STATE OF HAWAII HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION SUBSTANTIAL AMENDMENT TO THE PY2015 ANNUAL ACTION PLAN

This substantial amendment to the State of Hawaii's PY2015 Annual Action Plan (AAP) represents a reprogramming of HOME Investment Partnerships (HOME) program funds totaling \$1,529,579 from the County of Hawaii's cancelled or completed projects to its Tenant Based Rental Assistance (TBRA) program and Mohouli Heights Senior Neighborhood Phase II (Mohouli II) project, as follows:

PY	Project	- \$ Amount	+ \$ Amount
2012	Hawaiian Paradise Park, Phases $2 - 5$ (HPP). Selfhelp affordable homeownership housing. CHDO.	\$317,152	
2012 & 2015	Kamakoa Nui Community Development (Kamakoa). Self-help affordable homeownership housing. \$936,000		
2015	Micro-Unit Housing First Project. Transitional housing for chronically homeless persons.	\$276,427	
2015	Mohouli II. Rental housing for special needs population. CHDO.		\$929,579
2015	TBRA. Rental housing assistance.		\$600,000
	TOTAL:	\$1,529,579	\$1,529,579

In its PY2012 AAP, the Hawaii Housing Finance and Development Corporation (HHFDC) allocated HOME grant funds to the County of Hawaii (County), which designated \$450,000 to its HPP project, an affordable self-help homeownership project. The County utilized \$132,848 from its HOME allocation for HPP, but secured another funding source to complete the project, making \$317,152 available for other eligible HOME uses. The County also designated \$276,427 of its PY2015 HOME funds to its West Hawaii Micro-Unit Housing First project, a transitional housing project for chronically homeless persons, but received funds from other sources. Available HOME funds from both projects total \$593,579.

In addition, the County designated \$336,000 of its PY2012 HOME funds and \$600,000 of its PY2015 HOME funds to its Kamakoa project in Waikoloa. In 2015, HUD withdrew support for projects in the former Waikoloa Maneuver Area, due to concerns over the possible presence of unexploded ordnances from World War II. As a result, the County cancelled its Kamakoa project, making \$936,000 in HOME funds available for other eligible uses.

To meet HOME commitment and expenditure deadlines, and to avoid a lapse of funding, the County requested a re-programming of its HOME funds totaling \$1,529,579 to other eligible activities in the County of Hawaii, as follows:

- \$929,579 to the Mohouli II project for site and building construction. The project will consist of 30 one-bedroom affordable rental units, thirteen of which will be HOME-assisted, to serve the County's low-income seniors; and
- \$600,000 to the County of Hawaii's TBRA program, which will provide rental housing assistance to approximately 35 additional low- and very low-income households in the County of Hawaii.

HHFDC will submit a Substantial Amendment to its PY2015 AAP to reflect the re-programming of HOME funds to the Mohouli II project and TBRA program. Section AP-38 of the PY2015 AAP in HUD's Integrated

Disbursement and Information System will be amended to revise the Mohouli II and TBRA program information, as follows:

AP-38, Project Summary

3	Project Name	HOME 2015-Mohouli Heights Senior Neighborhood Phase II
	Target Area	
	Goals Supported	HR-3 New Constr./Rehab – Rental Housing Special Needs
	Needs Addressed	Rental Housing
	Funding	HOME: \$2,051,550
	Description	Hawaii Island Community Development Corporation (CHDO) will utilize HOME funds to pay a portion of the construction costs for 30 one-bedroom units for low-income seniors.
	Target Date	January 31, 2017
	Estimate no. and type of families to benefit	30 total one-bedroom units for the elderly, 13 of which will be HOME-assisted units.
	Location Description	Hilo, Hawaii, 96720. Census Tract 208.02. TMK: 2-4-1-184.
	Planned Activities	Hawaii Island Community Development Corporation intends to construct 30 one-bedroom low-income rental units for senior households. The units will be designed and built for senior use and accessibility in mind. There will be ample lighting and household controls within easy reach. Bathrooms will be outfitted with grab bars around tubs/showers and toilets. The units will be housed in multiple structures that will include accessible living units, laundry, mailboxes, and activity room and an office.
4	Project Name	HOME 2015-Tenant Based Rental Assistance
	Target Area	
	Goals Supported	HR-2 Tenant Based Rental Assistance
	Needs Addressed	Rental Housing
	Funding	HOME: \$1,246,237
	Description	The County of Hawaii will administer the TBRA program to assist approximately 55 very low- and low-income households by subsidizing their rent payments similar to the Housing Choice Voucher program (Section 8).
	Target Date	Ongoing
	Estimate no. and type of families to benefit	55 very low- and low-income households.
	Location	County-wide
	Planned Activities	TBRA will be used to assist very low- and low-income households by subsidizing their rent payments.

Other aspects of the PY2015 Annual Action Plan remain the same.

On February 19, 2016, a Notice of Public Comment was published in the Hawaii Tribune-Herald and West Hawaii Today newspapers, and posted to HHFDC's website at http://hawaii.gov/dbedt/hhfdc, to

accept comments from the public on the proposed re-programming of HOME funds to the County of Hawaii's Mohouli II project and TBRA program. The Notice of Public Comment and Draft Substantial Amendment were also sent to regional public libraries and the County of Hawaii's Office of Housing and Community Development, who were asked to provide public access to these documents.

A copy of the Notice of Public Comment is attached as Exhibit A. The 30-day comment period ended on March 20, 2016; no comments were received. This Substantial Amendment to the PY2015 Annual Action Plan was approved by HHFDC on March 24, 2016.

Attachment: Exhibit A, Notice of Public Comment

EXHIBIT A

NOTICE OF PUBLIC COMMENT

NOTICE OF PUBLIC COMMENT

The Hawaii Housing Finance and Development Corporation (HHFDC) is proposing a substantial amendment to its PY2015 Annual Action Plan to re-program funds within the County of Hawaii (County).

HHFDC allocated PY2012 HOME Investment Partnerships (HOME) program grant funds to the County, which designated \$450,000 to its Hawaiian Paradise Park, Phases 2- 5 (HPP), an affordable self-help homeownership project. The County utilized \$132,848 from its HOME allocation for HPP, but found another funding source to complete the project, making \$317,152 available for other eligible HOME uses. The County also designated \$276,427 of its PY2015 HOME funds to its West Hawaii Micro-Unit housing project, a transitional housing project for chronically homeless persons. This project also received funds from other sources. Available HOME funds from both projects total \$593,579.

In addition, the County designated \$336,000 of its PY2012 HOME funds and \$600,000 of its PY2015 HOME funds to its Kamakoa Nui Community affordable self-help homeownership projects in Waikoloa. The County cancelled these projects due to concerns of the U. S. Department of Housing and Urban Development over possible unexploded ordnances, making \$936,000 available for other eligible HOME uses.

To meet HOME commitment and expenditure deadlines, and to avoid a lapse of funding, the County requested a reprogramming of its HOME funds totaling \$1,529,579 as follows:

- \$929,579 to the Mohouli Heights Senior Neighborhood, Phase II (Mohouli II) project for site and building construction. The project will consist of 30 one-bedroom affordable rental units, thirteen of which will be HOME-assisted, to serve the county's low-income seniors; and
- the County's Tenant-Based Rental Assistance (TBRA) program will utilize \$600,000 to assist approximately 35 additional low- and moderate-income families in the County.

Other aspects of the PY2015 Annual Action Plan would remain the same.

The HHFDC plans to submit to HUD a Substantial Amendment to the PY2015 Annual Action Plan, reprogramming HOME funds totaling \$1,529,579 to the County's Mohouli II project and TBRA program. The *Draft Substantial Amendment to the PY2015 Action Plan* is posted on HHFDC's website at http://hawaii.gov/dbedt/hhfdc and is also available for public review at regional libraries and the following offices from 7:45 a.m. to 4:30 p.m.:

County of Hawaii, Office of Housing and Community Development 50 Wailuku Drive, Hilo, Hawaii and

West Hawaii Civic Center 74-5044 Ane Keohokalole Highway, Kailua-Kona, Hawaii

State of Hawaii, HHFDC 677 Queen Street, Suite 300, Honolulu, Oahu Interested persons are invited to provide written comments on the *Draft Substantial Amendment to the PY2015 Action Plan* to HHFDC at the above address no later than March 20, 2016 at 4:00 p.m. Comments may also be submitted via fax to (808) 587-0600 or emailed to hhfdc.consolidatedplan@hawaii.gov. All comments received by the deadline will be considered in preparing the final *Substantial Amendment to the PY2015 Action Plan*.

Persons with special needs (i.e., needing materials in large print, taped materials, sign language interpreter, or translator) shall make all requests for access and communication assistance by contacting the HHFDC Personnel Office at 587-0610, by written request, or by email to anna.k.snellgrove@hawaii.gov by February 24, 2016. Prompt requests help to ensure the availability of appropriate accommodations. Persons on the Island of Hawaii may call toll free number 974-4000, ext. 70610.

HHFDC does not discriminate against any person because of race, color, religion, sex, including gender identity or expression, sexual orientation, disability, familial status, ancestry, age, marital status, or HIV infection.

Craig K. Hirai, Executive Director Hawaii Housing Finance and Development Corporation Department of Business, Economic Development and Tourism

Hawaii Tribune-Herald West Hawaii Today

February 19, 2016