DAVID Y. IGE GOVERNOR

MIKE MCCARTNEY DIRECTOR

CHUNG I. CHANG

CHUNG I. CHANG DEPUTY DIRECTOR

DF HAVAN

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813 Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804 Web site: dbedt.hawaii.gov Telephone: (Fax: (

(808) 586-2355 (808) 586-2377

January 16, 2021

The Honorable Ronald D. Kouchi, President and Members of the Senate Thirty-First State Legislature State Capitol, Room 409 Honolulu, Hawaii 96813 The Honorable Scott K. Saiki, Speaker and Members of the House of Representatives Thirty-First State Legislature State Capitol, Room 431 Honolulu, Hawaii 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

For your information and consideration, I am transmitting a copy of the Report to the Legislature pursuant to Act 9, Session Laws of Hawaii 2020. Act 9 required the Hawaii Housing Finance and Development Program to establish and administer a rent relief and housing assistance program for households impacted by the COVID-19 pandemic. In accordance with Section 93-16, I am also informing you that the report may be viewed electronically at: <u>http://dbedt.hawaii.gov/overview/annual-reports-reports-to-the-legislature/</u>.

With aloha,

Mike McCartney

Enclosure

c: Legislative Reference Bureau

RENT RELIEF AND HOUSING ASSISTANCE PROGRAM

The Hawaii Housing Finance and Development Corporation (HHFDC) was appropriated \$100 million in Act 9, SLH 2020, as modified by Governor's Executive Order No. 20-08 (August 28, 2020) for the State of Hawaii Rent Relief and Housing Assistance Program (the "Program" or "RRHAP").

The intent of the Program was to assist eligible renters and homeowners who have experienced or were facing a reduction in income because of the disruption caused by the COVID-19 pandemic and were at risk of eviction or foreclosure.

Pursuant to Act 9, HHFDC selected nonprofit intermediaries Catholic Charities Hawaii and Aloha United Way to administer the Program and provide the following assistance for eligible households whose income did not exceed 100 percent of the HUD area median income adjusted by household size:

- Monthly rent or mortgage payments of up to \$2,000 per household residing in the City and County of Honolulu, or \$1,500 per household residing in the Counties of Hawaii, Maui or Kauai for payments due from March 1 to December 28, 2020.
- Monthly payments for homeowner association dues of up to \$500 per household for payments due from March 1 to December 28, 2020.
- Applicable financial counseling, assistance with loan modifications, or mediation.

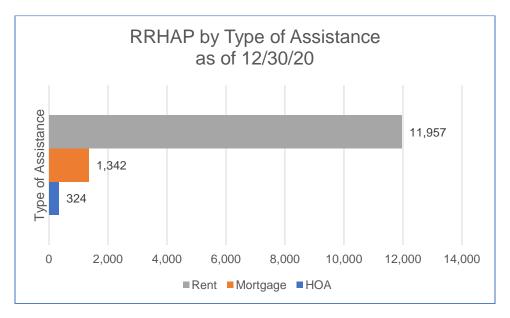
A website was created to provide the public with information on the Program.

The following Program outcomes are reported pursuant to Act 9, SLH 2020:

As of December 31, 2020, approximately \$58.04 million (of the \$59.8 million approved) was disbursed to assist 13,663 households statewide. For approved applicants, payments may continue to be made through March 31, 2021.

| 13,663 | 18,306 (Total) | 4,807 (Invalid) | \$1.79M | \$58.04M | As of 12/31/20 |
|------------------------|--------------------------|---------------------------|---------------------|---------------|-------------------------|
| HOUSEHOLDS ASSISTED | APPLICATIONS | | PAYMENTS | | |
| | | | Payments Pending | Payments Made | Approved for Payment |

As of December 30, 2020, rental payments comprised approximately 88 percent of the overall assistance. Mortgage payments comprised nearly 10 percent of the overall assistance, with payments for homeowner association dues comprising an additional 2 percent.



Approximately 72 percent of households assisted resided in the City and County of Honolulu, followed by 17 percent in Maui County, 7 percent in Kauai County, and 4 percent in Hawaii County. It is important to note that both the City and the County of Hawaii administered similar housing assistance programs utilizing federal Coronavirus Relief Funds during the same time period as the state's program.

