

**STATE OF HAWAII**  
**HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION**  
**DRAFT SUBSTANTIAL AMENDMENT NO. 3 TO THE**  
**PY2018 ANNUAL ACTION PLAN**  
**AND**  
**DRAFT SUBSTANTIAL AMENDMENT NO. 2 TO THE**  
**PY2019 ANNUAL ACTION PLAN**

In its PY2018 Annual Action Plan (AAP), approved by HUD in August 2018 and amended in February 2019 and May 2019, the Hawaii Housing Finance and Development Corporation (HHFDC) reported that the City and County of Honolulu (City) had been unable to identify an eligible activity to utilize PY2018 National Housing Trust Fund (HTF) program funds, and that a specific activity would be identified and described at a later date. In its PY2019 AAP, approved by HUD in July 2019 and amended in February 2020, HHFDC reported that the City had again been unable to identify an eligible activity to utilize PY2019 HTF program funds, and that a specific activity would be identified and described at a later date. For both program years, the City had anticipated funding affordable rental units in Urban Honolulu CDP, as described at [http://files.hawaii.gov/dbedt/op/gis/maps/2010\\_cdp\\_urban-honolulu.pdf](http://files.hawaii.gov/dbedt/op/gis/maps/2010_cdp_urban-honolulu.pdf), serving extremely low-income households with incomes at or below 30% AMI.

The City has identified eligible activities that will produce a total of fifteen affordable rental units for special needs households earning at or below 30% of the Area Median Income. This Substantial Amendment No. 3 to the PY2018 AAP and Substantial Amendment No. 2 to the PY2019 AAP identifies and describes the activities and incorporates them into the PY2018 and PY2019 AAPs.

The City intends to award PY2018 and PY2019 HTF funds to nonprofit organizations for the acquisition of properties to be used for affordable permanent rental units (Single Room Occupancy units) serving extremely low-income, special needs households, as follows:

- The nonprofit Kinai Eha will use PY2018 HTF funds of \$889,430 to acquire a 5-bedroom duplex unit at 443 Kawainui Street, in Kailua, known as the 443 Kinai Eha Workforce Housing. The property will provide five rental units for homeless youths.
- The nonprofit Kinai Eha will use PY2019 HTF funds of \$889,430 to acquire a 5-bedroom duplex unit at 443A Kawainui Street, in Kailua, known as the 443A Kinai Eha Workforce Housing. The property will provide five rental units for homeless youths.
- The nonprofit Mental Health Kokua will use PY2018 and PY2019 funds of \$889,430 to acquire a nine-bedroom single family dwelling at 1731 Mahani Loop in Honolulu, known as the Mahani Hale. Five of the nine bedrooms will be provided for extremely low-income, single unrelated homeless adults with serious mental illness.

The acquisition of all three properties is expected in July 2020. The affordability period for all three properties is 30 years.

In addition, the City will utilize \$75,000 from each of the PY2018 and PY2019 allocations for its administration of the HTF program. There will be a balance remaining of \$31,710 in the PY2019 HTF allocation, which the City intends to use for affordable rental unit(s) serving extremely low-income households. The City plans to issue a Notice of Funding Availability to utilize HTF funds of \$31,710 in an eligible multi-unit property. When the City identifies an eligible activity for these funds, an amendment to the PY2019 AAP will be completed to include and describe the activity.

The use of funds is shown by program year in the following chart:

<b>Activity Name</b>	<b>PY2018</b>	<b>PY2019</b>	<b>Total</b>
443 Kinai Eha Workforce Housing	\$889,430	\$0	\$889,430
443A Kinai Eha Workforce Housing	\$0	\$889,430	\$889,430
Mahani Hale	\$460,570	\$428,860	\$889,430
Activity TBD	\$0	\$31,710	\$31,710
City & County of Honolulu - Administration	\$75,000	\$75,000	\$150,000
<b>TOTAL</b>	<b>\$1,425,000</b>	<b>\$1,425,000</b>	<b>\$2,850,000</b>

Other aspects of the PY2018 and PY2019 AAPs remain the same.

On March 16, 2020, a Notice of Public Comment (Notice) was published in the Honolulu Star-Advertiser and posted to HHFDC's website at <http://hawaii.gov/dbedt/hhfdc>, inviting the public to comment on the proposed amendment to the PY2018 and PY2019 AAPs. The Notice and Draft Substantial Amendment Nos. 2 and 3 were also sent to depository libraries, county housing agencies, and the Department of Human Services' Homeless Programs Office, who were asked to provide public access to these documents. The public may provide comments on the draft amendments through April 15, 2020.

A copy of the Notice of Public Comment is attached as Exhibit A.

Attachment: Exhibit A, Notice of Public Comment

**EXHIBIT A**  
**NOTICE OF PUBLIC COMMENT**

NOTICE OF PUBLIC COMMENT  
On the Draft Substantial Amendment No. 3 to the  
PY2018 Annual Action Plan  
And  
Draft Substantial Amendment No. 2 to the  
PY2019 Annual Action Plan

Pursuant to 24 CFR Part 91, the Hawaii Housing Finance and Development Corporation (HHFDC), Department of Business, Economic Development and Tourism, State of Hawaii, gives notice that a draft Substantial Amendment No. 3 to the Consolidated Plan Annual Action Plan (AAP) for program year July 1, 2018 – June 30, 2019 (PY2018) and draft Substantial Amendment No. 2 to the AAP for program year July 1, 2019 – June 30, 2020 (PY2019) has been prepared. The HHFDC is making the document available for review and comment.

The purpose of the Consolidated Plan and the AAP is to ensure that jurisdictions receiving federal assistance plan for the housing and related needs of low- and moderate-income families in a way that improves the availability and affordability of decent, safe, and sanitary housing in suitable living environments. To receive funding under certain U. S. Department of Housing and Urban Development (HUD) programs, the State must have a housing strategy that has been approved by HUD.

The HHFDC administers HUD's National Housing Trust Fund (HTF) program and gives notice of a draft Substantial Amendment No. 3 to its PY2018 AAP and draft Substantial Amendment No. 2 to its PY2019 AAP to identify and incorporate eligible activities in the City and County of Honolulu to be supported with PY2018 and PY2019 HTF funds. The City and County of Honolulu, as HHFDC's Subgrantee of HTF funds, intends to award HTF funds to the nonprofits Kinai Eha and Mental Health Kokua to utilize HTF funds to provide rental housing units to special needs households with extremely low-incomes at or below 30% AMI. Kinai Eha and Mental Health Kokua intend to acquire three properties, located in Kailua and Kalihi, to provide fifteen permanent rental units (Single Room Occupancy units):

- 443 Kinai Eha Workforce Housing, 443 Kawainui Street, Kailua, providing five units for homeless youth;
- 443A Kinai Eha Workforce Housing, 443A Kawainui Street, Kailua, providing five units for homeless youth; and
- Mahani Hale, 1731 Mahani Loop, Honolulu, providing five units for single unrelated homeless adults with a serious mental illness.

The draft Substantial Amendment No. 3 to the PY2018 AAP and draft Substantial Amendment No. 2 to the PY2019 AAP is available for review at regional libraries and may be accessed from HHFDC's website at <http://hawaii.gov/dbedt/hhfdc>. To be mailed copies, interested persons may call 587-0634; Neighbor Island residents may call toll free at the numbers listed below:

From Kauai: 274-3141, ext. 70634	From Hawaii: 974-4000, ext. 70634
From Maui: 984-2400, ext. 70634	From Molokai/Lanai: 1-800-468-4644, ext. 70634

Copies are also available at the following offices from 7:45 a.m. to 4:30 p.m.:

- State of Hawaii, HHFDC  
677 Queen Street, Suite 300, Honolulu, Oahu
- County of Hawaii, Office of Housing and Community Development  
1990 Kinoole Street, Suite 102, Hilo, Hawaii

- County of Maui, Department of Housing and Human Concerns  
2065 Main Street, Suite 108, Wailuku, Maui
- County of Kauai, Kauai County Housing Agency  
4444 Rice Street, Suite 330, Lihue, Kauai
- Department of Human Services, Homeless Programs Office  
1010 Richards Street, Suite 312, Honolulu, Oahu
- 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 both draft Substantial Amendments to HHFDC at the above address by April 15, 2020 at 4:00 p.m. Written comments may also be submitted via fax to (808) 587-0600 or emailed to [hfhdc.consolidatedplan@hawaii.gov](mailto:hfhdc.consolidatedplan@hawaii.gov) by 4:00 p.m. on April 15, 2020. All written comments will be considered in preparing the final Substantial Amendments.

If access or communication assistance and/or services (e.g., large print or taped materials) are required, please contact HHFDC’s Personnel Office at 587-0501, by written request, or by email to [hfhdc@hawaii.gov](mailto:hfhdc@hawaii.gov) by March 26, 2020. Prompt requests help to ensure the availability of appropriate accommodations. Persons on the neighbor islands may call the following toll free numbers:

From Kauai, 274-3141, ext. 70501    From Hawaii, 974-4000, ext. 70501  
 From Maui, 984-2400, ext. 70501    From Molokai & Lanai, 1-800-468-4644, 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.

Denise Iseri-Matsubara, HHFDC Interim Executive Director

March 16, 2020

Honolulu Star-Advertiser

