



**State of Hawaii**  
**Department of Business, Economic Development and Tourism**  
**Hawaii Housing Finance and Development Corporation**  
**Tax Credit Assistance Program**

**Summary / Status of Projects**

The [American Recovery and Reinvestment Act](#) of 2009 (ARRA) provides resources to various programs to reinvigorate the nation's economy. Under ARRA, the Tax Credit Assistance Program (TCAP) was established to provide additional resources for projects utilizing Low-Income Housing Tax Credits (LIHTC), but which cannot move forward because of inadequate investor equity. The Hawaii Housing Finance and Development Corporation (HHFDC) posted a [notice to LIHTC stakeholders](#) providing information on ARRA and TCAP, and developed [TCAP Program Criteria](#) under which TCAP funds could be competitively distributed.

On June 12, 2009, the U.S. Department of Housing and Urban Development (HUD) approved HHFDC's application for \$9,861,610 in TCAP funding. On June 19, 2009, the HHFDC announced the [availability of TCAP funds](#) and on July 13, 2009, received ten (10) requests for an aggregate total of \$42.8 million in TCAP funding. On August 13, 2009, HHFDC's Board of Directors approved awards of TCAP funds for Ainakea Senior Residences (Kapa'au, Island of Hawaii), Hale Wai Vista I (Waianae, Oahu), and Kukui Gardens (Honolulu, Oahu).

All three rental housing projects had secured multiple funding sources, including awards of federal and state low-income housing tax credits, but construction stalled due to the financial market downturn. The TCAP program provided gap capital investment which enabled construction / rehabilitation work to proceed on these affordable rental housing projects.

Ainakea Senior Residences was awarded \$3,300,000 of TCAP funds. This new construction, 30-unit project will serve seniors with incomes at or below 30 percent and 60 percent of the area median income (AMI), and remain affordable for sixty-one years. The total project cost is approximately \$8.2 million. Project amenities include a community meeting room, laundry room and gardening area. Following completion of the Part 58 environmental review, HUD authorized the use of TCAP funds for this project on December 11, 2009.

\$1,780,000 of TCAP funds were awarded to the Hale Wai Vista Phase I, another new-construction project. This project will consist of 84 units serving families with incomes at or below 30 percent and 50 percent of the AMI, and remain affordable for 62 years. The total project cost is approximately \$23.2 million. Project amenities will include a playground/tot lot, picnic area, elevator, and laundry room. Following completion of the Part 58 environmental review, HUD authorized the use of TCAP funds for this project on December 2, 2009.

The Kukui Gardens project was awarded \$4,781,610 of TCAP funds, for the rehabilitation of 389 units in 20 buildings in the project. The project will preserve affordability for families with incomes that do not exceed 60 percent and 120 percent of the AMI, and the units will remain affordable for 55 years. The total project cost for acquisition and rehabilitation of the project is \$99.9 million. Amenities include laundry facilities. Following completion of the Part 58 environmental review, HUD authorized the use of TCAP funds for this project on January 13, 2010.

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