



**DEPARTMENT OF BUSINESS,
ECONOMIC DEVELOPMENT & TOURISM**

KA 'OIHANA HO'OMOHALA PĀ'OIHANA, 'IMI WAIWAI
A HO'OMĀKA'IKAI

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December 19, 2025

The Honorable Ronald D. Kouchi
President and Members
of the Senate
Thirty-Third State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Nadine K. Nakamura
Speaker and Members of the
House of Representatives
Thirty-Third State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Nakamura, and Members of the Legislature:

For your information and consideration, I am transmitting a copy of the Hawai'i Green Infrastructure Authority's Annual Report for the year 2025, as required by Act 211 Session Laws of Hawai'i 2013, Act 107, Session Laws of Hawai'i 2021, and Act 296, Session Laws of Hawai'i 2025.

In accordance with Section 93-16, Hawai'i Revised Statutes, I am also informing you that the report may be viewed electronically at:

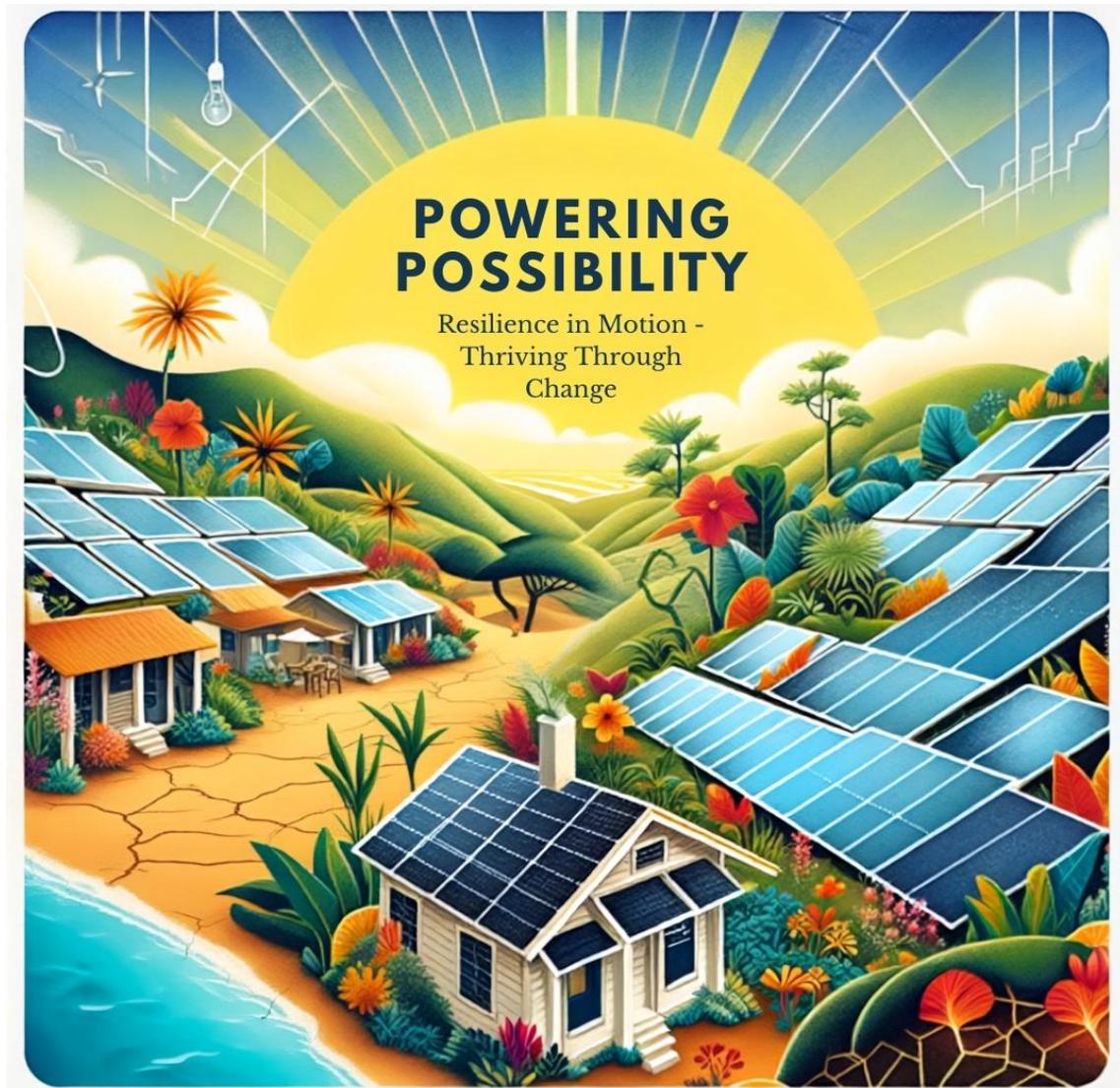
<http://dbedt.hawaii.gov/overview/annual-reports-reports-to-the-legislature/>.

Sincerely,

James Kunane Tokioka
DBEDT Director

Enclosure

c: Legislative Reference Bureau



POWERING POSSIBILITY

Resilience in Motion -
Thriving Through
Change

2025 Annual Report to the Governor and Legislature Hawaii Green Infrastructure Authority

Department of Business, Economic Development & Tourism

Pursuant to Act 211, SLH 2013; Act 107, SLH 2021; and Act 296, SLH 2025

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Impacts¹



Hawaii Green Infrastructure Authority

As of September 30, 2025

 <p>\$60.9 Million Cumulative Excess Revenue over Expenses prior to \$19.9 million transferred to PUC</p>	<p>\$383.3 Million Economic Multiplier Impact</p> 	<p>1,139,421,577 kWh</p>  <p>Estimated kWh Produced/Reduced over Lifetime</p>
<p>\$21.8 Million</p>  <p>Hawaii State Tax Revenue Generated</p>	<p>342,752 Estimated Metric Tons of CO2</p> <p>Total Greenhouse Gas Avoided over Lifetime</p>	<p>699,650 Barrels</p>  <p>Estimated Total Petroleum Displaced Over Lifetime</p>
 <p>2,434 Jobs Created or Retained</p>	 <p>91% Underserved Residential Households Served</p>	
	<p>SSBCI HI-CAP Collateral Support & Loans Programs</p> <p>\$7.5 million in Federal SSBCI Funds have caused \$31.3 million in loans and credit facilities for eligible small businesses and nonprofits.</p>	

¹ Impacts are reported since inception. Cumulative excess revenues over expenses are before some \$19.9 million in “expenditures” for loan repayments transferred to the Public Utilities Commission’s Special Fund. Revenues include federal and state funds. HGIA will be transferring an additional \$3.9 million during 12/2025.

Reporting Requirements

This document fulfills the statutory requirement to report on the status of the Hawaii Green Infrastructure Authority's (HGIA or Authority) activities, including approved loan program description and uses; information and data on the implementation of its various financing programs to bridge the access to capital gap for underserved ratepayers, small businesses and nonprofits. The Authority respectfully submits this status report outlining its 2025 activities, as well as plans for 2026.

Legislative Authorization

On April 30, 2013, the Legislature enacted, and on June 27, 2013, the Governor signed into law, Act 211 (SLH 2013), authorizing the establishment of a green infrastructure financing program, known as GEMS to deploy clean energy infrastructure to contribute towards Hawai'i's aggressive pursuit of its statutory 100% clean energy goals by 2045 while helping ratepayers lower their energy costs.

Act 211 also established a legal structure that enabled the Department of Business, Economic Development & Tourism ("DBEDT") to issue Green Energy Market Securitization bonds to capitalize the green infrastructure loan fund, leveraging public and private capital, to facilitate opportunities for underserved ratepayers to invest in and lower their energy burden from green infrastructure investments. The GEMS bonds are not an obligation of the State of Hawai'i. Its sole obligor are the ratepayers of the Hawaiian Electric Companies' through a non-by-passable Green Infrastructure Fee on ratepayers' utility bills.

Key objectives of the GEMS program are to:

1. Address financing market barriers to increase the installation of clean energy projects and infrastructure to meet the State's clean energy goals, including the RPS and EEPS;
2. Democratize clean energy by expanding access and affordability of renewable energy and energy efficiency projects for identified underserved markets, while expanding the market generally;
3. Enable more ratepayers to reduce their energy use and energy costs by helping them finance clean energy improvements;
4. Partner with and support existing market entities in the clean energy and financing sector to ensure GEMS can bridge market gaps and facilitate a sustainable and efficient private sector market; and
5. Balance the aforementioned goals and objectives with repayment risk to achieve an appropriate rate of return and build a sustainable financing program.

Act 121, SLH 2018 created a \$50.0 million energy efficiency revolving loan fund for state departments and agencies to Lead by Example and lower their energy costs.

The passage of Act 107, SLH 2021, established the Clean Energy and Energy Efficiency Loan fund, enabling HGIA to source additional loan funds from federal, state, local, and non-governmental resources. It also provided HGIA the ability to implement financing programs on behalf of sister

agencies and departments through Memorandums of Agreements (MOA). On November 30, 2022, HGIA executed an MOA with the Hawai'i Technology Development Corporation to design, implement and administer three credit related programs, to be funded with some \$40.0 million in Federal funds, under the State Small Business Credit Initiative. The HI-CAP Collateral, CDFI and Loans programs are designed to expand access to capital to eligible small businesses and nonprofits statewide.

Act 40, SLH 2024 established a Solar Hui Investment program to be administered by HGIA allowing multifamily property owners, including condominium owners to co-invest in solar + storage systems installed on ALICE rooftops through an energy services agreement.

Act 41, SLH 2024, modified Act 183, SLH 2022, by elevating the commercial property assessed financing program, also known as Commercial Property Assessed Clean Energy and Resiliency (C-PACER) to a state-level program and provided HGIA the authority to assess, collect and enforce financing assessments for C-PACER financed projects statewide. The HI C-PACER Financing Program launched on July 1, 2024.

Act 296, SLH 2025, established the new condominium loan program to assist condominium associations with repairs and property maintenance through flexible financing, or refinancing of previously obtained loans, to qualified condo associations. Loans through the program can be leveraged for maintenance or repairs, including (1) installing, repairing, or replacing fire sprinklers or other fire safety measures; (2) repairing or replacing pipes; (3) repairing or replacing the roof; or (4) any other qualifying improvements approved by HGIA. The act also established a condominium loan loss reserve program, incentivizing community development financial institutions (CDFIs) to administer loans to condominium associations at competitive rates and terms for the purpose of maintenance and repairs. This program lowers the risks for CDFIs financing condominium association projects by using the condominium loan revolving fund to reimburse CDFIs in cases where losses are attributable to the program's loans.

Hawai'i Public Utilities Commission

To effectuate Act 211, the GEMS financing program required Hawai'i Public Utilities Commission ("Commission" or "PUC") approval of its Financing Order and Program Order Applications. The PUC approved the GEMS [Bond] Financing Order on September 4, 2014, and the GEMS [Loan] Program Order on September 30, 2014.

The regulatory Orders approved by the Commission established the general parameters and program processes for GEMS. With feedback and support from several interveners - including but not limited to the Consumer Advocate and the Hawai'i Solar Energy Association, the PUC granted GEMS the flexibility to work with the market to provide financing programs to enable more of Hawai'i's consumers to invest in and benefit from clean energy.

Pursuant to HRS 269-162, the Financing Order provided regulatory approval for the issuance of low-cost Green Infrastructure Bonds (GEMS Bonds) to capitalize the GEMS Loan Fund. Pursuant to HRS 269-170, the Program Order provided approval for the deployment of funds from the issuance of the

GEMS Bonds. Included in the Program Order were general program parameters and specific deployment strategies, outlining a clean energy financing program that was best thought to serve Hawai'i's consumers at that time.

On October 26, 2017, the Hawai'i Public Utilities Commission issued Order No. 34930 ("Order") to change the priority of uses of GEMS Program Loan Repayments. This Order amended the order of loan repayments received to be applied first towards the replenishment of the Public Benefits Fee before the payment of program administrative costs. This Order resulted in the conversion of a sustainable financing program (Key Objective No. 5 above) to a non-sustainable financing program. As of this report date, the Authority has transferred some \$19.9 million to the PUC.

Hawai'i Green Infrastructure Authority

The Authority, Hawai'i's Green Bank, was constituted in November 2014 to democratize clean energy by making clean energy improvements affordable and accessible to a broader cross-section of Hawai'i's ratepayers to lower the energy burden of underserved ratepayers while advancing the State's goal of achieving 100 percent renewable portfolio standard in the electricity sector by 2045.

HGIA's loan fund was initially capitalized with the \$146.0 million net proceeds of a \$150.0 million Green Energy Market Securitization ("GEMS") Bond issued in November 2014. The Authority began accepting loan applications in July 2015.

Working in concert with the Hawai'i Public Utilities Commission ("PUC") and the Hawaiian Electric Company, Inc., HGIA is also responsible for the administration and oversight of the \$150.0 million Green Energy Market Securitization Bonds.

HGIA is overseen by a five-person board of directors and is administratively attached to the Department of Business, Economic Development & Tourism. The Authority is tasked with administering and governing its financing Programs, while ensuring that capital is deployed effectively to achieve program objectives.

In April 2019, along with then Governor Ige, the Hawai'i Public Utilities Commission, and the Hawaiian Electric Company, Inc., the Authority announced the official launch of its Green Energy Money Saver On-Bill Financing Program, with a risk mitigating loan repayment mechanism tied to the utility meter and paid through the Hawaiian Electric Companies' electric utility bill. This game-changing repayment mechanism enabled the Authority to abandon traditional credit underwriting and instead offer a more inclusive, non-traditional financing program that better serve disadvantaged communities and other underserved ratepayers.

With the GEM\$ on-bill repayment mechanism, the Authority strengthened its commitment to underserved ratepayers during its August 15, 2019 meeting by limiting the use of all remaining

GEMS loan capital to only LMI² homeowners and renters, nonprofits, small businesses³ and multi-family rental projects.

The Authority's inclusive financing program provides low-cost, long-term, flexible financing to Hawai'i's most vulnerable ratepayers, enabling said ratepayers to realize monthly energy cost savings while transitioning to clean energy.

The Authority also offers financing to state departments ("Departments") to lower its energy costs by installing energy efficiency retrofits or by exercising its purchase options in existing solar PV Power Purchase Agreements. At the Department's option, it may utilize this newfound cash flow to finance the installation of electric vehicle ("EV") charging stations or EVs.

During the summer of 2022, the Authority launched its HI-CAP Collateral Support, Loans and CDFI Loan Pool programs. These programs are designed to bridge the access to capital gap for small businesses, very small businesses, and nonprofits statewide. The HI-CAP Loans program is also designed to help kick-start catalytic projects for the state.

In addition to lowering the energy burden for our most vulnerable ratepayers, contributing to the State's clean energy impacts, and stimulating private capital to support ALICE households, nonprofits and small businesses, HGIA's financing programs also leverages innovative tools to mitigate risks and reach new markets, creates jobs, generates state tax revenue and provides other economic development benefits.

Year of Disruption

2025 has been a year of disruption on the federal and local level with Hawaii ending the year entering a mild recession, with a weak recovery projected for 2026⁴. Hawaii's affordability crisis continues with skyrocketing housing costs, increased food costs⁵ due to inflation and tariffs, and significant increases in insurance premiums⁶.

On the federal level, disruptions that negatively impacted Hawaii and the Authority included the termination of the Environmental Protection Agency's (EPA) Solar for All (SFA) Program, elimination of the residential clean energy credit, and the shortened deadline for the commercial clean energy tax credit.

² Low and moderate income households are based on the U.S. Department of Housing and Urban Development's Area Median Income metrics.

³ Small businesses are determined by the U.S. Small Business Administration's size standards.

⁴ UHERO's 2025 Q4 Economic Forecast.

⁵ In May 2025, food prices on Oahu rose 6%, nearly three times the national rate, according to Civil Beat's "Report: Honolulu Inflation Among Worst in Nation"; June 16, 2025

⁶ On average, Hawaii's homeowner insurance premiums increased by 17%; condominium insurance premiums increases ranged from 300% to 600% over the past two years; and health insurance premiums increases ranged from 4.0% to 7.6%.

On October 10, 2023, HGIA submitted an application for a \$100.0 million grant under the EPA's SFA Program. On April 22, 2024, the EPA announced HGIA's \$62.45⁷ million Award. Based on the reduced funding amount, EPA required an updated Workplan and Budget, which was submitted on December 10, 2024. On December 16, 2024, EPA approved HGIA's work plan and lifted its funding restriction.

On February 3, 2025, EPA suspended HGIA's access to the Automated Standard Application for Payments (ASAP) account, preventing HGIA from accessing its SFA grant funds. On February 7, 2025, EPA granted HGIA access to the ASAP account. On February 10, 2025, EPA again suspended HGIA's access to the ASAP account. Then on February 20, 2025, EPA once again granted HGIA access to its ASAP account.

On July 4, 2025, President Trump signed the "One Big Beautiful Bill Act" or H.R. 1 into law, which repealed Section 134 of the Clean Air Act, rescinding **unobligated** balances. On August 7, 2025, HGIA received a letter from the EPA terminating the SFA Program, including HGIA's \$62.45 million of **obligated** funds. On August 12, 2025, EPA again suspended HGIA's access to the ASAP account, then subsequently significantly decreased the available grant balance to \$4.1 million.

HGIA submitted a Notice of Disagreement and a Dispute of Termination to the EPA on August 27, 2025 and September 5, 2025, respectively. And, on October 15, 2025, Hawaii joined twenty-two (22) other states to litigate the termination of the SFA awards.

H.R. 1 also abruptly ends the 30% Residential Solar Tax Credit (Section 25D) on December 31, 2025⁸, which no phase-out period. It also shortened the availability of the 30% Commercial Solar Tax Credits (Section 48E) to December 31, 2027.

Without this financial incentive, demand for residential solar is expected to drop sharply in 2026, potentially by over 50% as compared to 2024 levels⁹. Further, industry experts estimate that 20% to 30% of residential solar contractors in the U.S. could go out of business as a direct result of H.R. 1.

Powering Possibility: Resilience in Motion – Thriving Through Change

While 2025 has been a year of disruption as described above, coupled with economic shifts resulting in continued affordability challenges, climate urgency, and anticipated increases¹⁰ in energy costs, HGIA is embracing these disruptions not as a setback, but as a catalyst for innovation, equity, and progress.

⁷ Although the initial SFA NOFO indicated that the grant applications would be competitively reviewed and awarded, EPA transitioned to a "population" based award during the review process. As such, Hawaii, like other smaller states, received \$62.45 million.

⁸ Previous to H.R. 1, the Residential Solar Tax Credits were available until the end of 2032.

⁹ SEMAFOR, Intelligence for the New World Economy, "U.S. Rooftop solar Companies are Bracing for Devastation", June 26, 2025.

¹⁰ The PUC approved Hawaiian Electric's request to initiate a rate-setting proceeding that includes a \$500 million loan for wildfire mitigation and infrastructure improvements in early May 2025.

Instead of “business as usual”, based on the disruptions caused by federal policy and program changes, HGIA pivoted mid-year to re-strategize and re-imagine a new path forward to continue to expand access to clean energy for underserved ratepayers across Hawaii.

2025 Activities

GREEN ENERGY MONEY \$AVER ON-BILL FINANCING

Launch New Residential Loan Application Portal

As a clean energy financing authority, HGIA originates, underwrites, processes, documents, funds and services residential and commercial loans for underserved ratepayers. Leveraging its Green Energy Money Saver (GEM\$) On-Bill Program, HGIA offers inclusive financing for underserved ratepayers (through loans and power purchase agreements for residential and commercial ratepayers) by applying non-traditional underwriting to expand access to ratepayers who might not qualify for conventional bank or credit union financing, while mitigating lender risk. Due to the program’s popularity, resulting in over 1,600 applications in the pipeline, HGIA placed a moratorium on new applications at the end of 2024 through April 2025 to provide staff an opportunity to clear out the backlog of applications, as well as assess the amount of loan capital available to lend. During this period, HGIA also worked on developing a new Residential loan application portal. On Earth Day, April 22, 2025, HGIA launched the new application portal and began accepting GEM\$ applications again.

Launch GEM\$ Servicing Program

While HGIA has loan capital available to finance solar+storage installations for ALICE households, its GEMS loan capital to finance nonprofits and small businesses were oversubscribed. In order to facilitate additional solar + storage installations, HGIA launched its GEM\$ Servicing Program in mid-2025. GEM\$ Servicing is a pilot program which utilizes the Green Energy Money Saver On-Bill repayment mechanism for non-GEMS financed projects.

Request and Receive Approval to Modify Order 34930

With the passage of H.R. 1 eliminating the 30% federal residential tax credit and shortening the deadline for the commercial tax credit, on July 23, 2025, HGIA submitted a request to the PUC to modify Order No. 34930, allowing HGIA to retain sufficient interest income earned on GEMS loans to cover its overhead. Said modification would allow HGIA to release an additional \$18.0 million of GEMS loans funds, reserved to cover administrative overhead, to finance nonprofit and small business clean energy projects before the commercial solar tax credits expires on December 31, 2027.

On November 26, 2025, the PUC issued Order 42129 granting a prospective modification of GEMS Program loan repayment priority and extended the GEM\$ Servicing pilot to June 30, 2026.

On December 8, 2025, HGIA issued a [Press Release](#) announcing that \$18.0 million in GEMS funds is being repurposed to finance nonprofits, small businesses, rural health centers, and Hawaii’s underserved ratepayers.

To ensure fair and equitable access to this last remaining GEMS funding, HGIA implemented a **single** application submission period from December 8, 2025 to January 9, 2026, for Commercial projects installing solar and/or energy efficiency retrofits for non-profit, small businesses and rural health centers. During this one-month period, each eligible and interested entity or organization may submit one complete application for consideration.

Once the single-submission period closes, the remaining funds will be made available on a first-come, first-served basis. Starting Monday, January 12, 2026, applicants may submit multiple applications, which will be reviewed in the order completed applications (including all required documents) are received, until all remaining funds have been committed.

Facilitating Third-Party Ownership

Due to the imminent expiration of federal residential solar tax credits, the Authority has been working with Solar Contractors to pivot from homeowner-owned systems to third-party owned systems, which are eligible for the commercial 48E solar tax credits. A number of local (as compared to national (e.g. SunRun) Third-party owned residential solar programs will be introduced in 2026.

PROMOTING HGIA'S FINANCING PROGRAMS

During the year, HGIA was mentioned in forty-six (46) articles or publications, participated in twenty-six (26) workshops or webinars presenting on its various financing programs, and participated in nine (9) community outreach expos or events.

Presentations on HGIA's financing programs were provided for local, national and international audiences.



Senators Jude Hofschneider & Manny Castro from the Commonwealth of the Northern Mariana Islands; Yamamoto Lau; Jeff Mikulina, Blue Planet Alliance; Chris Benjamin, Climate Hawaii



Vice President Hussain Mohamed Latheef holds strategic talks with Gwen Yamamoto-Lau, Executive Director of the Hawaii Green Infrastructure Authority (HGIA) | Photo credits: The President's Office

Outreach included the Hawaii Council of Community Associations, Hawaii Solar Energy Association Solar Expo, He Ala Pono EV and Sustainability Fair, Priced Into Paradise Expo, Youth Climate Summit and WEDC Waianae Moku-Made Resource Fairs.



2025 Priced Into Paradise Expo



Youth Climate Summit

The Authority also organized Site Visits to businesses and organizations benefitting from HGIA’s programs, for its Board and Legislators. The day started at Farm Link Hawaii (HI-CAP), followed by Honolulu Cookie Company (GEMS), Kahauiki Village (GEMS), Highway Inn (GEMS) and Kunia Village (Solar+Storage for ALICE Households).



Representative Nicole Lowen, Val Kubota (HGIA), Senator Lynn DeCoite, Jenna Seagle (HGIA), Senator Glenn Wakai, Yamamoto Lau, Ryan Sung (EVP, Honolulu Cookie Company), Representative Cory Chun and Representative Matthias Kusch



Stephanie Whalen, President, HARC; Senator Glenn Wakai; Ted Peck, HoluHou Energy; Representative Nicole Lowen; Seagle; Christina Mitre, HoluHou Energy; Representative Cory Chun; Yamamoto Lau and Kubota

SOLAR FOR ALL

Prior to EPA’s termination notice, the Authority completed a significant amount of work on the Solar for All–HI program.

HGIA’s EPA approved SFA–HI Work Plan is a comprehensive program with very specific goals to:

- Reduce greenhouse gas emissions;
- Lower the energy burden for our most vulnerable households; and
- Leverage risk mitigating financing mechanisms to invite private capital to increase impact while creating a sustainable financing program.

The SFA-HI Program is designed to finance rooftop solar + storage for eligible single-family dwellings, subsidized multi-family rental projects and community solar projects statewide. Over eighty-five percent (85.5%) of the \$62.45 million in SFA funds were designated for financial assistance to leverage private capital, bridge the access to capital gap, and lower the energy burden for over five thousand seven hundred (5,700) of the state’s most vulnerable households. In addition to low-cost, flexible, inclusive financing to facilitate solar and storage adoption for low-income families and disadvantaged communities statewide, the program also included technical assistance, capacity building, strategic communications, community outreach, workforce development and credit enhancements to increase access to capital for solar contractors serving disadvantaged communities.

Milestones completed included issuing and subsequently contracting four RFP engagements; drafting four easy to read and understand, comprehensive step-by-step playbooks as part of our Technical Assistance strategy to help low-income households and disadvantaged communities understand the financial and non-financial benefits of energy efficiency measures, solar PV, and energy storage systems; holding a charrette to ensure alignment of SFA-HI program goals with the stakeholders the program intends to benefit; meeting with community solar developers with plans to finance seven (7) community solar projects statewide aggregating 15.45 megawatts (MW); conducting community outreach; and accepting and processing SFA eligible residential rooftop applications.

As previously mentioned, on August 7, 2025, HGIA received a termination letter from the Environmental Protection Agency and on October 15, 2025, Hawaii joined twenty-two (22) other states to litigate the termination of the SFA awards.

The Authority is working with the Attorney General’s office on said litigation. It is also poised to promptly re-start the SFA-HI program should the grant funds become available.

HI C-PACER

Since launching the Hawai’i Commercial Property Assessed Clean Energy and Resiliency (HI C-PACER) Financing Program at the beginning of the fiscal year under Act 41, SLH 2024, HGIA has registered fourteen Capital Providers and has been in discussions with developers and C-PACE lenders on a number of projects, including new hotel construction, adaptive reuse and wind turbines, to name a few. The program provides financing for qualifying improvements, including cesspool conversions, clean energy technology, water conservation, energy efficiency and resiliency measures for commercial, leasehold, 5+ multifamily and agricultural property owners.

SOLAR HUI FUND

HGIA began laying the foundation for the Solar Hui Fund, as mandated by Act 40, SLH 2024. The Program is currently in the Administrative Rule-making process, with plans to launch in 2026. The Authority maintains a list of interested condominium owners interested in investing.

HI-CAP PROGRAMS

Under the federally funded State Small Business Credit Initiative (SSBCI), known as Hawaii's HI-CAP Program, HGIA works with participating lenders to bridge the access to capital gap and encourage lenders to finance eligible nonprofits and small businesses by providing credit enhancements (Collateral Support Program); low-cost loan capital (CDFI Loan Pool Program) and/or direct financing in the form of participation or co-lending (Loans Program) to mitigate risk.

In early 2025, the [state secured an additional \\$20.0 million](#) in SSBCI funds from the Treasury, of which \$10.0 million were allocated to HGIA's Collateral Support, CDFI Loan Pool and Loans Programs. To date, \$7.8 million in HI-CAP funds have facilitated some \$31.9 million in financing statewide. Some of the businesses financed were featured on HI Now Daily during the year, including:

- [Urban Soccer Hawaii LLC](#)
- [Malama Mushroom LLC](#)
- [Farm Link Hawaii, Inc.](#)
- [Kauai Fresh Fish LLC](#)
- The Yard Collective LLC dba [The Musubi Truck](#)
- [Middle Eats LLC](#)
- [Shifted Energy, Inc.](#)
- [Ho'ahu Energy Cooperative Molokai](#)
- [E & M Corp dba NOH Foods of Hawaii](#)

The year culminated with a [HI-CAP Takeover Show](#) on October 24, 2025, beginning with DBEDT Director James Tokioka and featuring some of HGIA's participating lenders (Feed the Hunger Fund, Central Pacific Bank, Hawaii Community Lending, American Savings Bank), technical assistance providers (Hawaii Small Business Development Centers) and small businesses (Tailor Made Custom Catering, Coradorables, Solaray).



HI Now Daily HI-CAP Take Over Show

CONDOMINIUM LOAN PROGRAM



Act 296, SLH 2025 Bill Signing

During the 2025 legislative session, working with key policy makers, stakeholders in the insurance industry and condominium associations, Act 296, SLH 2025 passed and was signed into law on July 7, 2025.

This bill will enable HGIA to provide flexible financing to qualified condominium associations through June of 2027. The bill also establishes a condominium loan loss reserve program, incentivizing community development financial institutions (CDFIs) to administer loans to condominium associations at competitive rates and terms for the purpose of maintenance and repairs.

Administrative Rules are currently undergoing its review process. A number of Condominium Associations that have received Adverse Action or Decline letters from traditional lenders have already reached out to the Authority and is interested in obtaining financing. The Authority plans to launch this program in 2026.

CLIMATE ADVISORY TEAM (CAT)



Bill Signing of Act 296, SLH 2025

In response to the Maui wildfires, the State of Hawai'i took a multifaceted approach to develop a solution. While addressing the immediate recovery needs, litigation settlement, and the efforts to

rebuild, Governor Josh Green also recognized that the State’s response must include a forward-looking agenda to proactively mitigate the unmanageable costs and potential devastation of future climate-related disasters.

Charged with developing policy recommendations to minimize the impacts of future climate-related natural disasters and to speed recovery from the physical and financial damage they cause, Governor formed a [Climate Advisory Team](#) (CAT) to design climate disaster mitigation and recovery frameworks and recommend policies for implementation. HGIA’s Executive Director was appointed to the CAT, under the leadership of Chris Benjamin, retired Alexander & Baldwin CEO. In January 2025, the [CAT released policy recommendations](#) on climate disaster resilience, recovery and funding. Through efforts of Governor’s staffers and engaged stakeholders, with the support of the Legislature, Act 96, SLH 2025, establishing the [historic “Green Fee”](#) was signed into law on May 26, 2025.

Future Outlook

During this year of disruptions, the Authority quickly pivoted and re-strategized, laying the groundwork to continue to strategically bridge the access to capital gaps for clean energy, catalytic projects and condominium associations. With the shortened runway for commercial solar tax credits and a heightened sense of urgency, the Authority’s small staff are committed to timely process applications to facilitate as many underserved ratepayers as possible.

The Authority will also redouble its outreach efforts, including grassroots outreach, to reach residential homeowners preferring to own their solar system. Although the federal residential tax credits have expired, Hawaii’s state tax credits, coupled with HECO’s Bring Your Own Device Plus Low and Moderate-Income Adder will help offset the cost of the solar+storage systems. Most importantly, HGIA does not rely on tax credits to underwrite and approve loans and even without federal tax credits, underserved ratepayers will still benefit with lower energy costs.

Through its HI-CAP Loans program, the Authority plans to finance catalytic projects, including a PV recycling and manufacturing plant in West Oahu and community solar projects on Hawaii Island, Maui and Molokai.

Lastly, the Authority will launch its Condo Loan Program and Solar Hui Program during the year – programs that will help both condominium associations and condominium owners.

Lastly, the Authority will work with the Attorney General’s office on the SFA lawsuits and remain poised to continue implementation of the SFA-HI program should the termination be reversed.

As a public financing agency, all of HGIA’s financing programs contribute positive economic development impacts, including jobs created/retained, state tax revenue generated and multiplier impacts, especially critical as the state slips into a minor recession.

The Authority is appreciative of the Governor and Legislature’s support and guidance and looks forward to another productive legislative session.

Hawai'i Green Infrastructure Authority Board



James Kunane Tokioka
Chair

Richard Wallsgrove
Vice Chair

Mark Glick
Secretary

Seth Colby, Ph.D.
Member

Dennis Wong
Member