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Hawaii Tax Credit Award Advances Artspace Honolulu Project

The Artspace development team and its local partners are pleased to announce that the Hawaii Housing Finance and Development Corporation (HHFDC) has approved low-income housing tax credits for an affordable live/work facility for artists to be located in the Kaka'ako neighborhood of Honolulu.

The Minneapolis-based nonprofit real estate developer, in partnership with Honolulu-based PA'I and Honolulu based HKI, is planning the Ola Ka 'Ilima Artspace Lofts, a mixed-use arts development blending live/work housing for artists and their families, space for non-profit partners and space for community events and gatherings. It will include 84 units of affordable housing as well as a home for the PA'I Arts & Culture Center.

"A unique project like this is something everyone can be proud of," said Hawaii Community Development Authority Executive Director, Anthony Ching. "The HCDA has been following this project for over a year now, and we're excited that it's one step closer to providing much needed housing for lower income groups."

The tax credit award is a key element in the \$38 million project – bringing \$17 million in upfront equity to the project's capital budget. With tax credits secured, Artspace turns its focus to the final phase of fundraising, with construction expected to start in 2015.

"We're pleased to have had the support of the State of Hawaii, the City of Honolulu, and the Kaka'ako neighborhood in this process," said Greg Handberg, senior vice president for properties at Artspace. "The leadership and support of Governor Abercrombie and the City of Honolulu on this project has been critical to our progress. Although we still have a lot of work to do, this award allows us to move toward closing and a construction start next year."

Artspace's cultural partner in this project is PA'I, whose mission is to preserve and perpetuate Hawaiian cultural traditions. PA'I initially invited Artspace to Hawaii and is developing the PA'I Arts & Culture Center, which will be located on the ground floor of Ola Ka 'Ilima.

“After nearly six years of community engagement activities and meetings with stakeholders, legislators, council members, artists, neighborhood associations and others we are at the threshold of making this dream of affordable rental housing and creative spaces for artists as well as a home for PA'I Arts & Culture Center come true,” said Vicky Holt Takamine, PA'I executive director.

About Artspace

For more than 30 years, Artspace has brought its hard-earned expertise to more than 200 cultural facility planning efforts from coast to coast. Of these projects, 35 have been developed and are owned and operated by Artspace itself, representing a unique, \$600 million investment in America's arts infrastructure. With headquarters in Minneapolis and offices in Los Angeles, New Orleans, New York, Seattle and Washington D.C., Artspace is America's leading developer of arts facilities. To date we have completed more than a thousand affordable live/work units for artists and their families as well as more than a million square feet of non-residential space for artists and arts organizations. Additional information is available at www.artspace.org.

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