

**STATE OF HAWAII
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
SUBSTANTIAL AMENDMENT TO THE
PY2017 ANNUAL ACTION PLAN**

This substantial amendment to the State of Hawaii’s PY2017 Annual Action Plan (AAP) proposes to incorporate a specific activity under the National Housing Trust Fund (HTF) program into the PY2017 AAP. The activity is located in the County of Maui.

In its PY2017 AAP, the Hawaii Housing Finance and Development Corporation (HHFDC) allocated HTF grant funds in the amount of \$1,425,000 to the County of Maui (Maui), its PY2017 Sub-Grantee, to be used for the production or preservation of affordable rental housing units serving households with incomes at or below 30% of the area median income, and for the administration of the HTF program activities. Maui has since identified a specific activity that will utilize the PY2017 HTF, as shown in the chart below.

PY2017 HTF Activity	+ \$ Amount
County of Maui – Kaiwahine Village, Phase II	\$1,350,000
County of Maui – Administration	\$75,000
TOTAL PY2017 HTF	\$1,425,000

Maui plans to use its HTF funds for the development of Phase II of the Kaiwahine Village project, a new construction, 56-unit affordable rental housing complex in Kihei, Maui, for households with incomes at or below 60% of Maui’s area median income. Six of the units will be HTF-assisted units, serving households with incomes at or below 30% AMI. Maui may use HTF funds of up to \$75,000 for allowable administrative and planning expenses.

This Substantial Amendment to the PY2017 AAP incorporates specific information on the Kaiwahine Village Phase II project. Section AP-38 of the PY2017 AAP in HUD’s Integrated Disbursement and Information System will be amended to replace the existing language with information on the project, as follows:

AP-38, Project Summary

12	Project Name	HTF 2017 – Kaiwahine Village Phase II
	Target Area	Statewide
	Goals Supported	HA-1 Program Administration HR-4 New Construction/Rehab – Rental Housing
	Needs Addressed	Rental Housing Planning and Administration
	Funding	Housing Trust Fund: \$1,425,000
	Description	The County of Maui will administer a portion of the State of Hawaii's HTF program funds. HTF funds may be used for the new construction or acquisition and/or rehabilitation of rental housing units affordable to extremely low-income families (<30% AMI), as well as operating costs for rental projects. Of the total HTF funds, up to \$75,000 may be used for allowable administrative and planning expenses. The County of Maui will provide \$1,350,000 for the new construction of Kaiwahine Village Phase II, a 56-unit multi-family rental project, consisting of two- and three-bedroom units in North Kihei on the island of Maui. Six units will be HTF-assisted, serving

	families with incomes at or below 30% AMI. The County of Maui may use HTF funds of up to \$75,000 for allowable administrative and planning expenses.
Target Date	June 2020
Estimate no. and type of families to benefit	Of the total 56 units, six will be HTF-assisted, serving families with incomes at or below 30% AMI.
Location	North Kihei, Maui
Planned Activities	Funds will be used for the County's administration of the HTF program and for the development of the 56-unit rental project.

Other aspects of the PY2017 Annual Action Plan remain the same.

On September 17, 2018, a Notice of Public Comment was published in the Honolulu Star-Advertiser and The Maui News newspapers, and posted to HHFDC's website at <http://hawaii.gov/dbedt/hhfdc>, to accept comments from the public on the proposed inclusion of HTF activities in Honolulu and Maui. The Notice of Public Comment and this Draft Substantial Amendment were also sent to regional public libraries, county housing agencies, and the Department of Human Services' Homeless Programs Office, 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 October 17, 2018; no comments were received.

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 PY2012 Annual Action Plan (AAP) and a substantial amendment to its PY2017 AAP. The PY2012 AAP amendment proposes to reduce the HOME-assisted unit count of the Ele'ele Iluna Phase II, Increment A (EI2A) project from 48 units to 24 units and incorporate a resale provision that will apply to EI2A. The PY2017 AAP amendment proposes to include a housing activity in the County of Maui that will receive funding under the National Housing Trust Fund (HTF) program.

In its PY2012 AAP, HHFDC described HOME program income in the amount of \$1,920,000 to be used in the County of Kauai to construct site infrastructure to create buildable subdivisions lots for 48 homes for low-income homebuyers using the self-help building method. To expedite the project and to ensure that HOME completion deadlines could be met, the County of Kauai (Kauai) conducted HOME-required program reviews and, based on its reviews, reduced the scope of the EI2A from 48 to 24 HOME-assisted units. A recapture provision was included in the PY2012 AAP, but as the funds were provided as a development subsidy rather than direct homebuyer assistance, HHFDC seeks to further amend its PY2012 AAP by incorporating Kauai's resale provision that would apply to EI2A. The draft Substantial Amendment to the PY2012 AAP provides further details.

In its PY2017 AAP, HHFDC allocated HTF grant funds in the amount of \$1,425,000 to the County of Maui (Maui), its Sub-Grantee, to be used for the production or preservation of affordable rental housing units serving households with incomes at or below 30% of the area median income, and for the administration of the HTF program activities. Maui has since identified a specific activity that will utilize the PY2017 HTF:

PY2017 HTF Activity	\$ Amount
County of Maui – Kaiwahine Village, Phase II	\$1,350,000
County of Maui – Administration	\$75,000
TOTAL PY2017 HTF	\$1,425,000

The draft Substantial Amendment to the PY2017 AAP provides additional details.

The HHFDC plans to submit to HUD its Substantial Amendments to its PY2012 and PY2017 AAPs, to incorporate the amendments described above. Other aspects of both AAPs would remain the same.

The *Draft Substantial Amendment to the PY2012 Annual Action Plan* and the *Draft Substantial Amendment to the PY2017 Annual Action Plan* are posted on HHFDC's website at <http://hawaii.gov/dbedt/hhfdc> and are also available for public review at depository libraries and the following offices from 7:45 a.m. to 4:30 p.m.:

Hawaii Housing Finance and Development Corporation
677 Queen Street, Suite 300, Honolulu, Oahu

Department of Human Services, Homeless Programs Office
Benefits, Employment and Support Services Division
1010 Richards Street, Suite 312, Honolulu, Oahu

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

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

County of Maui, Department of Housing and Human Concerns
35 Lunalilo Street, Suite 102, Wailuku, Maui

County of Kauai, Kauai County Housing Agency
4444 Rice Street, Suite 330, Lihue, Kauai

City and County of Honolulu, Department of Community Services
925 Dillingham Boulevard, Suite 200, Honolulu, Oahu

Interested persons are invited to provide written comments on either or both draft substantial amendments to HHFDC at the above address no later than October 17, 2018 at 4:00 p.m. Comments may also be emailed to hhfdc.consolidatedplan@hawaii.gov, or submitted via fax to (808) 587-0600. All comments received by the deadline will be considered in preparing the final substantial amendments to the PY2012 and PY2017 AAPs.

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 587-0501, by written request, or by email to hhfdchr@hawaii.gov by September 25, 2018. Prompt requests help to ensure the availability of appropriate accommodations. Persons on the neighbor islands may call toll free: from Kauai, 274-3141, ext. 70501; from Maui, 984-2400, ext. 70501; from Molokai/Lanai, 1-800-468-4644, ext. 70501; from Hawaii Island, 974-4000, ext. 70501.

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



Honolulu Star-Advertiser
The Garden Island
The Maui News

September 17, 2018