



**Kaiaulu O Kupuohi
89 Units**

**Presentation by
Ikaika Ohana & UHC Communities
July 2019**

Presentation for the County of Maui

- Challenge
- Opportunity
- Next Steps
- Our Team

Affordable Housing Demand



- Lahaina needs affordable housing
- 142 affordable units at Front Street
Apartments have lost some affordability (#1)
- Finding development-ready land is difficult

New Affordable Housing



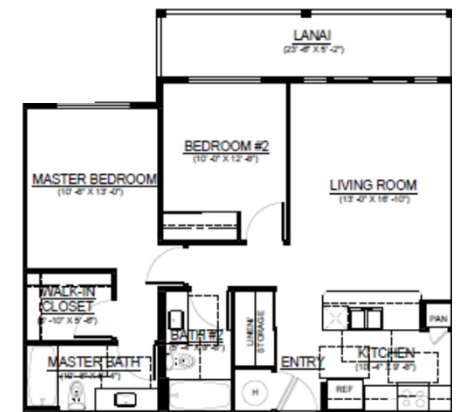
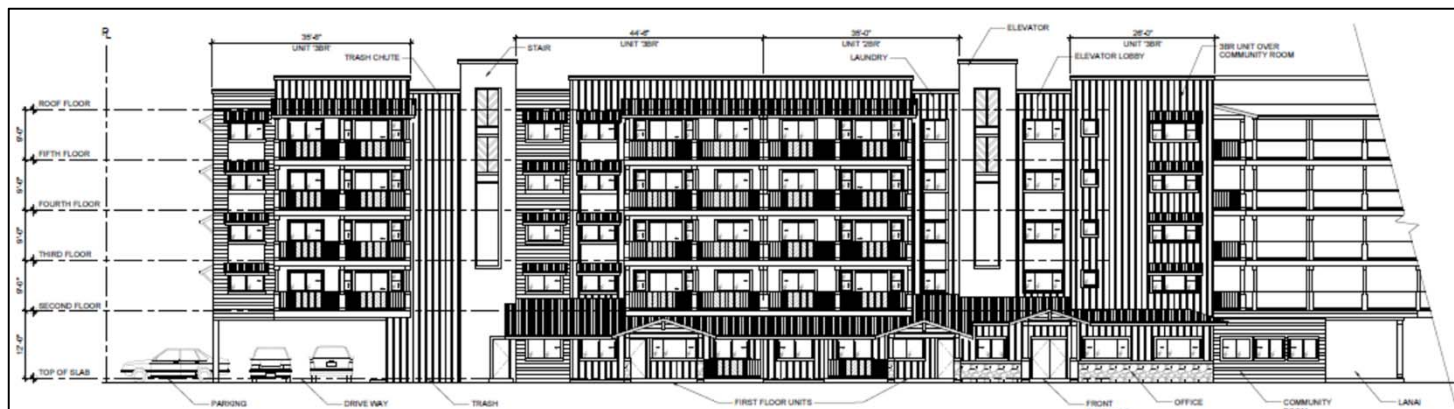
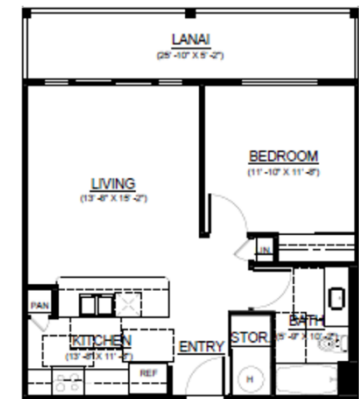
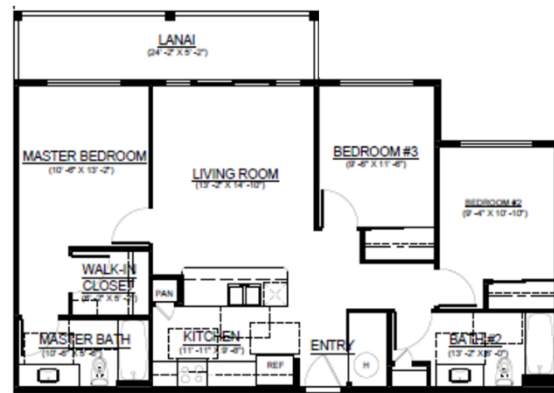
Kaiaulu O Kupuohi:

- 60 affordable units with recommendation for funding of \$3M from County AHF (#2)
- We are negotiating the acquisition of 29 additional affordable units at the same site
- Construction of 89 units may begin 1Q or 2Q 2020

Opportunity

Architecture

Kaiaulu 0 Kupuohi – 89 units



Income and Rent

Potential Income Limits – 4 person household *

AMI Level	30%	40%	60%
Annual Income	\$29,280	\$39,040	\$58,560

Potential Monthly Rent Limits **

Unit	1-Bedroom	2-Bedroom	3-Bedroom
30% AMI	\$443	\$511	\$571
40% AMI	\$626	\$731	\$825
60% AMI	\$992	\$1,170	\$1,333
Total Units	20	34	35

* Based on 2019 area median income levels

** Potential Rent = [Allowable Rent @ Unit AMI] – [Utility Allowances]

Our Residents

Occupations within Income Range include but are not limited to

Hotel Staff

Public Safety

Retail Salespersons

Food Service

School Administration

Secretaries & Assistants

Development Readiness

Kaiaulu O Kupuohi – 89 units

- \$3M recommended for funding from the County of Maui based on assumed 60 affordable units at time of AHF application
- Submitted HHFDC application for financing in Feb 2019
- Anticipated HHFDC allocation in Aug 2019
- Water and sewer service has been allocated
- Fee-simple land, not ceded lands
- No zone change or 201H exemptions required
- Updated project structure allows for 89 affordable units, but additional AHF funding is needed to acquire 29 units

County of Maui Participation

- First, complete the award of \$3M of AHF as recommended by DHHC
- Discuss a method for additional award of \$2.492M of AHF to secure all 89 affordable housing units
- Discuss an infrastructure loan of \$890,000 along with an impact fee of \$1,780,000 for traffic mitigation
- Assist in expediting County approvals to allow for the start of construction in 1Q or 2Q 2020, including planning, building, and lot consolidation approvals

Next Steps

County of Maui Participation

Source	AHF Application	Adjustments	Revised AHF Application	% to Total	Note
Permanent Loan	3,400,000	2,410,000	5,810,000	10.23%	1
Federal 4% Tax Credit Equity	11,905,707	7,088,222	18,993,929	33.45%	1
State 4% Tax Credit Equity	4,141,530	2,465,715	6,607,245	11.64%	1
HHFDC Rental Housing Revolving Fund	12,000,000	5,132,500	17,132,500	30.17%	1
AHF Soft Loan	3,000,000	0	3,000,000	5.28%	1
Deferred Developer's Note	1,100,000	756,326	1,856,326	3.27%	1
SUBTOTAL SOURCES SUBJECT TO APPROVAL	35,547,237	17,852,763	53,400,000	94.04%	
Supplemental AHF Soft Loan		2,492,000	2,492,000	4.39%	2
County Soft Infrastructure Loan		890,000	890,000	1.57%	3
TOTAL SOURCES	35,547,237	21,234,763	56,782,000	100.0%	
Total County Resources			6,382,000	11.24%	
Total From All Other Sources			50,400,000	88.76%	
TOTAL SOURCES			56,782,000	100.0%	
Net Project Specific Funding from County Resources			3,712,000		4

County of Maui Participation, cont'd

Notes

1. Application pending or conditional funding commitment received.
2. Additional amount being requested from the County of Maui to acquire the remaining 29 market rate units that were going to be retained by seller along with interest and other carry to get the project from now through closing. The seller intends to borrow up to \$4,400,000 against the land until closing. The 29 units will be deed restricted below 60 percent of area median income. The total purchase price including reimbursements is \$8,500,000. Maui County's contribution toward land for new 29 units is \$70,000 versus original contribution of \$50,000 for original 60 units. Maui County's average contribution toward land is approximately \$57,000 per door. The difference between the purchase price and the County of Maui's contribution will be paid for by other sources.

County of Maui Participation, cont'd

Notes

3. Request for infrastructure loan from County of Maui shall be conditioned upon the Development Entity making a contribution of \$1,780,000 to the County of Maui for traffic mitigation.
4. The unmitigated or required fees to County of Maui are \$2,670,000 or 45.10% of the total County commitment. The dollar amount represents impact fees or other amounts paid to the County of Maui that are less traditional funding conditions or mitigated through the 201(H) process. The percentage represents the amount being funded by the County of Maui being returned to the County of Maui through fees.

Ikaika Ohana & UHC Communities

- Ikaika Ohana is a nonprofit dedicated to the development of meaningful communities and strong families
- UHC Communities is a mission-driven developer with unique financial and development expertise



Ikaika Ohana & UHC Communities

Our Involvement

- Develop property by combining vision with resources and professional expertise
- Financial strength to provide required guarantees
- Oversight of all construction activities
- Long term operation of the rental property
- Coordinate and provide valuable social services

Ikaika Ohana & UHC Communities

Why Us?

- Experience with over 2,000 units, \$750 million of bond financing, and \$1.5 billion of project value
- Closed 120 Unit Kaiwahine Village in Aug 2018, CofO anticipated December 2019
- We know the process and the participants involved in a development on Maui

Thank you

Ikaika Ohana & UHC Communities

For more information please visit us at:

ikaikaohana.org

uhcllc.net