



# Jacob Bracken

HG Kauai

# Introduction to Jacob Bracken

- ▶ Chief Financial Officer for the Roche Enterprises group of companies,
- ▶ Chief Executive Officer of HG Management, LLC. Bracken oversees development and operations for diverse projects, including Sand Hollow Resort, Gallup Land Partners, Green River Companies and HG Kauai.
- ▶ 20 years of professional experience in accounting, real estate development, and management.
- ▶ In 2006, Jake joined the initial development team at Sand Hollow Resort, a 1,000-acre golf resort in Southern Utah, and later was appointed chief executive officer.
- ▶ In 2011, he assumed responsibilities for Green River Companies, LLC to develop 5,000 acres of farmland with largest privately controlled block of water in Utah.
- ▶ HG Kauai Joint Venture, LLC and Gallup Land Partners, LLC became part of the Roche Enterprise group of companies in 2013, 40,000 acres of diverse projects including residential, agriculture, commercial, industrial, and railroad properties.

# Introduction to Robert Roche

- ▶ Robert Roche, founder and President of Roche Enterprises, is a serial entrepreneur, civic leader, and philanthropist.
- ▶ Roche founded, managed, and invested in global companies across a variety of sectors.
- ▶ Roche has applied hospitality and business expertise to managing large real estate holdings in the Utah and New Mexico.
- ▶ Utah: Sand Hollow Resort, an award-winning golf resort, and 5,000-acre farm in Green River, Utah.
- ▶ New Mexico: 26,000-acre development including Gallup Energy Logistics Park, a BNSF-certified industrial park, as well as residential and commercial properties.

# Development Expertise – Green River Companies

- Purchased in 2007, Green River is a 4,500-acre farm on a 11,000 acre parcel of land.
- 47% of land is currently irrigated by a 42 center pivot irrigation system.



# Development Expertise – Gallup Land Partners

- ▶ Roche Enterprises has made a \$40 million plus investment near Gallup, New Mexico over the past seven years.
- ▶ Gallup Land Partners, LLC (GLP) holds land, buildings, rail assets, and operating business in New Mexico, assisting in state's effort to develop economic opportunity to northwest New Mexico.
- ▶ 26,000 acres development includes:
  - ▶ Gallup Energy Logistics Park (GELP), a 2,500-acre rail-served industrial park certified by BNSF
  - ▶ Residential and commercial projects, including single-family homes, duplexes, and apartments
  - ▶ Over 30 leases to variety of industrial lessees
  - ▶ Gallup 9th Street Flea Market, one of the largest Native American markets in US

# Development Expertise – Sand Hollow Resort



- Sand Hollow Resort is a master planned 2,000 unit resort community located in Hurricane, Utah with a world class golf course and access to endless recreation.
- Roche has invested in excess of \$50M prior to 2008,
- Multiple subdivisions with single and multi-family lots —SOLD OUT

# Funding to Develop HoKua Place

- ▶ \$15 MM Predevelopment Line of Credit
- ▶ \$5 MM Predevelopment Line of Credit
- ▶ Conventional institutional construction loan
- ▶ Robert Roche and Roche Enterprises Group of companies to provide equity

# Affordable Housing Plan

- ▶ 769 total units
- ▶ County Affordable Requirement 20% of total units = 154 units
  - ▶ 46 Units = up to 80% of HUD Annual Median Income
  - ▶ 62 Units = 81% - 100% of HUD AMI
  - ▶ 46 Units = 101% - 120% of HUD AMI
  - ▶ Additional 10% - 77 units will also be sold at affordable prices
  - ▶ 21 Units = 101% - 120% of HUD AMI
  - ▶ 56 Units = 121% - 140% of HUD AMI
- ▶ GAP Priced Homes will also be provided
- ▶ Partnership With Lenders and First-time Home Owner Support Groups



# Affordable Housing Project

- ▶ Kauai General Plan designated Petition Area as Urban Center since 1982
- ▶ 2018 Kauai General Plan designated Petition Area as Neighborhood General
- ▶ In 2010 Kauai County encouraged 3 Stooges to develop affordable housing
- ▶ HG Kauai JV purchased property at foreclosure sale in 2013 for \$4 million

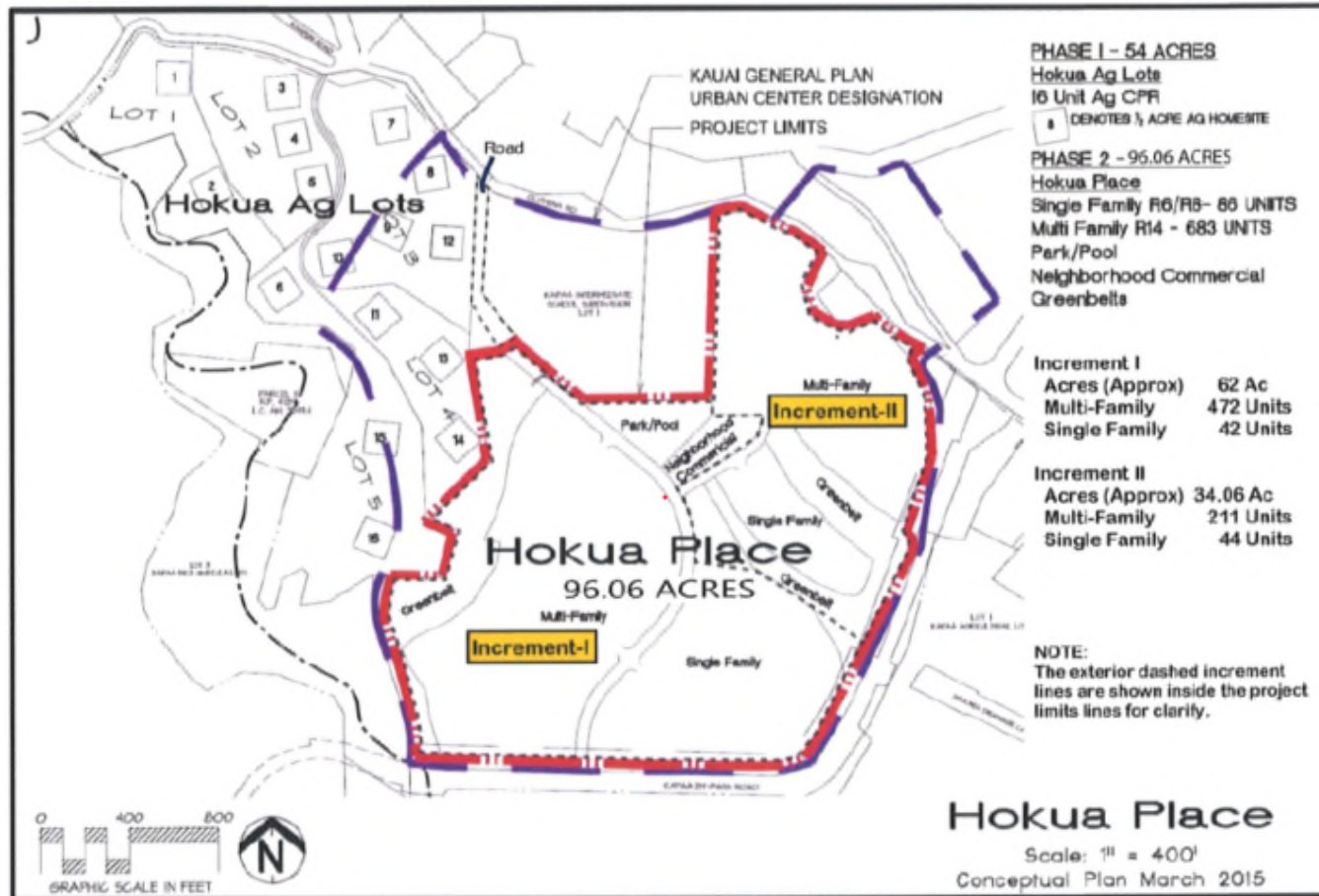
# HG Kauai's vision for HoKua Place

- ▶ Sustainable and affordable community with neighborhood services and recreational opportunities integrated in a Traditional Neighborhood Design concept.
- ▶ Walkable community built for the pedestrian, connected by a network of streets, green space, bicycle paths and walking paths to encourage residents to walk to Kapaa Town
- ▶ Consistent with Kauai General Plan

# HoKua Place Development Timetable

- ▶ HoKua Place will be designed and constructed in a single phase within a 10 year period.
- ▶ Incremental reclassification is not appropriate for an integrated development as Road A and off-site utility systems must be constructed for entire project in a single phase
- ▶ If all goes well with the State and County approvals, break ground in 2023 with first homes in 2025.

# Incremental Redistricting Phases



# Traffic Impact Studies

- ▶ Traffic engineer Randall Okaneku will present his analysis of the impact of HoKua Place on East Kauai's traffic.
- ▶ Kuhio Highway widening from Kapaa By-pass Road to Kuamoo Road is under construction to provide 2 through lanes in each direction



# HoKua Place Commitments

- ▶ HG Kauai will sign an affordable housing agreement with the County to confirm the number of affordable units, sales and buyer selection procedures, and buyer resale restrictions
- ▶ HG Kauai proposes to dedicate a well to the County and construct lines to reservoirs in consideration of the County Department of Water providing potable water and fire protection water for HoKua Place.
- ▶ HG Kauai will construct a sewage collection system and transmission line to the Wailua Wastewater Treatment plant.