

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Land Division
Honolulu, Hawaii 96813

May 13, 2016

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

PSF No.: 16HD-037

Hawaii

Set Aside to Hawaii Housing Finance and Development Corporation (HHFDC) for Affordable Multifamily Rental Housing Purposes; Assignment of Lessor's Interest in General Lease No. S-4610, Kamana, Inc., Lessee, to HHFDC; Consent to HHFDC's Issuance of New 65-Year Term Lease to Kamana, Inc., Lessee, for Affordable Multifamily Rental Housing Purposes for the Elderly and Disabled; Consent to the Assignment of the New Lease from Kamana, Inc., as Assignor, to U00660 Hilo, L.P., as Assignee; Issuance of Immediate Management Right-of-Entry to HHFDC, Waiakea, South Hilo, Hawaii, Tax Map Keys: (3) 2-4-056:022.

APPLICANT:

Hawaii Housing Finance and Development Corporation (HHFDC)

LEGAL REFERENCE:

Section 171-11, -13 and -95, Hawaii Revised Statutes (HRS), as amended.

LOCATION:

Portion of Government lands situated at Waiakea, South Hilo, Hawaii, Tax Map Key: (3) 2-4-056:022, as shown on the attached map labeled Exhibit A.

AREA:

7.159 acres, more or less.

ZONING:

State Land Use District:
County of Hawaii CZO:

Urban
RS-10 (Residential)

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: NO

CURRENT USE STATUS:

Affordable housing in 62-unit apartment complex known as Kamana, Inc.

LEASE CHARACTER OF USE:

Elderly and handicap housing development purposes.

PURPOSE OF SET-ASIDE:

Affordable multifamily rental housing purposes.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

See Exemption Notification attached as Exhibit B.

APPLICANT REQUIREMENTS:

None.

REMARKS:

At its meeting of June 9, 1978, Item F-5, as amended, the Board of Land and Natural Resources approved the issuance of a lease to Big Island Housing Foundation, a non-profit and eleemosynary corporation, by direct negotiation for elderly housing purposes pursuant to Hawaii Revised Statutes, Section 171-84. General Lease No. S-4610 was thereafter issued to Big Island Housing Foundation as of July 1, 1978 for a term of 75 years at a fixed annual rent of \$1.00 per year.

At its meeting of February 22, 1980, under agenda item F-18, the Board approved to amend the lease to expand the "Character of Use" from "Elderly Housing" to "Housing for the Elderly and for the Handicapped".

At its meeting of February 8, 1991, the Board under item F-1-c, approved the consent to assignment of General Lease No. S-4610 from Big Island Housing Foundation, as Assignor, to Kamana, Inc. (Kamana), as Assignee.

By letter dated October 21, 2015, the Hawaii Housing Foundation and Development Corporation (HHFDC), a division of the Department of Business, Economic

Development and Tourism (DBEDT), requested: (i) the set-aside of the land to it subject to General Lease No. S-4610, (ii) Board consent to HHFDC's issuance of a new lease with a 65-year term and nominal rent of \$1.00 per year to Kamana, and (iii) Board consent to the assignment of the new lease from Kamana to the buyer and new owner identified as U00660 Hilo, L.P., a Hawaii limited partnership (Partnership). The letter explained that the buildings on the property were in need of repair and renovation due to their age, and that the Partnership was formed to obtain financing from the HHFDC, a public body and body corporate of the State of Hawaii. The financing will be used to renovate the apartment complex on the property to provide safe, decent and affordable rental housing for the elderly and handicapped persons in the County of Hawaii.

The Partnership's participation in the project will provide it with the benefit of tax credits under the low income housing tax credit (LIHTC) program. HHFDC has already approved an award of up to \$478,543 of annual Federal LIHTC and up to \$239,271 of annual State volume cap LIHTC for the project. HHFDC also approved Resolution No. 072 which provides for official intent with respect to the issuance of revenue bonds up to \$7,300,000 for the project.

The general partner of the Partnership is a for-profit organization. In a similar financing transaction involving different parties with respect to an affordable housing development on State land in Oahu, Oahu staff consulted with the Department of the Attorney General and learned that the involvement of a "for-profit" entity in the proposed new lease arrangement was not permissible under Hawaii Revised Statutes, Chapter 171.¹

The oversight of an affordable, elderly housing lease requires a level of regulatory expertise that the Department of Land and Natural Resources does not have. At its meeting of October 15, 2015 the Board of Directors of HHFDC approved a "For Action" item to request the set-aside of the subject land and improvements to HHFDC. A copy of the HHFDC "For Action" is attached as Exhibit C.

Additionally, staff is recommending the assignment of the lessor's interest in General Lease No. S-4610 to HHFDC, if such action is determined to be necessary or appropriate by the Department of the Attorney General. Once the land and lease are under HHFDC's control and management, it will have authority to issue a new 65-year lease to Kamana, and to authorize the assignment of the lease from Kamana to the Partnership in accordance with applicable housing laws. The new lease will facilitate the financing and renovation of the housing complex. HHFDC seeks Board consent of the issuance of the new lease to Kamana and the assignment from Kamana to the Partnership.

Staff believes the requested set-aside constitutes the highest and best use of the property based on the use of the land for affordable, elderly housing for about the last 40 years.

¹ In the 1970s, prior to the creation of HHFDC, the Board issued leases for affordable housing projects to developers in accordance with its statutory authority. See HRS Section 171-84. However, the Board's practice in recent years has been to set aside these affordable housing projects to HHFDC.

HHFDC advise staff that time is of the essence in this transaction because financing needs to be secured before the end of May, 2016. It is unclear whether that deadline can be met. Staff is therefore recommending the issuance of an immediate management right-of-entry permit to HHFDC authorizing it to manage the land and the lease pending the finalization and execution of the set-aside and lease assignment instruments.

Staff has solicited comments on the subject request from the agencies identified below with the following results.

County of Hawaii Agencies	Comments
Fire Department	No Response
Planning	No Response
Public Works	No Response
State of Hawaii Agencies	Comments
DLNR-Historic Preservation	No Response
DHHL	No Response
Other Agencies	Comments
Office of Hawaiian Affairs	No Response

There are no other pertinent issues and concerns. Staff does not have any objections to the request.

RECOMMENDATION:


That the Board, subject to Applicant fulfilling the Applicant Requirements above:

1. Approve of and recommend to the Governor the issuance of an executive order setting aside the subject lands to Hawaii Housing Finance and Development Corporation under the terms and conditions cited above, which are by this reference incorporated herein and subject further to the following:
 - A. The standard terms and conditions of the most current executive order form, as may be amended from time to time;
 - B. Disapproval by the Legislature by two-thirds vote of either the House of Representatives or the Senate or by a majority vote by both in any regular or special session next following the date of the setting aside;
 - C. Review and approval by the Department of the Attorney General; and

- D. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.
- 2. Approve the assignment of lessor's interest in General Lease No. S-4610, Kamana, Inc., Lessee, to Hawaii Housing Finance and Development Corporation, if determined to be necessary or appropriate by the Department of the Attorney General, under the terms and conditions cited above, which are by this reference incorporated herein, subject further to the following:
 - A. The standard terms and conditions of the most current amendment of lease document form, as may be amended from time to time;
 - B. The effective date of the amendment shall be the date of the Board of Land and Natural Resources' approval of the subject request;
 - C. Review and approval by the Department of the Attorney General; and
 - D. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.
- 3. Consent to the new 65-year lease between Hawaii Housing Finance and Development Corporation and Kamana, Inc., subject to any applicable conditions cited above which are by this reference incorporated herein and further subject to the following:
 - A. Review and approval by the Department of the Attorney General; and
 - B. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.
- 4. Consent to the assignment of the new lease from Kamana, Inc., as assignor, to U00660 Hilo, L.P., as assignee, subject to any applicable conditions cited above which are by this reference incorporated herein and further subject to the following:
 - A. Review and approval by the Department of the Attorney General; and
 - B. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.
- 5. Authorize the issuance of an immediate management right-of-entry permit to the Hawaii Housing Finance and Development Corporation covering the subject land and lease under the terms and conditions cited above, which are by this reference incorporated herein and further subject to the following:

- A. The standard terms and conditions of the most current right-of-entry permit form, as may be amended from time to time;
- B. The right-of-entry permit shall remain in force until the set-aside and lease amendment under recommendations 1 and 2 above are complete; and
- C. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,


Gordon C. Heit
District Land Agent

APPROVED FOR SUBMITTAL:

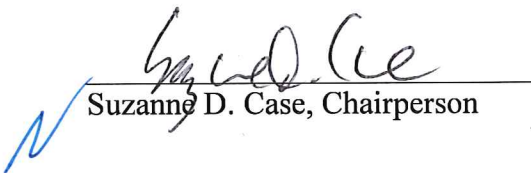
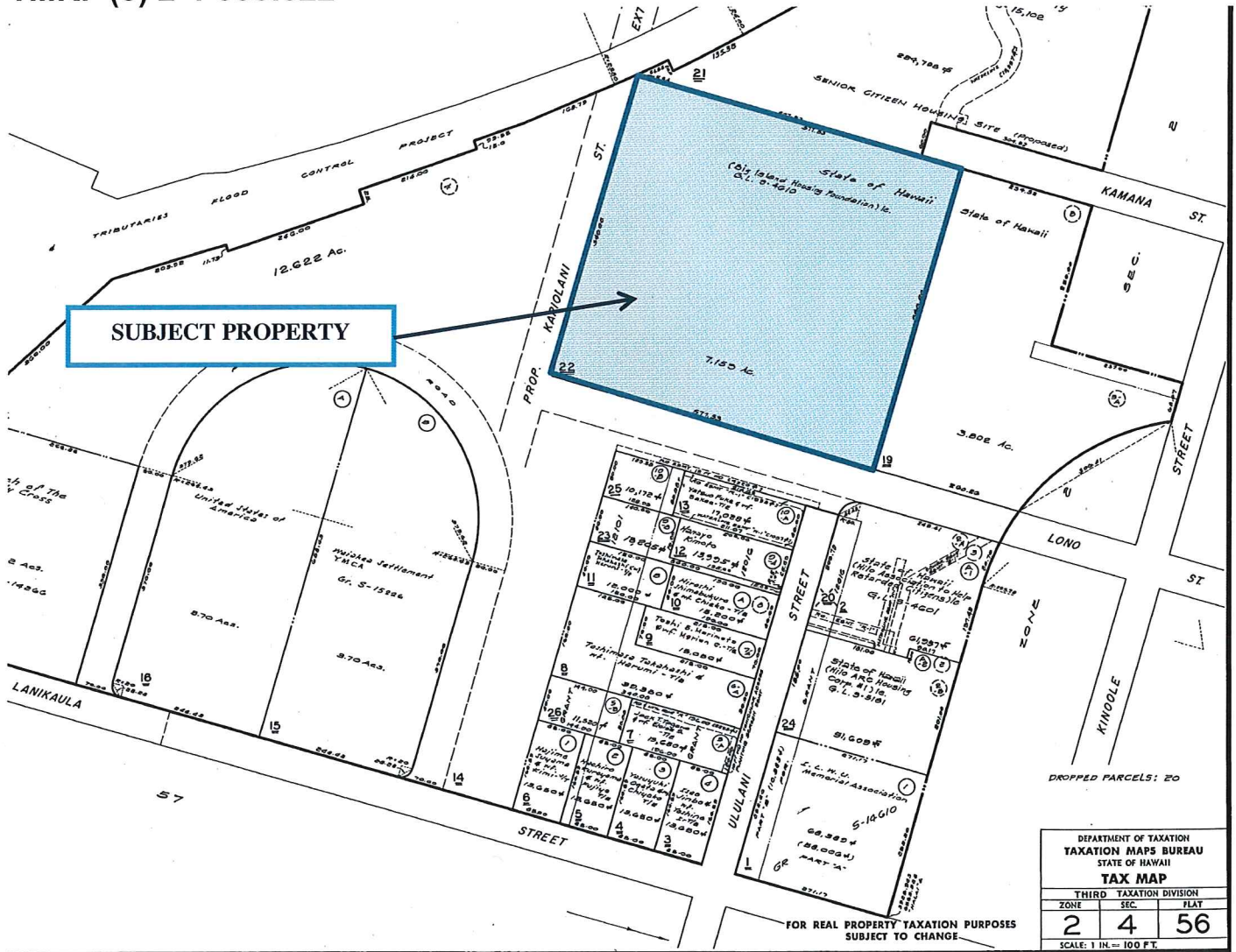

Suzanne D. Case, Chairperson

EXHIBIT A

TMK: (3) 2-4-056:022



DEPARTMENT OF TAXATION TAXATION MAPS BUREAU STATE OF HAWAII		
TAX MAP		
THIRD TAXATION DIVISION		
ZONE	SEC.	PLAT
2	4	56
SCALE: 1 IN. = 100 FT.		

DAVID Y. IGE
GOVERNOR OF HAWAII



**STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES**

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

SUZANNE D. CASE
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT

KEKOA KALUHIWA
FIRST DEPUTY

JEFFREY T. PEARSON, P.E.
DEPUTY DIRECTOR - WATER

AQUATIC RESOURCES
BOATING AND OCEAN RECREATION
BUREAU OF CONVEYANCES
COMMISSION ON WATER RESOURCE MANAGEMENT
CONSERVATION AND COASTAL LANDS
CONSERVATION AND RESOURCES ENFORCEMENT
ENGINEERING
FORESTRY AND WILDLIFE
HISTORIC PRESERVATION
KAHOOLAWE ISLAND RESERVE COMMISSION
LAND
STATE PARKS

EXEMPTION NOTIFICATION

From the preparation of an environmental assessment under the authority of Chapter 343, HRS and Chapter 11-200, HAR

Project Title: Set Aside to Hawaii Housing Finance and Development Corporation (HHFDC) for Affordable Multifamily Rental Housing Purposes; Assignment of Lessor's Interest in General Lease No. S-4610, Kamana, Inc., Lessee, to HHFDC; Consent to HHFDC's Issuance of New 65-Year Term Lease to Kamana, Inc., Lessee, for Affordable Multifamily Rental Housing Purposes for the Elderly and Disabled; Consent to the Assignment of the New Lease from Kamana, Inc., as Assignor, to U00660 Hilo, L.P., as Assignee; Issuance of Immediate Management Right-of-Entry to HHFDC.

Project Number: PSF No. 16HD-037

Project Location: Waiakea, South Hilo, Hawaii, TMK: (3) 2-4-056:022.

Project Description: Set Aside to Hawaii Housing Finance and Development Corporation (HHFDC) for Affordable Multifamily Rental Housing Purposes; Assignment of Lessor's Interest in General Lease No. S-4610, Kamana, Inc., Lessee, to HHFDC; Consent to HHFDC's Issuance of New 65-Year Term Lease to Kamana, Inc., Lessee, for Affordable Multifamily Rental Housing Purposes for the Elderly and Disabled; Consent to the Assignment of the New Lease from Kamana, Inc., as Assignor, to U00660 Hilo, L.P., as Assignee; Issuance of Immediate Management Right-of-Entry to HHFDC.

Consulted Parties: County of Hawaii, Planning Department; and others

Exemption Class No.: In accordance with the "Exemption List for the Department of Land and Natural Resources", approved by the Environmental Council and dated June 5, 2015, the subject request is exempt from the preparation of an environmental assessment pursuant to Exemption

EXHIBIT B


Class No. 1, Item No. 43 that states "Transfer of management authority over State-owned lands, such as setting aside of State lands to or from other government agencies through a Governor's Executive Order" and No. 51 that states "Permits, licenses, registrations, and rights-of-entry issued by the Department that are routine in nature, involving negligible impacts beyond that previously existing."

Recommendation:

It is anticipated this project will probably have minimal or no significant effect on the environment and is presumed to be exempt from the preparation of an environmental assessment.



Suzanne D. Case, Chairperson



Date 4/25/16

EXHIBIT C

Reviewed and Approved by the Executive Director AN
October 15, 2015

FOR ACTION

I. REQUEST

Approve U00660 Hilo, L.P., or Other Successor Entity Approved by the Executive Director, as an Eligible Developer Pursuant to Section 15-307-24, Hawaii Administrative Rules, Set Aside of the Project Site to Hawaii Housing Finance and Development Corporation, Issuance of Amended and Restated Ground Lease to the Existing Lessee, and Consent to Assignment of Restated Ground Lease to the Developer for the Kamana Elderly Apartments Project Located in Hilo, Hawaii, TMK No. (3) 2-4-056: 022.

II. FACTS

Name: Kamana Elderly Apartments
Location: 145 Kamana Street
Hilo, Hawaii 96720
Land Ownership: State of Hawaii
Existing Lessee: Kamana, Inc.
Tax Map Key: (3) 2-4-056: 022
Zoning: RS-10
HHFDC Involvement: Lessor
Type: Affordable Rental Project for Seniors¹ and Disabled Tenants
No. of Units: 62 1-Bedroom Units (570 sq. ft.)
62 Units Total
9 1-story Residential Buildings
1 Common Building
Laundry Room
Picnic Area
64 Parking Stalls
Land Area: 311,890 Sq. Ft. or 7.16 Acres
Affordable Market: 61 Units at 60% and below HUD area median income (AMI)
1 Manager's Unit
62 Total Units
Maximum Rents:

Units	Unit Type and Affordability	Max. Rent/Mo. ²
61	1-Bedroom Unit @ 60% AMI	\$687
1	Manager's Unit	N/A
62	Units Total	

Developer: U00660 Hilo, L.P.³
Developer Contact: Thomas G. Fischer, Chief Development Officer
U00660 Hilo, L.P.
2000 E. Fourth Street, Suite 205
Santa Ana, California 92705
Phone: (714) 835-3955

¹ Age 62 years old and older.

² Based on HHFDC 2015 maximum rent of \$768/month and utility allowance of \$81/month based on utility allowance analysis approved by HUD dated 12/18/13; the tenants are responsible for electricity for cooking, other electric and water heating (water heater in each unit).

³ From Developer's response to HHFDC Questions#1 received on July 13, 2015, U00660 Hilo, L.P. was formed on April 6, 2015, instead of UHC 00660 Hilo, L.P. as indicated in its March 3, 2014 Consolidated Application. U00660 Hilo Holdings LLC (instead of UHC 00660 Hilo Holdings LLC) is presently the sole general partner of U00660 Hilo, L.P.

- A. Kamana Elderly Apartments (Project) is an existing affordable 62-unit rental project that was completed in the late 1970's. The Project consists of nine residential buildings and one common building used as an office, laundry facilities, and maintenance storage space. All the buildings are 1-story structures. The resident manager unit is a 1-bedroom unit. Buildings are of concrete slab, steel frame and wood exterior. Project amenities include a picnic area and laundry room. The Project is on approximately 7.16 acres of land owned by the State of Hawaii in Hilo, Hawaii, TMK No. (3) 2-4-056: 022 (Property)(Exhibit A).
- B. The State of Hawaii, through its Board of Land and Natural Resources, leased the land to the Big Island Housing Foundation, a non-profit Hawaii corporation, for a term of 75 years from July 1, 1978 to June 30, 2053 at \$1/year solely for purposes of housing for the elderly and handicapped tenants (under General Lease No. S-4610 recorded at the State of Hawaii Bureau of Conveyances at Book 14602 Page 516).⁴ The minimum age for elderly tenants is 62 years old. The Project is 37 years old and has 38 years remaining under the General Lease.
- C. The Project was developed with a direct loan from the U.S. Department of Housing and Urban Development (HUD) pursuant to the supportive housing for the elderly and handicapped program described in Section 202 of the Housing Act of 1959, as amended (Section 202). The affordable target market for the Project under the Section 202 program was 80% and below the AMI. The HUD Section 202 mortgage was repaid in 2003 and the property is no longer subject to a HUD Regulatory Agreement, however, HUD continues to provide Section 8 HAP subsidies on behalf of eligible tenants. In general, tenants pay no more than 30% of their income for rent.
- D. General Lease No. S-4610 was assigned to Kamana, Inc., a Hawaii non-profit corporation, by Assignment of Lease dated September 18, 1997 and recorded in the Bureau of Conveyances as Document No. 97-178748. Kamana, Inc. is the existing lessee under the General Lease (Current Owner).
- E. On March 12, 2015, the Hawaii Housing Finance and Development Corporation (HHFDC) Board of Directors approved Resolution No. 072 which provides for official intent with respect to the issuance of revenue bonds up to \$7.3 million and approved a reservation of up to \$478,543 in annual Federal Low Income Housing Tax Credit (LIHTC) and \$239,271 in annual State LIHTC from the non-competitive pool (4% LIHTC) for the acquisition/rehab of the Project.
- F. The Developer will obtain input from a community meeting scheduled for October 13, 2015 at 9:00 a.m. at the County Council Room, 25 Aupuni Street, Hilo, Hawaii.
- G. Acquisition and rehabilitation of the Project appears eligible as an exemption from Chapter 343, Hawaii Revised Statutes (HRS), pursuant to HHFDC Exemption Class #1 and Class #10, as follows:

"Exemption Class #1: Operations, repairs, or maintenance of existing structures, facilities, equipment, or topographical features, involving negligible or no expansion or change of use beyond that previously existing."

⁴ Amendment of General Lease No. S-4610 dated March 24, 1980 recorded at the Bureau of Conveyances at Book 14602 Page 545 added the use of the land for housing for handicapped persons.
For Action - October 15, 2015

"Exemption Class #10: Continuing administrative activities including, but not limited to purchase of supplies and personnel-related actions.

7. Acquisition and leasing of land under the 201H, HRS, program and facilities/improvements acquired for continued use, provided that a site assessment is conducted."

III. DISCUSSION

- A. By letter dated May 5, 2015⁵, U00660 Hilo, L.P., the developer of the proposed acquisition/rehab Project (Developer), requested that HHFDC request the Board of Land and Natural Resources (BLNR) for a set aside of the Property, issue the Current Owner a new amended and restated ground lease for 65 years at \$1/year which will superseded General Lease No. S-4610 (Restated Ground Lease), and consent to the Current Owner's assignment of the Restated Ground Lease to the Developer, for repair and renovation and continued operation of the Project. See attached Exhibit B.
- B. The proposed budget for the Project is as follows:

	Amount	Per Square Foot	%
Project Acquisition	\$6,296,001	172.06	44.78%
Rehabilitation	2,480,000	67.78	17.64%
Contingency	476,225	13.01	3.39%
Architectural and Design	365,000	9.98	2.60%
Interim & Soft Costs	1,626,000	44.44	11.57%
Financing & Syndication Costs	572,000	15.63	4.07%
Developer's Fee	1,833,837	50.12	13.04%
Project Reserves	410,356	11.21	2.92%
Total Project Budget	\$14,059,419	384.23	100.00%

- C. The proposed financing plan for the Project is as follows:

	Interim	Permanent
Sponsor Equity	0	0
LIHTC Equity	548,409	5,484,092
HMMF Bond	7,300,000	0
Permanent Loan	0	1,778,000
Seller Takeback Loan	3,893,817	5,508,123
Cash Generated During Construction	135,000	135,000
Deferred Reserves	348,356	0
Deferred Developer Fee	1,833,837	1,154,204
Total	\$14,059,419	\$14,059,419

- D. A summary description of the proposed rehabilitation work and estimated cost is attached as Exhibit C.

⁵ HHFDC received a copy of the request letter by email on May 8, 2015, a copy of the March 3, 2014 Consolidated Application and electronic copy on CD as its 201H Application to support its request letter on June 19, 2015, and a non-refundable 201H Application fee of \$2,000 on June 22, 2015.
For Action - October 15, 2015

- E. Except for a foreclosure exception and except for a manager's unit, all of the units in the Project shall remain affordable for the term of the Restated Ground Lease, as follows:
- | | |
|----------|---|
| 61 | 1-bedroom units for seniors (62 years old and older) and disabled tenants at 60% and below the HUD area median income |
| <u>1</u> | Manager's unit |
| 62 | units total |
- F. A Hazardous Materials Survey (March 2014) confirms the presence of asbestos containing materials and lead paint at the Project. HHFDC proposes that execution of the Restated Ground Lease be deferred until HHFDC is satisfied that abatement requirements for asbestos and lead paint will be complied with.
- G. HHFDC proposes that the Restated Ground Lease include a provision that in the event of a foreclosure, should the affordability restriction be removed from any of the units, the base lease rent of \$1.00/year shall be increased to market lease rent at 8% of the fair market value of the Property per year, prorated based upon the number of units not used as affordable units.
- H. HHFDC proposes that the Restated Ground Lease include a provision that should the affordability restriction be removed from any of the units, if HHFDC approves any General Excise Tax (GET) exemptions for rehabilitation of the Project, HHFDC shall reserve the right to recapture from the Developer and/or the Project, a prorated portion of any exemptions from GET approved by HHFDC based upon the units not used as affordable units and the number of years remaining under the Restated Ground Lease.⁶
- I. HHFDC proposes that the Restated Ground Lease include a provision that, subject to a foreclosure exception, the lessee shall not benefit financially from any conveyance or re-financing of the Project, unless approved in writing by the lessor, except for the following:
1. The sales price of lessee's leasehold interest in the Project shall be subject to the following:
 - a. The lessee shall be permitted to recapture documented advances made for the Project; and
 - b. Any excess proceeds of any sale shall be placed in escrow or other mutually agreeable vehicle or mechanism and used to create additional affordable housing in the State of Hawaii;
 2. Lessee's reserves for the Project will be identified and transferred to any transferee of the Project; and
 3. HHFDC reserves the right to impose less, different or additional conditions to any extensions to the Restated Ground Lease.
- J. HHFDC proposes the following minimum insurance requirements for the Restated Ground Lease:
1. General liability insurance in the amount of \$3 million per occurrence and \$5 million in the aggregate, and automobile liability insurance of no less

⁶ HHFDC will consider a foreclosure exception if required by Developer's lenders.
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than \$1 million per accident. If the lessee does not own automobiles, it shall maintain Hired and Non-owned Automobile Liability coverage;

2. Pollution liability in the combined single limit per occurrence of \$3 million and annual aggregate limit of \$5 million;
3. Property insurance including windstorm written on a replacement cost basis of 100% of the replacement cost of the buildings and contents;
4. Contractor's pollution liability insurance in the amount of \$3 million per occurrence and \$5 million in the aggregate, with tail coverage extending 5 years beyond the completion of the rehabilitation work; and
5. HHFDC and the State of Hawaii shall be named as additional insured parties on the insurance policies.

K. This For Action seeks approval of a set aside of the Property to HHFDC, issuance of a new Restated Ground Lease which will supersede General Lease No. S-4610, and consent of the assignment of the Restated Ground Lease to the Developer, as follows, unless otherwise approved by the Executive Director:

1. Project: 62-unit affordable rental housing project for elderly (62 years old and older) and disabled tenants at 60% and below the AMI, and a manager's unit;
2. Lessee: U00660 Hilo, L.P., or other entity approved by the Executive Director;
3. Term: 65 years;
4. Lease Rent: \$1.00/year;
5. Additional Lease Rent: The Property is ceded land. Therefore, a condition of the ground lease shall be that the lessee shall be responsible for additional lease rent to HHFDC in the amount of 20% of all rent that the lessee collects, other than rent from leases of affordable housing, based upon the State's obligation to the Office of Hawaiian Affairs for the use of the Property as ceded land; and
6. Other conditions as described in this For Action.

L. All costs shall be borne by the Developer.

M. If the Project is not exempt from the requirements of Chapter 343, HRS, the Developer shall be responsible for compliance with Chapter 343, HRS.

N. The estimated schedule of the Project is as follows:

HHFDC Approval of Lease Extension	October 2015
HHFDC Receives Set-Aside	February 2016
Issuance of Restated Ground Lease	May 2016
Start of Rehab Work	June 2016
Completion	December 2016

O. Section 15-307-24(b), HAR, provides that the HHFDC Board may certify that the applicant is an eligible developer for the purposes of development of housing

projects approved by the corporation under Chapter 201H, HRS, if the Board finds that the applicant:

1. Has demonstrated compliance with all laws, ordinances, rules and other governmental requirements that the applicant is required to meet;
 2. Has the necessary experience;
 3. Has adequate and sufficient financial resources and support and has secured or has demonstrated the ability to secure a performance or payment bond, or other surety to develop housing projects of the size and type which the applicant proposes to develop; and
 4. Has met all other requirements that the corporation determines to be appropriate and reasonable.
- P. The Current Owner is Kamana, Inc., a Hawaii non-profit corporation. The Developer is U00660 Hilo, L.P., a Hawaii limited partnership, a newly formed⁷, single-asset entity. The general partners will be U00660 Hilo Holdings LLC (co-general partner) and Kamana, Inc. (managing general partner). The sole member and manager of U00660 Hilo Holdings LLC is UHC H2 Holdings LLC. The sole member and manager of UHC H2 Holdings LLC is UHC H2 LLC. The owner of UHC H2 LLC is Urban Housing Communities LLC. Kamana, Inc. does not have shareholders. A list of officers and directors of Kamana, Inc. and a list of officers and shareholders of Urban Housing Communities LLC are attached hereto as Exhibit D. The affordable housing development experience of Urban Housing Communities LLC is attached hereto as Exhibit E.
- Q. Proposed members of the Developer's team include:
1. Developer – U00660 Hilo, L.P., Santa Ana, California
 2. Contractor – Hunt Building Company, Honolulu, Hawaii
 3. Architect – Fleming & Assoc., LLC, Hilo, Hawaii
 4. Management Agent – Big Island Housing Foundation, Hilo, Hawaii
 5. Legal and Tax Counsel – Cox Castle Nicholson, San Francisco, California
 6. Certified Public Accountant – Novogradac & Company LLP, San Francisco, California
- R. HHFDC, or its predecessor agencies' past involvement with the Developer or its affiliates as developer or co-general partner include the following:
1. E Komo Mai, Hilo, Hawaii, acquisition/rehabilitation project using low-income housing tax credits and RHTF financing, and amended and restated ground lease from HHFDC.
 2. Hale Makana O Nanakuli, Waiānae, Oahu, Hawaii, new construction project using low-income housing tax credits, bond and RHTF financing.
 3. Riverside Apartments, Hilo, Hawaii, acquisition/rehab project, using low-income housing tax credits and RHTF financing.

⁷ Formed on April 6, 2015.
For Action – October 15, 2015

S. HHFDC finds the following:

1. That the Project primarily or exclusively includes housing units affordable to households with incomes at or below 140% of the median family income;
2. That the Developer, or other newly formed, single-asset affiliate of the Developer, are Eligible Developers pursuant to Section 15-307-24, HAR;
3. That the Developer's request and 201H Application meet minimum proposal requirements pursuant to Section 15-307-26, HAR;

IV. RECOMMENDATION

That the HHFDC Board of Directors approve the following for the Kamana Elderly Apartments affordable rental housing project for seniors and disabled persons on approximately 7.16 acres of land at 145 Kamana Street in Hilo, Hawaii, on TMK (3) 2-4-056: 022, substantially as described in this For Action:

- A. U00660 Hilo, L.P., or other successor entity approved by the Executive Director, as an Eligible Developer pursuant to Section 15-307-24, HAR;
- B. Set aside of the Project site from BLNR to HHFDC;
- C. Issuance of a new amended and restated ground lease for 65-years at \$1.00/year to the Current Owner, Kamana, Inc., or other entity approved by the Executive Director;
- D. Consent to the assignment of the new Restated Ground Lease from Kamana, Inc., to U00660 Hilo, L.P., or other entity approved by the Executive Director; and
- E. Authorize the Executive Director to take all actions necessary to effectuate the purposes of this For Action;

Subject to the following, unless otherwise approved at the sole discretion of the Executive Director:

- F. The Project is approved for an exemption from Chapter 343, HRS, or the Developer shall be responsible for compliance with Chapter 343, HRS;
- G. Except for a foreclosure exception and except for a manager's unit, all the units in the Project shall remain affordable for the term of the Restated Ground Lease;
- H. Execution of the Restated Ground Lease shall be subject to HHFDC's satisfaction that the Project will comply with abatement requirements for asbestos and lead paint;
- I. The Restated Ground Lease shall contain a provision that in the event of a foreclosure, should the affordability restriction be removed from any of the units, the base lease rent of \$1.00/year shall be increased to market lease rent at 8% of the fair market value of the Property per year, prorated based upon the number of units not used as affordable units;
- J. The Restated Ground Lease shall contain a provision that should the affordability restriction be removed from any of the units, if HHFDC approves any GET exemptions for rehabilitation of the Project, HHFDC reserves the right to

recapture from the Developer and/or the Project a prorated portion of any exemptions from GET approved by HHFDC;

- K. The Restated Ground Lease shall include a provision that, subject to a foreclosure exception, the lessee shall not benefit financially from any conveyance or re-financing of the Project, unless approved in writing by the lessor, except for the following:
 - 1. The sales price of lessee's leasehold interest in the Project shall be subject to the following:
 - a. The lessee shall be permitted to recapture documented advances made for the Project; and
 - b. Any excess proceeds of any sale shall be placed in escrow or other mutually agreeable vehicle or mechanism and used to create additional affordable housing in the State of Hawaii;
 - 2. Lessee's reserves for the Project will be identified and transferred to any transferee of the Project; and
 - 3. HHFDC reserves the right to impose less, different or additional conditions to any extensions to the Restated Ground Lease.
- L. The Project shall not be sold, transferred, or otherwise used to satisfy the reserved housing or affordable housing requirement for any other project at any other location;
- M. The Restated Ground Lease shall contain a provision that lessee shall pay additional lease rent of 20% of all rent lessee collects, other than rent from affordable units;
- N. The Restated Ground Lease shall contain the minimum insurance requirements as discussed herein;
- O. Plans and specifications for renovation of the Project shall be submitted to the Disability and Communication Access Board for approval in compliance with Section 103-50, HRS;
- P. Payroll affidavits for renovation of the Project shall be submitted to HHFDC in compliance with Chapter 104, HRS;
- Q. Approval as to form of necessary documents by the Department of Attorney General and execution by the Executive Director;
- R. Commencement of construction of the Project by December 31, 2017, unless otherwise extended at the sole discretion of the Executive Director;
- S. Completion of the Project by December 31, 2018, unless otherwise extended at the sole discretion of the Executive Director; and
- T. Compliance with all rules, regulations, and such other terms and conditions as may be required by the Executive Director.

Attachments:

Exhibit A – Location Map
Exhibit B – Developer's Request Letter Dated 5/5/15
Exhibit C – Summary of Proposed Renovation Work and Cost
Exhibit D – List of Officers and Directors of Kamana, Inc. and Officers
and Shareholders of Urban Housing Communities LLC
Exhibit E – Development Experience of Urban Housing Communities
LLC

Prepared by: Stan S. Fujimoto, Project Manager
Reviewed by:  Richard Prahler, Development Branch Chief

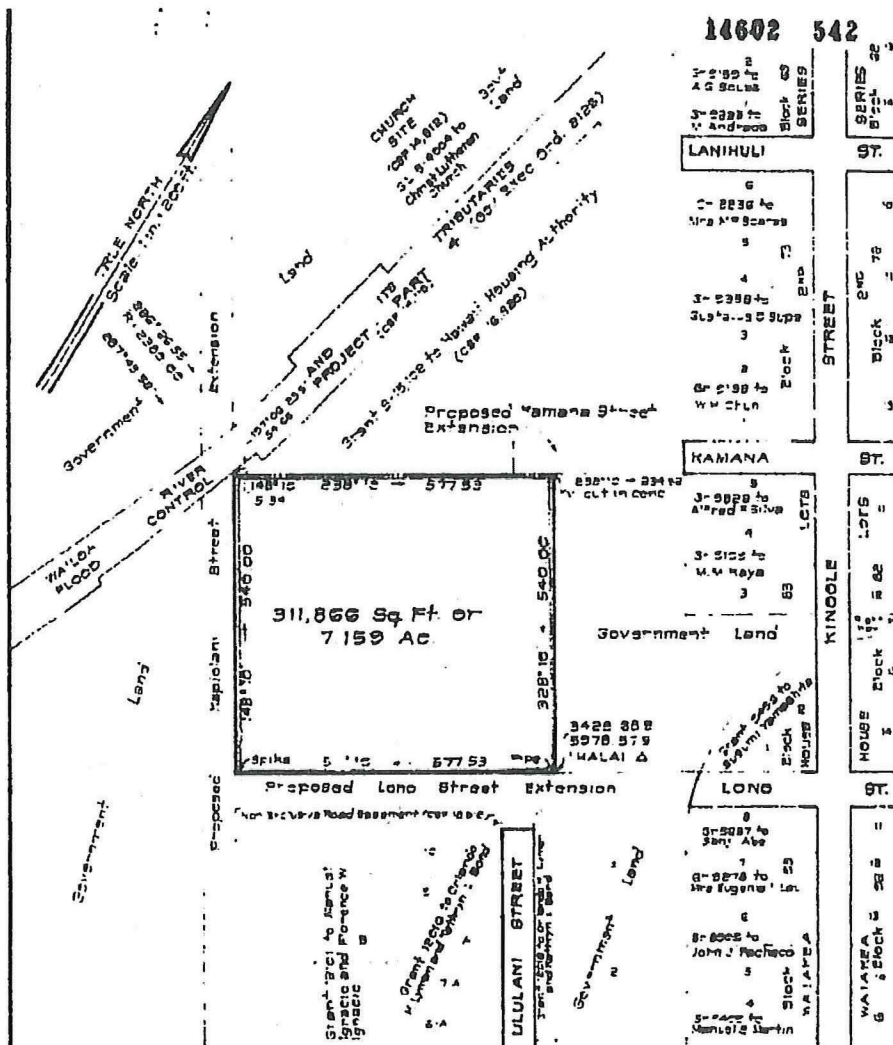
SF
RP

Approved by The Board of Directors at its meeting
on OCT 15 2015

DEVELOPMENT BRANCH

Please take necessary action.


EXECUTIVE DIRECTOR



**PORTION OF
THE GOVERNMENT (CROWN) LAND OF WAIAKEA**
Waiakea, South Hilo, Island of Hawaii, Hawaii
Scale: 1 inch = 200 feet

JOB W-335 (79)
C.B.K.

EXHIBIT 4499

TAX MAP 2 4-86-100-13

**SURVEY DIVISION
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES
STATE OF HAWAII**

C. S. F. No. 18, 197

644 Sept 19, 1978

U00660 Hilo, L.P.
2000 E. Fourth Street, Suite 205
Santa Ana, California 92705

May 5, 2015

Hawai'i Housing Finance and Development Corporation
Attention: Mr. Craig K. Hirai, Executive Director
677 Queen Street, Suite 300
Honolulu, Hawai'i 96813

RE. Kamana Elderly Apartments

Supplement to 2014 HHFDC Consolidated Application Dated March 3, 2014 filed by
UHC 00660 Hilo, L.P.

General Lease No. S-4610
(Land situate at Waiakea, South Hilo, Island and County of Hawai'i, State of Hawai'i)
Tax Map Key No. (3) 2-4-056-022

Dear Sir:

This letter is a supplement to the above referenced application ("Application") dated March 3, 2014, which UHC 00660 Hilo, L.P. submitted to the Hawai'i Housing Finance Development Corporation ("HHFDC") for a reservation of federal and State of Hawai'i ("State") low income housing tax credits ("LIHTC") for the above referenced leasehold project. UHC 00660 Hilo, L.P. is now known as U00660 Hilo, L.P. ("Applicant").

By its letter dated March 17, 2015 letter ("Reservation Letter"), HHFDC informed Applicant that HHFDC approved the Application for a reservation of federal and State LIHTC's for the project subject to a 61 year affordability requirement. The Application and Reservation Letter are incorporated by reference.

The State is the fee simple owner of the land upon which the project is situated. By General Lease No. S-4610, as amended, the State, as lessor, leased the land described therein to Kamana, Inc. ("Lessee"), a Hawai'i nonprofit corporation, as lessee, for the development of the project for a term of 75 years from July 1, 1978, up to and including June 30, 2053. (The land and project are collectively referred to as the "Property.")

The Application, at Section 2.D (Site Control Status) provides that Applicant will be requesting that the term of General Lease No. S-4610 be extended to satisfy the affordability requirement.

By this supplement to the Application, Applicant is requesting HHFDC to request the Department of Land and Natural Resources, by its Board of Land and Natural Resources ("BLNR"), to set aside and transfer control over the Property to HHFDC by Executive Order and to authorize HHFDC to exercise all powers and authority over the Property, including amending and restating General Lease No. 4610, having a full term of 65 years from the date of amendment for a nominal rent of \$1.00 per year.

EXHIBIT B

Hawai'i Housing Finance and Development Corporation
Attention: Mr. Craig K. Hira
RE: Kamana Elderly Apartments
Supplement to 2014 HHFDC Consolidated Application Dated March 3, 2014
General Lease No. S-4610
Tax Map Key No. (3) 2-4-056-022
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Executive Summary

Applicant submitted the Application requesting a reservation of federal and State LIHTC's for the Property. In its Reservation Letter, HHFDC reserved \$478,543 of federal LIHTC's and \$239,271 of State LIHTC's, annually. For the LIHTC's, Applicant agreed to subject the Property to a 61 year affordability requirement.

HHFDC is requested to:

- (a) request BLNR to set aside and transfer control over the Property to HHFDC by Executive Order;
- (b) authorize HHFDC to exercise all powers and authority involving the Property, including amending and restating General Lease No. S. 4610, which, among other matters, extends the term of leasehold interest so that it has a full term of 65 years from the date of amendment; and
- (c) authorize Lessee to assign the amended and restated lease to Applicant,

in furtherance of the public interest of preserving the inventory of affordable rental housing and providing safe, decent and sanitary rental housing opportunities on the island and County of Hawai'i.

Lessee, who will continue to be involved with the Property as a partner of Applicant, and Big Island Housing Foundation ("BIHF"), a Hawai'i nonprofit corporation, as their interests appear, are joining in this supplement to the Application.

Background

1. Title to the Property. The State is the fee simple owner of the land.
2. HUD Section 202 Financed Development. The project was developed with a direct loan from the U.S. Department of Housing and Urban Development ("HUD") pursuant to the supportive housing for the elderly and handicapped program described in Section 202 of the Housing Act of 1959, as amended ("Section 202"). Under the Section 202 program only a nonprofit corporation, who qualifies as a "sponsor," is eligible to apply for and obtain a commitment for Section 202 financing. In order to qualify for Section 202 financing, the sponsor must have obtained, among other requirements, "site control" over the project land. Provided that HUD selects the sponsor's application, the sponsor will assign "site control" over the project land and the Section 202 commitment for financing to a single asset nonprofit corporation which the sponsor has caused to be organized to be the owner of the project.

In the case of the development of the Property, BIHF was the "sponsor and Lessee was "owner."

Hawai'i Housing Finance and Development Corporation
Attention: Mr. Craig K. Hirai
RE: Kamana Elderly Apartments
Supplement to 2014 HHFDC Consolidated Application Dated March 3, 2014
General Lease No. S-4610
Tax Map Key No. (3) 2-4-056-022

May 5, 2015

Page 3

3. General Lease No. S-4610. The State, as lessor, leased the land to BIHF, as lessee, pursuant to General Lease No. S-4610 dated November 29, 1979, for a term expiring on June 30, 2053. See: Exhibit "A"

By Amendment of Lease dated March 24, 1980, General Lease No. S-4610 was amended to allow the use of the land to include providing affordable rental housing opportunities for persons with disabilities. See: Exhibit "B"

General Lease No. S-4610, as amended, is hereinafter referred to as the "Lease."

By Assignment of Lease dated September 18, 1997, BIHF, as assignor, assigned the Lease to Lessee, as assignee. See: Exhibit "C"

4. Use; Rent Restrictions. The Lease provides that the use of the Property is restricted to providing affordable rental housing opportunities for the elderly and persons with disabilities.

Generally, tenants pay no more than 30% of their income for rent.

The HUD Section 202 mortgage has been paid in full and the Property is no longer subject to a HUD Regulatory Agreement.

However, HUD continues to provide Section 8 HAP subsidies on behalf of eligible tenants.

5. Current Ownership. Lessee is currently the lessee under the Lease.
6. Property is in Need of Repairs and Renovations. After many years of use as a rental housing project, the Property is in need of substantial repairs and renovations.
7. Preservation of the Inventory of Affordable Rental Housing. In order preserve the inventory of safe, decent, sanitary and affordable rental housing, BIHF, as sponsor, and Lessee, as owner, are participating with Applicant to repair and renovate the Property.

Applicant will acquire the Property from Lessee. Lessee will continue to be involved with the Property as the managing general partner of Applicant. Other partners will be investors who will provide a substantial part of the funding for the repairs and renovations of the Property. BIHF will continue to be involved with the Property as its property manager.

8. LIHTC. In its Reservation Letter, HHFDC reserved \$478,543 of federal LIHTC's and \$239,271 of State LIHTC's, annually. The allocation of LIHTC's for the Property is subject a 61 year affordability requirement.

Hawai'i Housing Finance and Development Corporation
Attention: Mr. Craig K. Hirai
RE: Kamana Elderly Apartments
Supplement to 2014 HHFDC Consolidated Application Dated March 3, 2014
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The Application, at Section 2.D (Site Control Status) provides that Applicant will be requesting that the term of General Lease No. S-4610 be extended to satisfy the affordability requirement. It is also necessary to extend the term of General Lease No. S-4610.

9. Setting Aside and Transferring Control Over the Property to HHFDC by Executive Order; Amendment and Restatement of Lease. Where HHFDC is the State's housing finance and development agency and has the experience and expertise to oversee the use, rents and methods of operation and management of affordable rental housing projects on State leasehold lands, the State, by BLNR, has been setting aside and transferring lands, which are used for affordable rental housing, to HHFDC by Executive Order.

HHFDC is respectfully requested to request BLNR to take the following actions:

- (a) Set aside and transfer control over the Property to HHFDC by Executive Order; and
- (b) Authorize HHFDC to act as lessor of the Property with full decision making powers over the use of the Property without having to go back to BLNR for further authority as long as the exercise of such powers are in furtherance of the public purpose of providing safe, decent, sanitary and affordable rental housing opportunities. Such authority would include but not be limited to:
 - (1) Amending and restating the Lease containing provisions required for financing; (a draft of an amended and restated Lease is attached as Exhibit "D";
 - (2) Consenting to the assignment of lease to Applicant;
 - (3) Consenting to further amendments to the Lease, as amended and restated, or new ground lease, as necessary;
 - (4) Consenting to the Lease, as amended and restated, being used as security for leasehold mortgage financing, including mortgage insurance programs, and
 - (5) Otherwise, exercising all rights, powers and authority over the Property.

Hawai'i Housing Finance and Development Corporation
Attention: Mr. Craig K. Hirai
RE: Kamana Elderly Apartments
Supplement to 2014 HHFDC Consolidated Application Dated March 3, 2014
General Lease No. S-4610
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May 5, 2015
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Public Interest

In 1970, the Hawai'i Legislature made the following finding in enacting chapter 359G (which is chapter 201H HRS):

"The legislature of the State of Hawai'i has determined that there exists in the State a critical shortage of housing units for lower income residents."

Many housing finance and development programs either been terminated or funding for such programs have been substantially reduced as a result of governmental fiscal restraints

In 2005, then legislator Michael Kahikina remarked in support of the passage of omnibus legislation to provide incentives to the private sector to invest money in affordable housing projects as a way of addressing the need for affordable housing:

"The affordable housing crisis in Hawai'i must be addressed.... Our low income ... families are caught in the spiral of rising home prices that shuts them out of the housing market. ... Working families who must rent homes or apartments face a depleted market because no affordable rental housing has been built in the last ten years. Instead, they are confronted with few options, such as pay more for shelter than they can afford, live in crowded substandard conditions often with family or friends.... And the working poor and homeless have even fewer choices for shelter as public housing and subsidized shelters have long waiting lists and federal rent subsidies are drying up.

The actions which the HHFDC and BLNR are being requested to take represent a coordinated, concerted effort by the HHFDC and State, together with the private sector, to preserve the inventory affordable rental housing and to provide safe, decent, sanitary and affordable rental housing.

Precedent

The actions, which this letter requests, are similar to actions which BLNR and HHFDC took with respect to another leasehold project known as "E Komo Mai," which Kinoole, a Hawai'i nonprofit corporation (and affiliate of BLHF), developed on State land on the island and County of Hawai'i.

By Executive Order 4351, BLNR set aside and transferred control over the E Komo Mai to HHFDC. See: Exhibit "E" E Komo Mai is subject to a 61 year extended use restriction. HHFDC, as lessor, and Kinoole, as lessee, entered into an Amended and Restated Ground Lease having a term of 65 years. See: Exhibit "F" Kinoole, as assignor, assigned the Amended and Restated Ground Lease to UHC 00525 Hilo, L.P., as assignee, with HHFDC's consent. See: Exhibit "G"

Hawai'i Housing Finance and Development Corporation
Attention: Mr. Craig K. Hira
RE: Kamana Elderly Apartments
Supplement to 2014 HHFDC Consolidated Application Dated March 3, 2014
General Lease No. S-4610
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Page 6

Request to Take Actions as Soon as Practicable

HHFDC is respectfully requested to include actions as soon as practicable.

Very truly yours,

U00660 Hilo, L.P.,
a Hawai'i limited partnership

By: 
David Bigley.
Its: Applicant Representative

"Applicant"

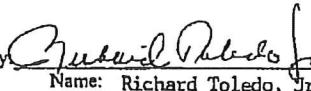
Enclosures:	Exhibit "A"	General Lease No. 4610
	Exhibit "B"	Amendment to General Lease No. 4610
	Exhibit "C"	Assignment of General Lease No. 4610
	Exhibit "D"	(Draft) Amended and Restated Ground Lease
	Exhibit "E"	Executive Order 4351 (E Komo Mai)
	Exhibit "F"	Amended and Restated Ground Lease (E Komo Mai)
	Exhibit "G"	Assignment Amended and Restated Ground Lease (E Komo Mai)

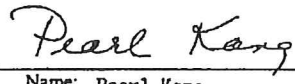
Hawai'i Housing Finance and Development Corporation
Attention: Mr. Craig K. Hirai
RE: Kamana Elderly Apartments
Supplement to 2014 ITHFDC Consolidated Application Dated March 3, 2014
General Lease No. S-4610
Tax Map Key No. (3) 2-4-056-022

May 5, 2015
Page 7

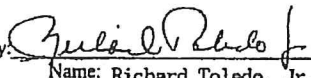
Kamana, Inc., a Hawai'i nonprofit corporation, as lessee under General Lease No. S-4610, as amended, and Big Island Housing Foundation, a Hawai'i nonprofit corporation, as "sponsor" to Kamana, Inc., join in the foregoing supplement to the Application.

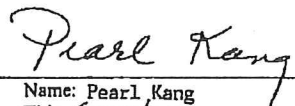
Kamana, Inc.,
a Hawai'i nonprofit corporation

By: 
Name: Richard Toledo, Jr.
Title President

By: 
Name: Pearl Kang
Title Secretary

Big Island Housing Foundation,
a Hawai'i nonprofit corporation

By: 
Name: Richard Toledo, Jr.
Title President

By: 
Name: Pearl Kang
Title Secretary

Kamana Elderly Apartments
Exhibit A-2
Rehabilitation Scope of Work

Please summarize the proposed scope of rehabilitation and the estimated cost.

	Description	Cost
1	Building - Doors (Exterior Entry)	179,656
2	Building - Foundations	1,636
3	Building - Roof	69,730
4	Building - Walls (Exterior Siding)	170,382
5	Building - Windows	86,922
6	Building - Chimney/Exhaust	29,696
7	Building - Water Heater	48,360
8	Building - Asphalt Paving	131,410
9	Building - Site Lighting	27,846
10	Building - Appliances	87,420
11	Building - Bathroom Equipment	228,234
12	Building - Cabinets	607,262
13	Building - Unit Finishes (Scrape, Paint, and Disposal of Dwelling Unit)	244,280
14	Building - Unit Finishes (VCT Flooring)	171,275
15	Building - Unit Finishes (Ceiling Fan, Doorbell, Cable, and Smoke Detector)	53,320

Version 2014

EX. A-2 Rehabilitation

EXHIBIT C

Kamana Elderly Apartments
Exhibit A-2
Rehabilitation Scope of Work

Please summarize the proposed scope of rehabilitation and the estimated cost.

	Description	Cost
16	Building - Unit Finishes (Lighting Fixture)	20,480
17	Building - Common Area	18,104
18	Building - Gazebo/Picnic	4,200
19	Building - Miscellaneous Upgrades	58,738
20		
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Total

\$ 2,137,931

Version 2014

EX. A-2 Rehabilitation

EXHIBIT C

7/13/15

**OFFICERS AND DIRECTORS
KAMANA, INC.**

1. Richard Toledo, Jr., President
Hilo, Hawaii 96720
2. Amy Honda, Vice President
Hilo, Hawaii 96720
3. Pearl Kane, Secretary
Hilo, Hawaii 96720
4. Donn Meade, Treasurer
Hilo, Hawaii 96720
5. Mary Begier, Director
Hilo, Hawaii 96720
6. Mary Finley, Director
Volcano, Hawaii 96785

**SHAREHOLDERS AND OFFICERS
URBAN HOUSING COMMUNITIES LLC**

1. Douglas R. Bigley – 33-1/3% of the membership interests
Manager
2000 E. 4th Street, Suite 205
Santa Ana, California 92705
2. David H. Bigley – 33-1/3% of the membership interests
Manager
2000 E. 4th Street, Suite 205
Santa Ana, California 92705
3. John F. Bigley – 33-1/3% of the membership interests
Manager
2000 E. 4th Street, Suite 205
Santa Ana, California 92705

Exhibit 9 and 10 Housing Development Experience

Name:

Urban Housing Communities LLC*

Page 1 of 2

Copy format and add pages as needed

EXHIBIT E

	Name of Property, Address	Capacity of Applicant/ Developer	Type of Project	City, State	Number of Units		Financing/ Subsidy Program Utilized	Status of Project
					Affordable	Market		
1	Riverside Apartments 333 Ohai Street	Developer and General Partner	Rehab/ Multi-Family	Hilo, HI	74 units 100%	N/A	9% LIHTC, RHTF	Currently undergoing rehab construction
2	Hale Makana O Nanakuli 89-201 Lepeka Avenue	Developer and General Partner	New Construction/ Multi-Family	Waianae, HI	48 units 100%	N/A	BONDS, LIHTC, RHTF, City & County Honolulu HOME, HUD, USDA	PIS: December 2013
3	The Crossings at Cherry Orchard 2748 W. Lincoln Avenue	Developer and General Partner	New Construction/ Multi-Family	Anaheim, CA	45 units 100%	N/A	BONDS, LIHTC, Anaheim Housing Authority, MHP, HCD	PIS: October 2013
4	The Crossings at New Rancho 2700 Woodberry Way	Developer and General Partner	New Construction/ Multi-Family	Rancho Cordova, CA	18 units 100%	N/A	9% LIHTC, City of Rancho Cordova	PIS: December 2011
5	E Komo Mai Apartments 816 Kinooe Street	Developer and General Partner	Rehab/ Multi-Family	Hilo, HI	45 units 100%	N/A	9% LIHTC, RHTF	PIS: Building A Sept 2011 Building B Nov 2011
6	Horizons at Morgan Hill 17690 McLaughlin Avenue	Developer and General Partner	New Construction/ Senior	Morgan Hill, CA	49 units 100%	N/A	9% LIHTC, Morgan Hill Redevelopment agency, County Housing Opp Fund, AHF, ARRA Grant	PIS: November 2011
7	The Crossings on 29th Street 824 E. 29th Street	Developer and General Partner	New Construction/ Multi-Family	Los Angeles, CA	34 units 100%	N/A	9% LIHTC, City of LA, CRA/LA, CalRecuse, City of Industry, ARRA Grant	PIS: August 2011
8	The Crossings at Big Bear Lake 773 Knickerbocker Road	Developer and General Partner	New Construction/ Multi-Family	Big Bear Lake, CA	42 units 100%	N/A	9% LIHTC, City of Bear Lake, ARRA Loan	PIS: August 2011
9	The Crossings at North Hills 9311-9345 Sepulveda Blvd.	Developer and General Partner	Rehab/ Multi-Family	Los Angeles, CA	38 units 100%	N/A	9% LIHTC, LAHD, CRA/LA, ARRA Grant	PIS: June 2011

Consolidated Application

January 15, 2014

*Urban Housing Communities LLC is the parent company that was the General Partner and Developer of the above projects or was the Sole Member of the Limited Liability Company that was the General Partner and Developer.
Urban Housing Communities LLC is the Sole Member of UHC 00660 Hilo Holdings LLC, a California Limited Liability Company, a single-purpose entity (to be formed)

Exhibit 9 and 10 Housing Development Experience

Name:

Urban Housing Communities LLC*

Page 2 of 2

Copy format and add pages as needed

EXHIBIT E

	Name of Property, Address	Capacity of Applicant/ Developer	Type of Project	City, State	Number of Units		Financing/ Subsidy Program Utilized	Status of Project
					Affordable	Market		
10	The Crossings at Escondido 715 Mission Grove Place	Developer and General Partner	New Construction/ Multi-Family	Escondido, CA	55 units 100%	N/A	9% LIHTC, Escondido Community Redevel, ARRA Grant	PIS: June 2011
11	The Crossings at Morgan Hill 170 Wright Avenue	Developer and General Partner	Rehab/ Multi-Family	Morgan Hill, CA	24 units 100%	N/A	BONDS, LIHTC, Morgan Hill Redevel Agency, County, CDBG, ARRA Loan	PIS: May 2011
12	Horizons at Indio 45405 Monroe Street	Developer and General Partner	New Construction/ Senior	Indio, CA	80 units 100%	N/A	BONDS, LIHTC, Joe Serna, County HOME, City Redevel, AHP	PIS: June 2008
13	The Crossings at Santa Rosa 820 Jennings Avenue	Developer and General Partner	New Construction/ Multi-Family	Santa Rosa, CA	49 units 100%	N/A	BONDS, LIHTC, MHP, AHP, City Redevel	PIS: December 2007
14	Stoneridge at Elk Grove 8515 Elk Grove Florin Road	Developer and General Partner	New Construction/ Multi-Family	Elk Grove, CA	96 units 100%	N/A	BONDS, LIHTC, City Redevel	PIS: November 2007
15	The Crossings at Elk Grove 8575 Elk Grove Florin Road	Developer and General Partner	New Construction/ Multi-Family	Elk Grove, CA	116 units 100%	N/A	BONDS, LIHTC, City Redevel, AHP	PIS: August 2007
16	The Crossings at Madera 120 W. Adell Street	Developer and General Partner	New Construction/ Multi-Family	Madera, CA	64 units 100%	N/A	BONDS, LIHTC, Joe Serna, City Redevel	PIS: August 2006

Consolidated Application

January 15, 2014

*Urban Housing Communities LLC is the parent company that was the General Partner and Developer of the above projects or was the Sole Member of the Limited Liability Company that was the General Partner and Developer. Urban Housing Communities LLC is the Sole Member of the UHC 00660 Hilo Holdings LLC, a California Limited Liability Company, a single-purpose entity (to be formed).