-level to a state-level.

HGIA launched the HI C-PACER financing program on July 1, 2024 and to make the program more user-friendly, Yamamoto Lau proposed the following revisions:

- Bridge Technology: Allow financing until 2035; to provide time for newer, greener technologies to be developed
- Condominium Associations: Expand qualifying improvements to include any improvement that are affixed to the property or building.
- Retroactive Financing: Extend look-back period to five years.

- Fees: Reduce program fees for condominium associations.

Yamamoto Lau invited questions and comments on the proposed revisions.

A general discussion followed on the benefits of the C-PACER program for condominium associations, particularly in managing significant safety and maintenance costs. There was also a discussion about strictly adhering to HRS 225 PS and prohibiting the financing of bridge technology with a useful life beyond 2045. However, as both the commercial property owners and lenders are private entities, this stipulation would hold them at a higher standard than state funded projects.

Chair Tokioka asked if there were any further questions or comments. Hearing none, he called for a motion to approve HGIA's Additional Qualifying Improvements and changes to the HI C-PACER program as recommended. Vice Chair Wong moved and member Salaveria seconded the motion to approved HGIA's Additional Qualifying Improvements and changes to the HI C-PACER program. Chair Tokioka called for a vote via roll call.

Ayes: Tokioka, Wong, Glick with reservation, Salaveria
Nays: Wallsgrove.

The motion carried unanimously, 4 to 1.

Secretary Glick left the meeting at 3:45 p.m.

3. Chair Tokioka stated the next item on the agenda is the approval of the HGIA's Quarterly Report for the period ending June 30, 2024 and asked Gwen Yamamoto Lau to present.

Yamamoto Lau shared that the format of the report has been changed and provided the following highlights:

- Act 40, pertaining to the Solar Hui Investment Fund, and Act 41, related to the C-PACER Program, were signed into law on May 30, 2024.
- Act 230 (Session Law 2024) approved HGIA's base budget, added three staff positions, and allocated \$15 million in additional loan capital.

Yamamoto Lau addressed questions from the members and turned it over to Kara Daley to provide program updates on the Residential Portfolio.

Residential Portfolio. During this past quarter, HGIA received 258 new applications. Fifty-two (52) applications aggregating \$3.4 million in total project costs were approved and sixty-one (61) installations were partial or final funded based on project completion. There are currently 1,429 applications in process.

Commercial Portfolio. Demaney Kihe reported that during the past quarter, HGIA received fourteen (14) new applications made up of ten (10) low-income housing tax credit multi-family projects; 1 nonprofit, 2 small businesses, and a third-party investor interested in providing energy services agreements to ALICE households. 3 applications aggregating \$1.7 million in total project costs were approved and 3 projects were partial funded based on its respective EPC Agreement. There are currently twenty-one (21) applications in process.

Miscellaneous Program Updates. Yamamoto Lau reported that during the past quarter, the HI-CAP Program funded \$2.8 million in three loans, with two notable loans in Maui County. Six (6) loans were made by Participating CDFIs aggregating \$763,000, primarily to agricultural related small businesses.

Chair Tokioka asked if there were any further questions or comments. Hearing none, he called for a motion to approve HGIA's Quarterly Report for the period ending June 30, 2024. Member Wallsgrove moved and member Salaveria seconded the motion to approved HGIA's Quarterly Report ending June 30, 2024. Chair Tokioka called for a vote via roll call.

Ayes: Tokioka, Wong, Wallsgrove, Salaveria
Nays: None.

The motion carried unanimously, 4 to 0.

IV. ADJOURNMENT

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

Member Wallsgrove moved, and Vice Chair Wong seconded the motion. Chair Tokioka adjourned the meeting by acclamation at 4:00 p.m.

Respectfully Submitted

By: _____
Mark Glick
Its: Secretary