U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-5000

ASSISTANT SECRETARY FOR
PUBLIC AND INDIAN HOUSING

AUG 28 2009

Mr. Kaulana H. Park
Director
Department of Hawaiian Home Lands
P.O. Box 1879
Honolulu, HI 96805

Dear Mr. Park:

The Department of Housing and Urban Development is pleased to inform you that the Native Hawaiian Housing Plan (NHHP) submitted on June 29, 2009, for the Native Hawaiian Housing Block Grant (NHHBG) program has been found in compliance with Title VIII of the Native American Housing Assistance and Self-Determination Act (NAHASDA). Based on the fiscal year 2009 NHHBG allocation, the Department of Hawaiian Home Lands (DHHL) will receive funds in the amount of $9,700,789.

This letter constitutes approval of the one-year plan only and does not address any model or nonstandard activities in the 5-year plan. Activities in the 5-year plan will be reviewed and approved if, and when, they become part of a future one-year plan. The following documents are enclosed for your action:

- Funding Approval/Agreement, form HUD-52734-C, with Special Conditions. As the recipient of NHHBG funds, please sign and date all three copies of this agreement including the attachment and return two copies to the Office of Native American Programs (ONAP); **Attention: Claudine Allen, Native Hawaiian Program Specialist; 500 Ala Moana Boulevard, Suite 3A, Honolulu, HI 96813.**

- Certification Regarding Lobbying. Please sign, date, and return the enclosed certification.

The following guidance and information are provided regarding the implementation of the activities identified in the NHHP:

1. The Grant Agreement refers to environmental review requirements as specified in 24 CFR 1006.350. Funding assistance may not be obligated or used for any activities requiring a Release of Funds by HUD until HUD issues such Release in writing.

2. As the recipient under NAHASDA, DHHL will assume responsibilities and obligations required to effectively carry out the NHHBG program. The administrative requirements for implementing NHHBG activities are listed at 24 CFR 1006.370.

3. NHHBG costs are generally limited to low-income Native Hawaiian families. Assistance to non-low income or non-Native Hawaiian families must meet the conditions specified in 24 CFR 1006.301 and receive written approval from HUD.

4. DHHL is reminded of the program income requirements contained in 24 CFR 1006.340. Among the requirements is the calculation of program income resulting from NAHASDA-assisted activities; the need to report program income on Federal Cash Transaction Reports; the inclusion of program income in Table 2, Financial Resources, of the NHHP; and the use of program income prior to drawing down additional NHHBG funds.

5. Section 813(a)(2) of NAHASDA references the term "useful life" in the NHHBG program. Useful life is the period during which housing assisted with NHHBG funds is to remain "affordable." Therefore, each homeownership housing unit assisted with NAHASDA funds is available only to families who are low-income at initial occupancy during the affordability period of the unit. A binding and enforceable contractual agreement between the grant recipient and the homeowner must: 1) guarantee that a low-income family will occupy the unit during the affordability period of that unit, and 2) include remedies for breach of the agreement.

I look forward to working with you to achieve the goals and objectives set forth in your NHHP. If you have any questions, please contact Claudine Allen, Native Hawaiian Program Specialist, at (808) 522-8175, extension 223.

Sincerely,

for Deborah Hernandez
Sandra B. Henriquez
Assistant Secretary

Enclosures

cc: Scottina Malia Ruis, DHHL

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
Office of Native American Programs

NATIVE HAWAIIAN HOUSING PLAN COVER SHEET

Department of Hawaiian Home Lands (DHHL)

Scottina Malia Ruis	(808) 620-9513
DHHL Contact Person	Telephone Number With Area Code

P.O. Box 1879, Honolulu, Hawai'i 96805
Address

X	Original Submission	_____	Amended Submission
2009	Federal Fiscal Year	_____	Grant Number
$9,700,789.00	Estimated Grant Amount	_____	Actual Grant Amount

_____
Date and time Native Hawaiian Housing Plan received by HUD

U.S. Department of Housing and Urban Development
Office of Public and Indian Housing
Office of Native American Programs

NATIVE HAWAIIAN HOUSING PLAN

This form is for use by the DHHL to identify the location of the required elements of the Native Hawaiian Housing Plan (NHHP)

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1-YEAR NATIVE HAWAIIAN HOUSING PLAN

The 1-Year Plan section of the Native Hawaiian Housing Plan must contain information relating to the fiscal year for which assistance is to be made available, including the following:

1. **GOALS AND OBJECTIVES - A statement of the goals and objectives to be accomplished during the period.**

Goal No. 1: Increase the affordable housing inventory on Hawaiian home lands to meet the increasing or unmet demand for housing by eligible native Hawaiian households[1].

Objective 1A: Increase the supply of affordable housing units through on-site and off-site development, to include but not limited to infrastructure, streets, utilities, and engineering, for single-family housing.

Tasks and Activities: Construct on-site or off-site development improvements for at least one single-family residential subdivision on the island of O'ahu to serve at least 20 eligible native Hawaiian households and one on an outer island to serve at least 10 eligible native Hawaiian households.

Objective 1B: Increase the supply of affordable housing units through self-help (sweat equity) projects.

Tasks and Activities: Provide funding for technical assistance for at least one affordable housing project that utilizes the self-help construction method to assist at least 10 eligible native Hawaiian households achieve homeownership.

Objective 1C: Reduce the price of housing by providing direct assistance to eligible native Hawaiian homebuyers through downpayment assistance and/or principal reduction subsidies, low/no interest rate loans, matching funds for Individual Development Accounts (IDAs), or other means/methods that become available.

Tasks and Activities:

a. Provide funding for subsidies, such as downpayment assistance/principal reduction or matching funds for Individual Development Accounts (IDA), which may be recaptured during the useful life period, for at least 15 eligible native Hawaiian households.

b. Provide low-interest or no-interest loans to at least 25 eligible native Hawaiian households.

Goal No. 2: Reduce the number of homes, occupied by eligible native Hawaiian families, that are in need of repair or replacement, or in need of renovation to relieve overcrowding.

1 *An "eligible native Hawaiian household" is 1) a household that is eligible to reside on Hawaiian home lands and 2) has household income (all working adults) at or below 80% of Area Median Income. All activities in this plan must serve "eligible native Hawaiian households".*

Objective: Increase the number of programs and/or partnerships that provide assistance to eligible native Hawaiian households in the repair or replacement or their homes or to renovate their homes as a means to relieve over crowding.

Tasks and Activities:

a. Work with self-identified communities to develop programs that meet the repair and/or replacement needs of the homes in their respective communities.

b. Provide low-interest or no-interest loans and/or grants to at least 10 eligible native Hawaiian households to repair/rehabilitate existing housing units to address substandard living conditions or to renovate existing housing units to address overcrowding.

c. Initiate new partnerships and/or encourage the development of programs that target areas or needs that are not currently being served by existing City and County, or other, partnerships/programs.

Goal No. 3: Increase alternative energy resources and/or programs that will benefit eligible native Hawaiian households.

Objective 3A: Provide funding to eligible entities to implement alternative energy resource programs for eligible native Hawaiian households as a means to reduce housing costs and in alignment with the DHHL energy policy.

Tasks and Activities:

a. Identify communities interested in exploring alternative energy resources.

b. In partnership with communities, identify alternative energy resources (i.e. solar, CFL lighting) that will ultimately reduce housing costs (utilities) for eligible native Hawaiian households.

Objective 3B: Ensure adequate in-house resources and knowledge base to facilitate the implementation of alternative energy resources for eligible native Hawaiian households.

Tasks and Activities:

a. Identify appropriate state, federal or other alternative energy resources, programs and/or funding sources that will benefit eligible native Hawaiian households.

b. Access alternative energy resources, programs and/or funding sources as appropriate.

Goal No. 4: Support communities on Hawaiian home lands to address public safety needs and/or assess the feasibility of proposed "model" activities.

Objective: Assist homestead communities in assessing the viability of and planning for programs and activities that will further enhance community/public safety or provide homeownership education, home maintenance education and/or other eligible housing related activities that will serve eligible native Hawaiian households.

Tasks and Activities:

a. Work with self-identified communities that indicate an interest in the development of new or renovation of existing community centers to determine if the proposed usage of the center and community composition meets with NAHASDA regulations under "model" activities.

b. To the extent that is most practicable, assist these communities in determining the percentage of low-income families in their area and referring these communities to the appropriate alternative funding sources to seek funding for the percent of the community that does not meet NAHASDA's low-income criteria.

c. Promote partnerships with existing providers and the police departments within each county to address public safety needs.

Goal No. 5: Develop educational and/or training programs to address financial, home repair, or home maintenance needs for eligible native Hawaiian households.

Objective: Provide access to educational or training programs that assist native Hawaiian families with financial literacy, pre- and post-homebuyer education and counseling for new or existing lessees, especially those who are delinquent on their mortgages.

Tasks and Activities:

a. Continue to work with eligible entities, including DHHL's Home Ownership Assistance Program (HOAP), to provide financial literacy education and counseling, home buyer education, and foreclosure prevention to eligible native Hawaiian households.

b. Continue to work with eligible entities to provide home maintenance and/or self-help home repair training programs to eligible native Hawaiian households.

Goal No. 6: Enhance the capacity of DHHL to implement NAHASDA programs and to adequately self monitor the same.

Objective 6A: Provide sufficient administration and organizational capabilities to manage the various NHHBG programs, properties, and assets on Hawaiian home lands.

Tasks and Activities:

a. Work with ONAP staff to provide training to Department of Hawaiian Home Lands staff, other government agency staff and non-profit or for-profit organizations on Federal requirements when utilizing NHHBG funds.

b. Provide staff training through private providers, state, and federal entities as appropriate.

Objective 6B: Establish collaborative partnerships to address affordable housing needs.

Tasks and Activities:

a. Conduct community outreach and education, as needed, to address community interest in NAHASDA, the NHHP, and the DHHL's NAHASDA Community Grant Program.

b. Engage local lenders to utilize the 184A guaranteed loan as another lending product.

2. STATEMENT OF NEEDS - A statement of the housing needs of the low-income Native Hawaiian families served by the DHHL, and the means by which such needs will be addressed during the period covered by the plan, including a description of:

a. The estimated housing needs and the need for assistance for the low-income Native Hawaiian families to be served by the DHHL, including a description of the manner in which the geographical distribution of assistance is consistent with the geographical needs of those families, and the need for various categories of housing assistance.

The Hawaiian Homes Commission Act of 1920, as amended, a Federal act, established the Hawaiian home lands trust and defined the population eligible to reside on Hawaiian home lands as those native Hawaiians with at least 50% Hawaiian blood and their successors or assignees of less than 50% Hawaiian blood. For the purposes of this plan, this population is referred to as native Hawaiians (native spelt with a small n instead of capital N). Estimates of the native Hawaiian population, a subset of the Native Hawaiian population, range from approximately 45,000 to 70,000, although this number remains difficult to measure.

In 2003, DHHL contracted with SMS Research & Marketing Services, Inc. (SMS) to update the Beneficiary Needs Survey conducted in 1995. In addition, in 2006 the DHHL participated with state and county housing agencies in the update of the Housing Policy Study conducted by SMS (SMS 2006 study) , which included data on native Hawaiian households. For purposes of this plan, data from the 2003 and 2006 SMS surveys is used and is supplemented with data from the 1995 HUD study. To identify the native Hawaiian subset (50% Hawaiian blood or such lower percentage as may be established in Sections 207, 208 and 209 of the Hawaiian Homes Commission Act of 1920, as amended) for the purpose of this plan, a population of 64,176 will be used. The breakdown is as follows:

7,103	Lessees residing on the DHHL lands — as of December 31, 2008[2]
24,613	Applicants — Unduplicated wait list as of December 31, 2008[3]
32,460	Estimated Potential Applicants based on SMS 2006 respondents[4]
64,176	**Total native Hawaiian individuals/households**

Data compiled from the 2006 SMS survey[5] indicated that approximately 69.2% of the households on Hawaiian home lands, 44.1% of applicant households, and 53.5% of potential DHHL applicant households (respondents of 50% or more Hawaiian ancestry who were not applicants or lessees at the time of the survey) were at or below 80% of area median income levels. For the DHHL lessee, this is an increase of about 69% from the HUD 1995 study which indicated that only 41% of the households on DHHL lands were

2 Includes lessees residing on residential, agricultural and pastoral lots, one lessee per lease, one house per lease/lot.
3 From Applicant Type Distribution B report on 4/17/09, includes all lease types (residential, agricultural, and pastoral).
4 The SMS 2006 Study included a category for native Hawaiians with at least 50% blood quantum and are not DHHL lessees or applicants.
5 SMS Hawai'i Housing Policy Study, 2006, Housing for Native Hawaiians, Table 2.

at or below 80% of the area median[6]. Further, by applying the SMS 2006 percentage estimates, we anticipate the following NAHASDA eligible native Hawaiian households as follows:

4,915	Homeowners residing on the DHHL lands –7,103 x 69.2%
10,854	Applicants – 24,613 x 44.1%
17,366	Potential Applicants – 32,460 x 53.5%
33,136	**Total native Hawaiian households eligible for NAHASDA**

In Calendar Year 2008 the statewide application waiting list grew by 619 applicants from 23,994 to 24,613[7]. As of December 31, 2008, the number of homestead leases was 9,718 (8,210 residential, 1,101 agricultural and 407 pastoral)[8].

Geographical Distribution

According to the 2000 Census, 73% of the state's population resides on the island of O'ahu. Likewise, approximately 63% of all Native Hawaiians[9], 62% of all DHHL applicants, 64% of all DHHL potential applicants[10] in the state reside on the island of O'ahu. Since the bulk of the home lands are found in rural areas such as the outer islands of Hawai'i, Maui, Moloka'i, Kaua'i and Lana'i, the land distribution of Hawaiian home lands does not support the geographical distribution of native Hawaiian households and their demands for residential leases. The lessee, wait list and actual acreage distribution are as follow:

	Residential Leases		Residential Wait List		Home Land Acreage as of 2008 Annual Report	
Island	Number	%	Number	%	Number	%
O'ahu	4,100	49.94%	8,682	43.74%	7,495	3.69%
Hawai'i	1,723	20.99%	5,480	27.61%	117,550	57.84%
Maui	1,278	15.57%	3,435	17.31%	31,796	15.65%
Kaua'i	690	8.40%	1,473	7.42%	20,565	10.12%
Moloka'i	392	4.77%	720	3.63%	25,769	12.68%
Lana'i	27	0.33%	57	0.29%	50	0.02%
Total	8,210	100.00%	19,847	100.00%	203,225	100.00%

Of the native Hawaiian households on O'ahu, only 24% reside in the city of Honolulu, compared to 40% of non-native Hawaiian households. This may be due to the fact that the rural areas of O'ahu tend to have lower housing costs.

Although the DHHL has prioritized development and awards of new residential leases based on applicant preferences, it has not been able to keep up with the demand for residential parcels on the island of O'ahu since the distribution of home lands does not

6 The HUD 1995 Study did not provide estimates for applicants or potential applicants.
7 Taken from Applicant Type Distribution B as of 12/31/08
8 Taken from Lease Report for the month ending 12/31/08, it should be noted that not all residential leases/lots currently have homes on them.
9 Taken from Aloha Counts by County, Alu Like 2003
10 Taken from SMS 2006 Study

follow the population and applicant distribution patterns. This issue has created additional challenges as needed resources are expended to acquire lands on O'ahu to meet the stated demand. On the outer islands, where land is more remote and more costly to develop, additional costs are incurred in order to prepare the lands for residential use.

Low Income Housing Needs

For low-income native Hawaiian households (those making less than 80% of area median income), housing needs are severe with 68% of these households experiencing some kind of housing problem such as affordability, overcrowding, structural quality, availability or some combination of these problems. For very low-income households (those making less than 50% of area median income) the needs are even more severe with nearly 75% of the households in this category facing some kind of housing problem. While housing needs are serious for the native Hawaiian population as a whole, the situation is even more critical for the low- and very low-income native Hawaiian households. The percentage of low-income native Hawaiian households that experience housing problems is more than double the percentage of native Hawaiian households as a whole with housing problems — 68% versus 27%. For very low-income native Hawaiian households, this percentage is almost triple — 75% versus 27%.

Addressing the Needs

Given these housing needs, the DHHL will focus the use of the NHHBG funds on increasing the supply of affordable housing units or to rehabilitate existing units to relieve some of the overcrowding pressures and substandard living environments experienced in many low-income native Hawaiian households. In addition, the DHHL will support healthy and safe communities, empower resident organizations and promote self-sufficiency for native Hawaiian families. Likewise, the DHHL will focus on developing the capacity of resident organizations and partnering entities (i.e. non-profit entities) in order for them to successfully apply for and administer NHHBG funds.

In October 2004, the DHHL created a program to prepare native Hawaiians on the DHHL waiting list for homeownership and to assist those already residing on Hawaiian home lands that are in financial crisis. The Home Ownership Assistance Program (HOAP) became operative in early 2005. Classes on the Hawaiian Homes Commission Act, Hawaiian genealogy, mortgages, budgeting and saving, and debt management are conducted and case management is provided for those individuals that require additional follow up and/or ongoing counseling services. For families that are in financial crisis, the DHHL refers them to HOAP for assistance in an effort to avoid foreclosure.

At least 4,500 individuals have participated in HOAP since it's inception in 2005 and, as of May 8, 2009, there are 1,950 active participants registered with HOAP of which 1,405 are enrolled in pre-homeownership courses, 135 are enrolled in employment services and 410 are enrolled in foreclosure prevention services. To date, approximately 246 previous participants (or 5%) have purchased homes. Approximately 71% of all HOAP participants are estimated to be at or below 80% AMI based on current income data available.

The following table reflects the percentage of HOAP participants from each island and the

percent of HOAP participants from each island that are at or below 80% AMI:

Island	Percent of HOAP Participants from Island	Percent of HOAP Participants from Island at or below 80% AMI
HAWAI'I	18.46%	60.79%
KAUA'I	5.99%	72.56%
MAUI	12.02%	66.87%
MOLOKA'I	1.94%	90.57%
O'AHU	57.20%	75.97%
Mainland	4.39%	50.83%
	100.00%	

Note: All comparisons to AMI were based on residence address. Households with mainland addresses were compared with Honolulu Area Median Income Levels.

Another method for preparing beneficiaries for homeownership is the DHHL's "Undivided Interest" program called Ho'opaepae. Applicants on the waiting list are offered an undivided interest in a large undeveloped lot. Leases are issued and these "lessees" are offered homeownership education through HOAP. Over the next one to three years, DHHL will improve and subdivide the large lot, usually in phases, and may contract with a developer to construct homes. This method provides lessees time to prepare their finances for homeownership — sometimes requiring relocation and/or job changes. When the lot improvements are completed, lessees who are financially ready will purchase homes and move in.

There are currently 6 undivided interest programs and a total of 1,435 undivided interest lessees in the following areas:

i. Waiohuli - Kula, Maui - 320 leases awarded June 2005 (includes 65 farm lessees from the adjacent Keokea area)
ii. La'i 'Ōpua Villages 4 & 5 - Kealakehe, Hawai'i - 300 leases awarded October 2005
iii. Pi'ilani Mai Ke Kai - Anahola, Kaua'i - 160 leases awarded April 2006
iv. Kumuhau & Kaka'ina Streets - Waimānalo, O'ahu - 100 leases awarded July 2006
v. Kānehili (East Kapolei I) - Kapolei, O'ahu - 350 leases awarded October 2006 – first homes to be occupied by May 2009
vi. East Kapolei II – Kapolei, O'ahu – 205 leases awarded January 2009

Additionally, the DHHL has become aware of undivided interest lessees that hold Section 8 vouchers. Likewise, efforts have begun to initiate communication between the DHHL, the City and County of Honolulu, and the State's Section 8 voucher programs as beneficiaries who hold Section 8 vouchers are identified.

b. The estimated housing needs for all Native Hawaiian families to be served by the DHHL.

In 1995, HUD conducted a study of the housing needs for the native Hawaiian population. This study, entitled Housing Problems and Needs of Native Hawaiians, represents the most comprehensive information on the topic of housing needs for native Hawaiians. The following information is pulled from this source unless noted otherwise. The SMS surveys done in 2003 and 2006 will be used to update the HUD study where data is available.

Population

Although Hawaiian home lands are found only in the State of Hawai'i, Native Hawaiians are found throughout the United States. In 2000, the population of Native Hawaiians, as reported by the U.S. Census, totaled more than 400,000. Approximately 239,655 Native Hawaiians, or almost 60%, reside in the State of Hawai'i.

As stated earlier, for the purposes of this plan, a population of 64,176 is used to represent the native Hawaiian population. This number reflects the number of existing lessee households residing on the DHHL lands as of December 31, 2008, applicants on the DHHL waitlist as of December 31, 2008, and potential applicants based on the SMS 2006 survey data (individuals who indicated that they were 50% or more native Hawaiian and were NOT a DHHL applicant or lessee).

Age, Education, Size of Households

According to the 2000 Census, formal education levels are lower for native Hawaiians with only 15% of native Hawaiians on home lands graduating from any level of college compared to 34.3% of the general population in the State. Likewise, nearly 20% of native Hawaiians on home lands do not have high school diplomas as opposed to 15% of the general population of the state.

The 2000 Census also indicates that native Hawaiians residing on home lands are slightly younger and their families are slightly larger than the larger population in the State. The median age for native Hawaiians is 32 years as opposed to the larger population with a median age of 36 years. Also, about 64% of all lessee households had one or more children present according to the SMS 2006 survey data — 22% of these households had 2 to 3 children and 13% had 4 or more children. In contrast, only 25% of non-native households had children in the home. Based on special tabulations compiled by Alu Like, Inc. in 2003 (using 2000 Census data), the average DHHL native Hawaiian household size was 4.15 as compared to an average household size of 3 for the larger population in the State of Hawai'i[11].

In addition, native Hawaiian households tend to include more than one family, often multigenerational. The SMS 2006 survey documents that this is particularly true on the home lands where 26.6% of the households include more than one family compared to

11 Alu Like Inc., "Profiles of Homestead Communities within the Hawaiian Home Lands", compiled in 2003

6.3% of non-native Hawaiian households in the State. In general, about 20% of all native Hawaiian households include multigenerational family members (19.5% for native Hawaiian households below 80% median income and 18.6% for native Hawaiian households over 80% median income) compared to about 7% for non-native households (6.3% and 7.2% respectively for similar income levels). Lessee households were also more likely to have 8 or more family members (14%) as opposed to applicant households (9%) or non-Hawaiian households (1%).

Furthermore, approximately 22.2% of native Hawaiian households at or below 80% of area median income levels are living in ***crowded*** conditions[12] vs. 8% of the non-native Hawaiian households at the same income levels. Likewise, 7.6% of native Hawaiian households at or below 80% of area median income levels are living in ***severely crowded*** conditions[13] vs. 4.4% of the non-native Hawaiian households at the same income levels.

Tenure and Housing Stock

While homeownership rates in Hawai'i are typically lower than the U.S. as a whole, homeownership rates for native Hawaiians residing in urban Hawai'i are particularly low. Only 38% of native Hawaiians own their home in urban Honolulu, compared to 48% for non-native Hawaiians. This disparity continues in other urban areas of the State where 51% of native Hawaiians own their homes compared to 60% for non-natives.

The tenure rates are dramatically different on Hawaiian home lands where nearly 100% of the units are owner-occupied. However, according to the SMS 2006 study, approximately 44% of all native Hawaiian households in the state were renters as compared to approximately 37% of non-native Hawaiian households. However, of all **applicant** households at or below 80% area median income, approximately 63% were renters. Likewise, of all **potential applicant** households at or below 80% area median income, approximately 57% were renters. This is quite different from those households that were non-native Hawaiian at or below 80% area median income in which approximately half (49%) were renters. In any case, native Hawaiian households, and specifically low-income native Hawaiian households, are more likely to be renters and less likely to own their own homes.

Additionally, native Hawaiians are more likely to reside in older housing units. Approximately 30% of native Hawaiians reside in units built before 1960 compared to 26% of the non-native Hawaiian population in the State. For native Hawaiians residing in urban Honolulu, the difference is even more severe with 45% of native Hawaiians residing in units built before 1960 compared to 29% for non-natives. According to the SMS 2006 survey and with specific regard to the DHHL lessees, approximately 24.4% of native Hawaiian households at or below 80% of area median income levels are residing in homes built prior to 1960 (approximately 510 homes).

In addition, native Hawaiian homeowners are more likely to live in single-family dwellings, 90% of native Hawaiian owners compared to 79% for non-native owners. This

12 more than 1.01 persons per room
13 more than 1.59 persons per room

preference for single family homes is also true for native Hawaiian renters who tend to live in single-family dwellings at higher rates than non-natives.

Income

Native Hawaiian households are more likely to be very low-income than non-native Hawaiian households. Owner households on Hawaiian home lands are among the poorest of native Hawaiian households with approximately 25% having income lower than 50% of the area median compared to 14% of all native Hawaiian owner households.

According to the SMS 2006 study, approximately 31% of all native Hawaiian households have incomes less than 50% of the area median compared to 24% of non-native Hawaiian households. For those native Hawaiian households that occupy their homes without payment, approximately 89% have incomes less than 80% of the area median compared to 41% of non-native households.

Additionally, according to the State Department of Health's, Hawai'i Health Survey 2005, native Hawaiian households are more likely to be "poor" (below poverty levels) or "near poor" (100% to 199% of poverty levels) than non-native households. That is, approximately 9% of native Hawaiian households reside below poverty levels and approximately 19% reside at the near poor levels as compared to approximately 7% and 13% respectively for non-native households.

Likewise, shelter-to-income ratios are much higher for the native Hawaiian household in that approximately 45.5% of all native Hawaiian households at or below 80% of area median income levels pay over 40% of their monthly income toward their shelter costs. As would be expected, this percentage is significantly lower for the DHHL lessee (same income levels) at 12.3% due to the affordable homeownership options available to them. Nonetheless, 43.1% and 48.9% of the DHHL applicant households and potential applicant households pay over 40% of their monthly income toward shelter costs. In contrast, only approximately 36.3% of non-native households at or below the 80% income threshold pay over 40% of their monthly income toward shelter costs.

3. FINANCIAL RESOURCES- An operating budget for the DHHL, including:

   a. An identification and a description of the financial resources reasonably available to DHHL to carry out the purposes of the Hawaiian Homelands Homeownership Act of 2000 (HHHA), including an explanation of the manner in which amounts made available will be used to leverage additional resources; and
   DHHL trust funds will be used to augment all programs for beneficiaries who are not eligible for NAHASDA.

Operating Budget for NAHASDA

Block Grant (Title VIII) Program	$9,700,789.00
Program Income (Projected to 6/30/10)	$240,000.00
Total Available	$9,940,789.00

Development/Infrastructure	$6,000,000.00
Loan Programs	$1,500,000.00
Grants/Subsidies	$1,000,000.00
Housing Services	$450,000.00
Crime Prevention & Safety	$25,000.00
Model Activities	$25,000.00
Administration & Planning	$940,789.00
Total Available	$9,940,789.00
184A Loan Guarantee Program[14]	*$1,044,000.00*
	$10,984,789.00

The following programs are utilized on Hawaiian home lands: private sector lending for interim construction and permanent mortgage financing, FHA Section 247 insured loans, Section 184A, Veterans Affairs direct loans, Rural Development (U.S. Department of Agriculture) programs, Community Development Block Grant funding, Federal Home Loan Bank of Seattle grants, Habitat for Humanity, and other State, local and non-profit resources. DHHL continues to actively seek opportunities to leverage NAHASDA funding with other Federal, State, County and private resources either through expanding programs that currently operate on Hawaiian home lands or by seeking new opportunities with different funding partners.

In May 2006, an agreement was executed by HUD Assistant Secretary Orlando Cabrera and Chairman Micah Kane, which documents the responsibilities of DHHL and HUD. Draft Guidelines were distributed to lenders in Spring 2007 and finalized in September 2007. There are currently three approved lenders for the Section 184A loan program, Home Street Bank, Bank of Hawai'i and Hawai'i Community Lending. The first Section 184A loan was closed in December 2007 and a total of 18 have been closed from December 2007 thru the first quarter of 2009. The total volume of 184A loans guaranteed for this same period is $4,428,832.00.

b. The uses to which such resources will be committed, including eligible and required affordable housing activities, and administrative expenses.

Block Grant (Title VIII) Program:

		Goal Number
Development/Infrastructure	$6,000,000.00	Goal Number 1
Loan Programs	$1,500,000.00	Goal Number 1, 2 & 3
Grants/Subsidies	$1,000,000.00	Goal Number 1, 2, & 3
Housing Services	$450,000.00	Goal Number 3, 4 & 5
Crime Prevention & Safety	$25,000.00	Goal Number 4
Model Activities	$25,000.00	Goal Number 4
Administration and Planning	$940,789.00	Goal Number 6
Total Available	$9,940,789.00	

14 (Loan Guarantee authority for $41,504,255)

184A Loan Guarantee	*$1,044,000.00*
	$10,984,789.00

4. **AFFORDABLE HOUSING RESOURCES - A statement of the affordable housing resources currently available at the time of the submittal of the plan and to be made available during the period covered by the plan, including a description of:**

   a. **The significant characteristics of the housing market in the State of Hawaii, including the availability of housing from other public sources and private market housing; and the manner in which the characteristics influence the decision of the DHHL to use grant amounts to be provided under this Act for rental assistance, the production of new units, the acquisition of existing units, or the rehabilitation of units;**

Economy

Although Hawai'i's economy has experienced solid growth over the past few years, the nationwide economic downturn has reached Hawai'i and the current economic climate in Hawai'i continues to reflect the negative impacts of this down turn. According to the State of Hawai'i's Department of Business, Economic Development & Tourism, Hawai'i's General Excise Tax revenues decreased by $44.4 million in Honolulu, $5.2 million in Kaua'i, and $3.4 million in Maui in 2008. Likewise, the state lost 7,150 jobs in the fourth quarter of 2008 over the fourth quarter of 2007 (3,800 in Honolulu, 950 in Hawai'i, 1,200 in Maui and 1,200 in Kaua'i); visitor arrivals were down substantially for the fourth quarter of 2008 for all counties compared to the fourth quarter of 2007, and the value of total private building permits decreased during the fourth quarter of 2008 in all counties compared to the same period in 2007. For the first time since 2002, construction jobs showed a significant decline from the previous year, down 5.9% for the fourth quarter of 2008.

Visitors arriving by air[15] decreased by 15.7% for the fourth quarter of 2008 and decreased by 9% for the year. For the first quarter of 2009, total visitors arriving by air decreased by 16.7% and total arrivals by air decreased by 13.6%, year to date, through March 2009.

Seasonally adjusted unemployment rates for the State of Hawai'i have increased from 2.4% in February 2007 to 3.2% in February 2008 to 6.5% in February 2009 topping out at 7.1% for March 2009. The State of Hawai'i has not seen unemployment rates this high since February 1978 when the seasonally adjusted unemployment rate was also 7.1%. Nonetheless, Hawai'i still ranked among the bottom 20 states with the lowest unemployment rates nationwide (ranked number 19 from the bottom). Total bankruptcy filings in Hawai'i increased 50.4% from 1,381 cases in 2007 to 2,077 cased in 2008.

According to the Advertiser (April 10, 2009), the Department of Labor and Industrial Relations (DLIR) received 2,563 new initial unemployment filings during the first week

15 Comparisons are based on same time period during the prior year.

of March 2009, an increase of over 100% from the prior year. Fortunately for Hawai'i, previously low unemployment rates have allowed the unemployment fund to build up to $431 million at the end of January 2009 and the DLIR expects up to $30 million in federal funds through the American Recovery and Reinvestment Act to be used for unemployment compensation.

High Cost of Housing

Although the rapid growth of the home prices in Hawai'i over recent years has cooled recently, perhaps indicating a downward trend, Hawai'i is still one of the most expensive real estate markets in the U.S. According to a Coldwell Banker comparison of a 4 bedroom, 2 bath, 2,200 square foot house with family room and two car garage, two Hawai'i cities ranked in the top 10[16]. Kīhei, Maui ranked 5th and Honolulu ranked 9th.

The following tables reflect the annual median sales price for single family homes and condominiums from 2003 thru 2008 and include a glimpse of the sales trends for the first quarter of 2009.

Historical annual median sales prices for **single family homes** in Hawai'i are as follows[17]:

Single Family Median Sales Prices

Year	O'ahu	Change	Maui	Change	Hawai'i	Change	Kaua'i	Change
2003	$380,000	NA	$440,000	NA	$235,000	NA	$366,375	NA
2004	$460,000	21%	$550,000	25%	$290,000	19%	$499,000	27%
2005	$590,000	28%	$679,000	23%	$385,000	25%	$639,000	22%
2006	$630,000	6.80%	$693,000	2%	$421,000	9%	$675,000	5%
2007	$643,500	2%	$630,069	-10%	$395,000	-7%	$650,000	-4%
2008	**$624,000**	**-3%**	**$577,867**	**-9%**	**$345,000**	**-14%**	**$615,000**	**-6%**
2009	$570,000	-9%	$537,500	-8%	$285,000	-21%	$430,000	-43%

Historical annual median sales prices for **condominiums** in Hawai'i are as follows:

Condo Median Sales Prices

Year	O'ahu	Change	Maui	Change	Hawai'i	Change	Kaua'i	Change
2003	$175,000	NA	$241,622	NA	$185,000	NA	$287,000	NA
2004	$208,500	16%	$310,000	22%	$275,000	33%	$375,000	23%
2005	$269,000	22%	$390,000	21%	$369,500	26%	$435,000	14%
2006	$310,000	13%	$505,000	23%	$425,867	13%	$405,000	-7%

16 Rankings were based on the average sales price in 2007 of 317 U.S. cities. The national average sales price was $422,343. The average sales price for Kīhei and Honolulu was $963,000 and $843,750 respectively.

17 Data for both Single Family and Condominiums are from Honolulu Board of Realtors web site historical data (O'ahu), Maui Board of Realtors web site (Maui), Hawai'i Information Services (Kaua'i & Hawai'i). 2009 figures are for the first quarter. Maui data includes Moloka'i and all of Maui County.

2007	$325,000	5%	$550,000	8%	$394,950	-8%	$565,000	28%
2008	**$325,000**	**0%**	**$549,500**	**0%**	**$370,000**	**-7%**	**$545,000**	**-4%**
2009	$300,000	-8%	$456,000	-21%	$282,500	-31%	$254,000	-115%

The current market reflects a decrease in median sales prices for both condominiums and single family homes. In 2008, Kaua'i's median sales price for a condominium ($545,500) was below the 2007 median ($565,000) and the median sales price for a single family home ($615,000) was below the 2005 median ($639,000); Hawa'i's median sales price for a condominium ($370,000) was slightly above the 2005 median ($369,500) and the median sales price for a single family home ($345,000) was below the 2005 median ($385,000); Maui's median sales price for a condominium ($549,500) was below the 2007 median ($550,000) and the median sales price for a single family home ($577,867) was below the 2005 median ($679,000); O'ahu's median sales price for a condominium ($325,000) was equal to the 2007 median ($325,000) and the median sales price for a single family home ($624,000) was below the 2006 median ($630,000).

However, even with this "cooling" of the market and general decrease in the single family or condominium median sales prices, Hawai'i residents are still hard pressed to afford housing in Hawai'i. According to an Affordability Study done by Housing Hawai'i, a non-profit organization dedicated to advocate for affordable housing in Hawai'i, it would take about 2 or more of the following wage earners to afford a single family home in Honolulu based on 2006 wages and home prices[18].

Occupation	Annual Median Wage	Number of this occupation (job holders) it takes to purchase median home
Emergency Medical Technicians and Paramedics	$37,460	4.10
Police and Sheriff's Patrol Officers	$46,090	3.33
Fire Fighters	$42,870	3.58
General and Operations Managers	$88,990	1.72
Physical Therapists	$65,860	2.33
Carpenters	$58,650	2.62
Clergy	$36,340	4.22
Dental Hygienists	$59,410	2.58
Elementary School Teachers, Except Special Education	$37,710	4.07
Registered Nurses	$69,600	2.21
Social Workers	$59,220	2.59
Urban and Regional Planners	$59,810	2.57
Postal Service Mail Carriers	$45,090	3.40
Civil Engineers	$69,090	2.22

Wages remain relatively low in Hawai'i making housing affordability a major issue for residents of the state. Because wages remain low, families living in Hawai'i often work more than one job to make ends meet. The SMS Study of 2006 indicated that 44% of all households in the state were at or below 80% of median income. However, the majority

18 Based on sale price of $640,000, 30 year fixed at 6% with 30% Housing Expense and 0% down.

of DHHL lessees and potential applicants (50% or more blood quantum and not on DHHL wait lists) faired worse than the average state household in that approximately 69% of DHHL lessees and approximately 53% of potential applicants were at or below 80% area median income levels in 2006. Furthermore, according to the same report, even families with household incomes between 120% and 140% of median income in Hawai'i require affordable housing units given the high costs of housing.

Almost one fourth (22.7%) of all residents pay over 40% of their monthly household income toward their shelter costs and approximately one third (34%) pay over 30% of their monthly household income toward their shelter costs. However, when examined closer it is clear that those households with income levels below 80% of the area median income are more likely to be paying over 30% of their household income toward shelter costs. More specifically, for all households in the state that are at or below 80% of area median income levels, about half (52.22%) pay over 30% of their monthly income toward shelter costs and approximately 38.33% pay over 40% of their monthly income toward shelter costs. As stated previously, shelter to income ratios are higher for native Hawaiian households in that 45.5% pay over 40% of their monthly household income toward their shelter costs whereas only 36.6% of non-native households pay over 40% of their monthly household income toward shelter costs.

The National Low Income Housing Coalition, in it's "Out of Reach 2007 – 2008" report, named Hawai'i as the most expensive state as ranked by the "two-bedroom housing wage rate", the wage required (**$29.02**) in order for a two-bedroom unit to be affordable (30% or less of income). Additionally, it would require several wage earners at either the $7.25 (state minimum wage) or the $12.42 (average wage of a renter) in order to keep rental costs "affordable" (30% of income).

The following table is based on the Fair Market Rent for a two bedroom apartment and the wage required to maintain that level of rent and utilities without paying more that 30% of income on housing in Hawai'i. It should be noted that the number of hours required at both the "minimum wage" and the "average wage" assumes that earners work a 40 hour work week for 52 weeks per year.

	Fair Market	Wages Required for Affordability			Minimum Wage		Average Wage	
	2 bed room	Annual	Monthly	Hourly	# of Hours	# of Earners	# of Hours	# of Earners
State	$1,509.00	$60,355.00	$5,029.58	**$29.02**	160	4	93	2.3
Hawai'i	$998.00	$39,920.00	$3,326.67	$19.19	106	2.6	71	1.8
Maui	$1,316.00	$52,640.00	$4,386.67	$25.31	140	3.5	80	2
O'ahu	$1,630.00	$65,200.00	$5,433.33	$31.35	173	4.3	98	2.5
Kaua'i	$1,183.00	$47,320.00	$3,943.33	$22.75	126	3.1	83	2.1

According to the 2005 American Community Survey (U.S. Census, American Fact Finder), the median cost for housing units with a mortgage was as follows:

	Median Mortgage 2005
State of Hawai'i	$1,763
O'ahu	$1,834
Maui	$2,017
Hawai'i	$1,344

Note: Information for Kaua'i county was not available independently of other counties and is not included here.

In any case, the majority of mortgages held in 2005 were likely held on homes purchased before 2005, when the median sales price was still below $500,000. Likewise, as stated previously, the median sales price of homes and subsequent mortgage costs in Hawai'i have increased significantly over the past five years, more than doubling in some areas. A brief comparison of median sales prices between 2003 and the first quarter of 2008 are listed below:

Percentage Increase between 2003 and 2009 (1st Quarter)				
	Oahu	Maui	Hawaii	Kauai
Single Family	33%	18%	18%	15%
Condominium	42%	47%	35%	-13%

Influence of Housing Market Characteristics

To offset the relatively high cost of housing (purchase or rental) in Hawai'i, the DHHL strives to provide housing at affordable prices. In 2007, most homes offered to applicants on the waiting lists were in the range of $100,000 to $300,000, well under the average cost of housing for the state during the same time period. Eligible native Hawaiian families have the opportunity of owning a home at approximately half of the cost of similar single family homes in the private sector. This is possible because the cost of land acquisition and infrastructure is not passed on to the native Hawaiian family. Only the cost to construct the dwelling unit is paid by the native Hawaiian family. This practice enables a family to purchase a home for a monthly mortgage payment of $600 to $1,800 per month (at 6% annual interest), which is often less than the cost of similar sized rental units in the current market[19].

Given the current market downturn and nation wide financial crisis, the DHHL anticipates no increases in the cost of homes for the upcoming year, which would still be well below current market (median) prices:

Area	DHHL Range	Market Single Family	Market Condominium
O'ahu	$192,500 - $330,000	$570,000	$300,000
Maui	$220,000 - $275,000	$537,500	$456,000
Moloka'i	$110,000 - $176,000	$285,000	$301,000
Lana'i	$110,000 - $286,000	$340,000	$2,300,000

19 According to the National Low Income Housing Coalition, the 2008 Fair Market Rent for two, three and four bedroom units in Hawai'i is $1,509, $2,168 and $2,514 respectively.

Hawai'i	$115,500 - $297,000	$285,000	$282,500
Kaua'i	$137,500 - $264,000	$430,000	$254,000

Note: *Market values listed are based on the first quarter of 2009. Yes, the reported median sales price for a condominium on Lana'i for the first quarter of 2009 is $2.3 Million.*

The DHHL will continue to focus the use of NHHBG funds on the development of additional affordable units to provide homeownership opportunities for low-income native Hawaiian families and to relieve overcrowding in native Hawaiian households. In many cases, by purchasing a home on Hawaiian home lands the native Hawaiian family will be paying less in monthly mortgage payments than they currently pay for rent. In addition, by providing affordable housing units on Hawaiian home lands for eligible native Hawaiian families, other public sector housing units currently housing these families will be freed up for non-native families.

As of February 25, 2009, the FHA mortgage limits were the same as April of 2008 at $793,750 for the City and County of Honolulu, $790,000 for Maui county, $773,750 for Kaua'i county, and $618,750 for the County of Hawai'i.

b. The structure, coordination, and means of cooperation between the DHHL and any other governmental entities in the development, submission, or implementation of the housing plan, including a description of the involvement of private, public, and nonprofit organizations and institutions; the use of loan guarantees under section 184A of the Housing and Community Development Act of 1992; and other housing assistance provided by the United States, including loans, grants, and mortgage insurance;

DHHL staff, homestead associations, community groups, government officials, private sector developers, private non-profit and for-profit organizations play a major role in the development of programs and services depicted in the Native Hawaiian Housing Plan.

On March 30, 2009, an informational survey was mailed the leadership of the Hawaiian home communities and the Hui Kāko'o 'Āina Ho'opulapula (Hui Kāko'o), which represents the applicants on the DHHL waiting lists. Forty Six (46) surveys were distributed by mail and another fifty (50) were distributed at the quarterly leadership meeting with these same entities on April 25, 2009. A total of thirty four (34) surveys/responses were completed and returned, representing the following communities:

Area	Association	Response(s) Received
State Wide	Hui Kāko'o 'Āina Ho'opulapula	X
	Sovereign Councils of Hawaiian Homelands Assembly	
Hawai'i	Kailapa Community Association	X
	Kaniohale at the Villages of La'i 'Ōpua Association	X
	Kawaihae Puaka'ilima Community Association	
	Keaukaha Community Association	

	Keaukaha-Pana'ewa Farmers Association	X
	Pana'ewa Hawaiian Homelands Community Association	
	Maku'u Farmers Association	X
	Waimea Hawaiian Homestead Association Inc.	X
Maui	Kēōkea Homestead Farm Lots Association	
	Ka 'Ohana o Kahikinui	X
	Paukukalo Hawaiian Homestead Community Association	X
	Villages of Leiali'i Association	X
	Waiehu Kou Community Homestead Association	
	Waiehu Kou Phase 3 Association, Inc.	
	Waiehu Kou Phase IV	
	Waiehu Kou Residence Lots Phase 2 Association	
	Waiohuli Hawaiian Homesteaders Inc.	
Moloka'i	Kalama'ula Hawaiian Homestead Association	X
	Kapa'akea Homesteaders Association	X
	Kamiloloa-One Ali'i Homesteaders Association	X
	Ho'olehua Homestead Agricultural Association	X
	Ho'olehua Homestead Association	X
	Moloka'i Homestead Farmers Alliance	
O'ahu	Kalāwahine Streamside Association	X
	Kaupe'a Homestead Association	
	Kewalo Hawaiian Homestead Community Association	X
	Maluoha'i Residents Association	X
	Nānākuli Hawaiian Homestead Community Association	
	Papakōlea Community Association	X
	Princess Kahanu Estates Hawaiian Homes Association	
	Wai'anae Kai Hawaiian Homestead Association	X
	Wai'anae Valley Homestead Community Association	
	Waimānalo Hawaiian Homestead Association	X
Kaua'i	Anahola Hawaiian Homes Association	
	Anahola Hawaiian Home Land Farm Lots	X
	Kekaha Hawaiian Home Mutual Self-Help Project	
	Kekaha Hawaiian Homestead Association	X

The survey asked participants to identify their community's level of familiarity with and interest in NAHASDA related activities. These responses were taken into consideration when developing this NHHP. Of the thirty four respondents more than half (53%) indicated that they had little to no familiarity with NAHASDA, 68% indicated that ***their community*** had little to no knowledge of NAHASDA, and 68% indicated an interest to learn more about NAHASDA. Likewise, approximately 65% indicated a willingness to partner with existing non-profit entities for the benefit of the community and approximately 70% indicated a willingness to implement NAHASDA programs. With regard to interest levels pertaining to housing-related services and/or needs, approximately

82% of the respondents indicated an interest in Credit Counseling, Home Repair, and Safety Enhancements for their community and approximately 60% indicated an interest in Community Policing and Drug Awareness. Additionally, there were six separate requests for Home Repair programs, four separate requests for Energy programs, and three requests for elderly (kupuna) housing in addition to individual requests for foreclosure prevention, insurance, and rental housing.

Each year the DHHL considers community responses in the development of the NHHP, however, it should be noted that since the community organizations are grassroots based and operated strictly on a volunteer basis, very few community organizations have submitted grant applications to date. Nevertheless, the DHHL will continue to communicate, encourage, and assist the community organizations, to the extent practicable, in an effort to empower communities and increase community involvement.

Because the State of Hawai'i and County housing agencies have homeless programs, DHHL will not duplicate these programs on Hawaiian home lands. Instead, DHHL will concentrate on keeping homes affordable for ownership and utilizing the NHHBG to provide homeownership education, counseling, downpayment assistance, rehabilitation and/or replacement homes, low-interest loans, IDAs, and subsidies to provide opportunities for eligible native Hawaiian families to have affordable monthly mortgage payments.

Meetings were held with DHHL administrators and staff to discuss and prioritize the housing and community development needs of the native Hawaiian communities served by DHHL.

A draft of the 2009 NHHP was sent to the Housing Directors in the State, listed below, and presented to the group on May 28, 2009:

- Hawai'i's local HUD office
- United States, Department of Agriculture, Rural Development (RD)
- Hawai'i Housing Finance and Development Corporation of Hawai'i (HHFDC)
- Counties of Hawai'i, Kaua'i, Maui and City and County of Honolulu
- Office of Hawaiian Affairs (OHA)

A draft of the 2009 NHHP was sent to the Hawaiian Service Institutions and Agencies (HSIA). Members of the organization are:

- Queen Lili'uokalani Children's Center – A private, non-profit social service organization for Hawaiian orphan and destitute children;
- Lunalilo Home – A trust that strives to respect each resident's dignity, while providing them a high quality of elderly care services in a loving, family home environment;
- Queen Emma Foundation – A non-profit organization whose mission is to support and advance health care in Hawai'i, primarily through The Queen's Medical Center;
- ALU LIKE, Inc. – A private, non-profit, community-based multi-service organization

serving Native Hawaiians in their efforts to achieve social and economic self-sufficiency;

- Kamehameha Schools – A trust that exists to carry out in perpetuity the wishes of Princess Bernice Pauahi Bishop to educate children and youth of Hawaiian ancestry;
- Office of Hawaiian Affairs (OHA) – A trust whose mission it is to protect Hawai'i's people and environmental resources and OHA's assets, toward ensuring the perpetuation of the culture, the enhancement of lifestyle and the protection of entitlements of Native Hawaiians, while enabling the building of a strong and healthy Hawaiian people and nation, recognized nationally and internationally;
- Bernice Pauahi Bishop Museum – The State Museum on Natural and Cultural History; its mission is to record, preserve and tell the stories of Hawai'i and the Pacific, inspiring its guests to embrace and experience Hawai'i's natural and cultural world; and
- Papa Ola Lōkahi—A non-profit organization formed to address the health care needs of the Native Hawaiian people.

Additionally, the 2009 NHHP was posted on the DHHL website for the public to view and comment.

Written responses were received from two HSIA organizations (OHA and QLCC), one homestead organization (Keaukaha Pana'ewa Farmers Association), and one housing organization (County of Maui). The comments were generally in support of the stated goals, suggestions for dissemination of information, and inquiries about rental housing opportunities.

Section 184A Loan Guarantee Program

The Section 184A Loan Guarantee Program, which is similar to the Section 184 Loan Guarantee Program giving Native Americans access to private mortgage financing by providing loan guarantees to lenders, was implemented in 2007. Currently, Home Street Bank, Hawai'i Community Lending, and Bank of Hawai'i are approved lenders for the Section 184 A loan program.

Other Federal Housing Assistance

DHHL has been utilizing the FHA 247 loan program since 1987. Almost $350 million of mortgages have been provided to lessees on Hawaiian home lands. This program was recently revised to address concerns of both HUD and DHHL. Also available is the FHA 203K program for rehabilitation of homes. The Veterans Affairs direct loan, Rural Development (U.S. Department of Agriculture) loan programs, Federal Home Loan Bank (Seattle) Affordable Housing Program grants and low-income housing tax credits are other financing options and tools utilized on Hawaiian home lands.

In addition to these federal loan products, the DHHL has entered into agreements with Hawai'i banks for conventional loan products on Hawaiian Home Lands. Currently $65 million in loans are in these banks' portfolios.

The DHHL continues efforts to work with State and County agencies with regard to utilizing Section 8 vouchers in homestead projects. As stated previously, the DHHL has become aware of undivided interest lessees that hold Section 8 vouchers and have begun efforts to initiate communication between the DHHL, the City and County of Honolulu, and the State's Section 8 voucher programs. Should a beneficiary who is holding a Section 8 voucher have the opportunity to purchase a home on Hawaiian Home Lands, DHHL will actively work with the appropriate agency to assist the family.

c. The manner in which the plan will address the needs identified pursuant to the Statement of Needs section in paragraph 2 above.

Based on information gathered at community meetings or from surveys, commissioners and representatives of waiting list applicants, the DHHL established goals and objectives in the NHHP to address the needs and priorities of native Hawaiians. The proposed activities include new construction to increase the supply of affordable housing, housing rehabilitation to alleviate substandard conditions and overcrowding, homeownership programs to accommodate a wide spectrum of income levels, grant and loan programs to ensure that costs are affordable to participating families and counseling and education programs to enhance our clients' ability to achieve and maintain homeownership.

d. Any existing and anticipated homeownership programs and rental programs to be carried out during the period, and the requirements and assistance available under such programs.

Existing and Anticipated Housing Assistance

DHHL's mission is to manage the Hawaiian Home Lands trust effectively and to develop and deliver lands to native Hawaiians. This is accomplished through the construction of off-site and on-site improvements to enable the development of residential, agricultural and pastoral lots for homesteading. The existing and anticipated housing assistance includes, but is not limited to:

- Self-help construction of homes, usually in partnership with Habitat for Humanity and their affiliates. This method requires the participating family to partner with the Habitat affiliate and make a commitment of up to 700 hours, depending on the affiliate, of sweat-equity. The majority of the labor is provided by volunteers. This method allows families that are between 30% and 50% of the AMI, with good credit, to qualify for a new home. The average house price is approximately $90,000.
- Turn key homes that are subsidized with participation grants or loans in partnership with USDA Rural Development. This method allows families that are earning between 50% and 80% of the Area Median Income level, with good credit, to qualify for a new developer built home. The average house price is approximately $250,000.
- Grants to private non-profit and for-profit entities for the development of community based programs (IDA's, Down Payment Assistance, financial literacy, etc.) that are designed to assist low income native Hawaiian households achieve homeownership.
- Programs to assist existing lessees with early intervention and/or preventative

measures such as budgeting, counseling, or temporary mortgage assistance to avoid foreclosure and to keep eligible beneficiaries in their homes.

Additionally, the DHHL will continue to pursue housing that is consistent with the native Hawaiian preference for single-family dwellings and continue to enter into development agreements with developers to build large subdivisions. Based on the percentage of NHHBG funds utilized in the cost of the projects, a corresponding percentage of lots will be reserved for low-income families. In addition, funds may be set aside for downpayment assistance, subsidies and/or low-interest or no-interest loans to assist families in achieving their goal of homeownership.

To ensure that families receiving this assistance do not experience windfalls as a result of this assistance, lease amendments are required to document the affordability (retention) period. In the event the lessee terminates the lease, transfers the lease or refinances the loan for an amount greater than the original loan amount for reasons other than capital improvement to the property, a portion of the grant must be repaid if the new lessee is not income eligible at the time of transaction. However, in the event the original lessee dies, the affordability period may terminate.

Existing Rental Projects

There are two existing rental projects in DHHL's inventory. One is an elderly rental project called Kūlanakauhale Maluhia O Nā Kūpuna in Waimānalo, O'ahu, consisting of 84 one-bedroom, one-bath units. The project utilized low-income housing tax credits was developed by Pacific Housing Assistance Corporation and is managed by Prudential Locations. Rent is set at the HUD guideline of 30% of household income and the DHHL provides additional subsidies, and priority, for elderly native Hawaiians that are homeless or at-risk of homelessness. This project is designed for independent living. No NHHBG funds were used in this project.

The other rental project is a 70 unit Rent-to-Own project called Ho'olimalima in Kapolei, O'ahu. The project was developed in 2001 using Low Income Housing Tax Credits and is managed by Mark Development, Inc. This project targets families with total household income at or below 60% of Area Median Income (AMI). Twenty Eight (28) units were set aside for families below 60% AMI and 42 units were set aside for families below 50% AMI. It is a single-family housing project in which families only pay 30% of their household income in rent for 15 years. At the end of the 15th year, existing tenants have the opportunity to purchase the home at a reduced price (estimated at approximately $70,000). Currently, 71% of the existing tenants (50 tenants) are the original occupants. The project is in it's 8th rental year and homes are expected to be conveyed to eligible participants in 2016. No NHHBG funds were used in this project.

Recently, the DHHL received several requests from community members and service providers to explore the possibility of providing rental housing and/or rental housing assistance with NHHBG funds. The DHHL will conduct a study of rental housing needs for eligible native Hawaiian households to better assess the existing level of supply and

demand for such housing and to better assess the DHHL's role is providing rental housing for eligible native Hawaiian households, if any.

e. Any existing and anticipated housing rehabilitation programs necessary to ensure the long-term viability of the housing to be carried out during the period covered by the plan, and the requirements and assistance available under such programs.

Existing and Anticipated Housing Rehabilitation Programs

Currently, DHHL provides direct loans for rehabilitation of homes. These loans have a maximum threshold of $50,000 and are fixed at 6% per annum. Although direct DHHL repair loans are available, these loans are usually utilized on re-awards that are in need of repairs.

The DHHL also has rehabilitation loan program with the County of Hawai'i, the City and County of Honolulu and we are in the process of developing a similar program with Kaua'i County. The loan threshold for this program is set at $50,000 requires compliance with Davis Bacon. The county's inspectors assist the families in determining necessary repairs and whether lead-based paint assessment/abatement is necessary. The family selects their own contractor and the construction contracts are reviewed for reasonableness of cost and scope by the county.

Loan funds are provided to the eligible native Hawaiian family from the NHHBG at 3% per annum. In the event the family is very-low-income and elderly, a no-interest, no-payment loan is possible depending on their income level. Most families, other than the elderly, opt not to utilize this program due to the increased labor costs resulting from the Davis Bacon requirements. Instead, they access the county's program that is funded with Community Development Block Grant (CDBG) funds that do not require Davis Bacon for projects of less than 8 units.

Additionally, two subrecipients have developed rehabilitation programs in the homestead communities. The Nānākuli Housing Corporation developed a mobile self-help rehabilitation program in which classes are conducted in plumbing, electrical, painting, window repairs and other small repair projects. Families are also taught in the classroom, then take their learning to their homes to make these repairs themselves. Volunteers have also assisted the families in making the needed repairs. In the event the rehabilitation is substantial, the families are referred to the county rehabilitation loan program or other existing program based on the level of needed repairs. The Moloka'i Community Services Council (MCSC) is in the process of developing a rehabilitation program on the island of Moloka'i that currently assists the elderly with needed home repairs. Once established, MCSC intends to expand their program to other eligible households on Hawaiian home lands.

The DHHL anticipates the continuation of these programs and the creation of new programs to address the repair and replacement needs of homes, especially homes in the older Hawaiian home land communities.

f. All other existing or anticipated housing assistance provided by the DHHL during

the period, including transitional housing, homeless housing, college housing, and supportive services housing; and the requirements and assistance available under such programs.

The DHHL provides grants through its Native Hawaiian Development (NHD) Program, which is funded by the DHHL Native Hawaiian Rehabilitation Fund (NHRF). These grants assist homestead communities develop community-based projects that result in education, job preparation and training, recreational activities, health services, farming assistance or legal assistance. The DHHL also offers homestead communities and applicant groups organizational support for capacity building.

g. Any housing to be demolished or disposed of; a timetable for such demolition or disposition; and any other information required by the Secretary with respect to such demolition or disposition.

There are no 1937 Act housing on Hawaiian home lands. Other than the two rental projects identified above, all homes are owned by the occupants. The DHHL does not anticipate demolishing any units funded by the NHHBG.

h. The manner in which the DHHL will coordinate with welfare agencies in the State of Hawaii to ensure that residents of the affordable housing will be provided with access to resources to assist in obtaining employment and achieving self-sufficiency.

The State of Hawai'i Department of Human Services (DHS) administers individual and family financial assistance programs that provide cash payments to help individuals and families meet their basic needs. The programs include Temporary Assistance to Needy Families (TANF), Temporary Assistance to Other Needy Families (TAONF), General Assistance (GA), Aid to the Aged, Blind and Disabled (AABD) and the Food Stamps program. Medical assistance is provided through the Hawai'i QUEST and Medicaid fee-for-services programs. Vocational rehabilitation services are provided to persons with disabilities. Whenever the DHHL staff is made aware of a lessee in need, the families are referred to DHS or to an appropriate non-profit service provider.

i. The requirements established by the DHHL to promote the safety of residents of the affordable housing; facilitate the undertaking of crime prevention measures; allow resident input and involvement, including the establishment of resident organizations; and allow for the coordination of crime prevention activities between the DHHL and local law enforcement officials.

The DHHL continues to coordinate efforts with the Police Narcotics Division, the Sherriff's Office and the Attorney General's Office—Investigative Division to do surveillance and to evict the offending occupants whenever there is evidence of drug problems or other crimes in the homestead areas. If investigation results in a conviction, the lessee is taken to a contested case hearing for lease cancellation.

Community meetings are held monthly. The Hawaiian Homes Commission meets with members of the community to inform and to provide the beneficiaries with the

opportunity to voice their mana'o (concerns) to the Commission.

j. The entities that will carry out the activities under the plan, including the organizational capacity and key personnel of the entities.

The DHHL was created by the State Legislature in 1960 to administer the Hawaiian home lands program and manage the Hawaiian home lands trust. The DHHL is one of eighteen principal agencies of the Executive Branch of the State of Hawai'i.

The DHHL serves native Hawaiians or individuals of at least 50% Hawaiian blood, as defined by the Hawaiian Homes Commission Act of 1920, as amended, and their successors and assigns. These native Hawaiians are the beneficiaries of the Hawaiian home lands trust consisting of a land trust of over 200,000 acres, settlement monies from the State for the mismanagement of trust lands, funds received from the State general fund for a portion of its operating costs, and revenues and earnings from the land leasing program.

The DHHL is governed by a nine-member board of commissioners headed by the Chairman, who also serves as the executive officer of the DHHL. The Governor of the State of Hawai'i appoints each commissioner and Chairman to a four-year term. The terms of the commissioners are staggered.

Currently, there are 151 full time employees in DHHL with six offices statewide. DHHL's main administrative offices are located in Kapolei, O'ahu. Additionally, there are district offices in Hilo and Waimea, Hawai'i; Līhu'e, Kaua'i; Wailuku, Maui; and Kalama'ula, Moloka'i. DHHL is organized into five offices and three divisions under the Hawaiian Homes Commission and Office of the Chairman. The various offices and divisions are described as follows:

Office of the Chairman (OCH) — 17 staff members
The Office of the Chairman consists of the Chairman of the Hawaiian Homes Commission, who is also the Director of Department of Hawaiian Home Lands, the Deputy Director, the NAHASDA Planning and Development Coordinator, the NAHASDA Planner and other administrative support staff. The NAHASDA Planning and Development Coordinator and the NAHASDA Planner administer the NHHBG. The Enforcement and Compliance Office also falls within the OCH.

Administrative Services Office (ASO) – 10 staff members
The Administrative Services Office provides DHHL staff support in the areas of personnel, budgeting, program evaluation, information and communication systems, risk management, facilities management, clerical services and other administrative services. This office also provides support services in preparation of legislative proposals and testimonies, coordinates the preparation of reports to the legislature and facilitates the rule-making process.

Fiscal Office (FO) – 14 staff members
The Fiscal Office provides accounting support for DHHL. One accountant is dedicated to

the NHHBG.

Planning Office (PO) - 6 staff members
The Planning Office conducts research and planning studies required in the development of policies, programs, and projects to benefit native Hawaiians. The PO also administers the Native Hawaiian Development Program, the Ho'opaepae or "Undivided Interest" program, and they are responsible for the development of the Regional Plans which is done in concert with community consultation.

Information and Community Relations Office (ICRO) – 4 staff members
The Information and Community Relations Office disseminates information to the public on Department issues, oversees community relations with the various homestead communities and coordinates DHHL's ceremonies. They also publish DHHL's Ka Nūhou newsletters and annual reports to the State Legislature.

Homestead Services Division (HSD) – 55 staff members
HSD plays a vital role in DHHL's ability to determine the sentiments and concerns of its beneficiaries which, in effect, helps shape its programs and policies. HSD is composed of three branches: 1) Homestead Applications, 2) District Operations, 3) Loan Services—one staff person is dedicated to loan applicants that are NHHBG eligible, and 4) Housing Project—awards leases. HSD is the largest division in DHHL, has staff on all islands, and services more than 20,000 applicants and 7,000 lessees on five islands.

Land Management Division (LMD) – 18 staff members
LMD is responsible for managing Hawaiian home lands that are not used for homestead purposes. Unencumbered lands are managed and disposed of for long and short term uses in order to generate revenues and keep the lands productive while minimizing the occurrence of vegetative overgrowth, squatting or illegal dumping. LMD consists of the Land Management Branch, Technical Services Branch, and Enforcement and Maintenance Section. LMD is responsible for properly managing the lands in DHHL's inventory.

Land Development Division (LDD) – 27 staff members
LDD is charged with the responsibility of developing trust lands for homesteading and income-producing purposes. This is accomplished through the development of properties for residential, agricultural, pastoral, and economic development uses. LDD has two operating branches: 1) Design and Construction – concentrating on the design and construction of off-site and on-site improvements for the various subdivisions; and 2) Master-Planned Community – expediting the construction of housing options through partnerships with private sector and exploring other housing opportunities.

The following is a listing of the key personnel responsible for the implementation of DHHL and NAHASDA assisted programs:

Hawaiian Homes Commission (HHC)
Micah A. Kane, Chairman
Malia Kamaka, West Hawai'i Commissioner

Alapaki Nahale-a, East Hawai'i Commissioner
Perry O. Artates, Maui Commissioner
Henry Tancayo, Moloka'i Commissioner
Trish Morikawa, O'ahu Commissioner
Francis K. Lum, O'ahu Commissioner
Donald S. M. Chang, O'ahu Commissioner
Stuart Hanchett, Kaua'i Commissioner

Department of Hawaiian Home Lands
Micah A. Kane, Chairman HHC
Kaulana Park, Deputy to the HHC Chairman
Robert Hall, HHL Executive Assistant
Kamana'o Mills, Special Assistant, Hawaiian Home Land (HHL) Claims
Rodney Lau, Administrative Services Officer
James Pao, Fiscal Management Officer
Warren Kasashima, HHL Accountant III (NAHASDA)
Darrell Yagodich, Planning Program Manager
Francis Apoliona, HHL Compliance and Community Relations Officer
Sandra Asato, Planning and Development Coordinator, NAHASDA
Scottina Ruis, NAHASDA Planner
Trisha Paul, HHL Clerk Typist III (NAHASDA)
Lloyd Yonenaka, Information and Community Relations Officer
Juan Garcia, Homestead Services District Supervisor III
Mona Kapaku, Homestead Services Administrative Assistant
Bill Davis, Acting East Hawai'i District Supervisor
James Du Pont, West Hawai'i Homestead District Supervisor II
Roland Licona, Kaua'i Homestead District Supervisor I
George Maioho, Moloka'i Homestead District Supervisor II
Isaac Takahashi, Homestead Housing Specialist VI
Dean Oshiro, Homestead Loans Services Manager
Sharon Mendoza, HHL Mortgage Loan Specialist (NAHASDA)
Linda Chinn, Land Management Division Administrator
Larry Sumida, Land Development Division Administrator
Anita Wong, HHL Development Officer

TABLE 1
STATEMENT OF NEEDS

PART I: PROFILE FOR NATIVE HAWAIIAN AREA

DEPARTMENT OF HAWAIIAN HOMELANDS (DHHL)

Grant Number
Federal Fiscal Year 2009
DHHL Program Year July 1, 2009 to June 30, 2010
Housing Area Hawaiian Home Lands

	On Hawaiian Home Lands		Applicants		Potential Applicants	
	All Income Levels	Low-Income	All Income Levels	Low-Income	All Income Levels	Low-Income
column a	column b	column c	column d	column e	column f	column g
1. Total Native Hawaiian Population (nH x 4.15 –average household size)	29,477	20,398	102,144	45,045	134,709	72,069
2. Number of native Hawaiian Families	7,103	4,915	24,613	10,854	32,460	17,366
3. Number of Elderly native Hawaiian Families	2,162	1,496	10,766	4,748	10,459	5,595
4. Number of Near-Elderly native Hawaiian Families	NA	NA	NA	NA	NA	NA
5. Number of native Hawaiian Families Living in Substandard Housing (2%)	142	98	492	217	649	347
6. Number of native Hawaiian Families Living in Over-Crowded Conditions	2,813	2,158	5,439	3,549	3,895	2,900

NOTE: This table counts all household members as the Native Hawaiian population by multiplying average household size of 4.15 by the nH population which consists only of individuals with 50% blood quantum. Based on SMS survey data: 69.2% (7,103 x .692 = 4,915) of total lessees, 44.1% (24,613 x .441 = 10,854) of applicants, and 53.5% (32460 x .535 = 17,366) of potential applicants are estimated to be at or below 80% AMI; 30.44% (7,103 x .3044 = 2,162) of lessees, 43.74% (24613 x .4374 = 10,766) of applicants, and 32.22% (32,460 x .3222 = 10,459) of potential applicants are estimated to be "elderly"; 43.9% of lessees(4,915 x .439 = 2,158), 32.7% of applicants (10,854 x .327 = 3,549), and 16.7% of potential applicants (17,366 x .167 = 2,900) that are below 80% are estimated to be living in over crowded conditions; and 39.6% of all lessees(7,103 x .396 = 2,813), 22.1% of applicants (24,613 x .221 = 5,439) and 12% of potential applicants (32,460x .12 = 3,895) are estimated to be living in over crowded conditions.

PART II: CURRENT STATUS AND FUTURE NEEDS

Type of Housing		Existing Housing	Unmet Needs for All native Hawaiian Families	Unmet Needs for Low-Income native Hawaiian Families
column a		column b	column c	column d
7. Rental Housing	a. Number of Units	155	2,215	977
	b. Number of Units Needing Rehabilitation	0		
8. Homeowner Housing	a. Number of Units	7,103	22,152	9,769
	b. Number of Units Needing Rehabilitation	1,523	1,523	1,199
9. Supportive Service Housing (# of units)		0	NA	NA
10. College Housing (# of units)		0	NA	NA
11. Transitional Housing (# of units)		0	NA	NA
12. Homeless Housing (# of beds)		0	NA	NA

Data Source:

7a.(column b) Waimānalo Kupuna Project (85 units) + Maluoha'i Rent to Own (70)

7a.(column c) DHHL waiting list has 24,613 individuals as of 12/31/08; subtracting 10% for married couples who both have applications, DHHL estimates that 10% may require rental housing [(24,613 – 2,461) x 10%] = 2,215
7a.(column d) SMS 2006 Survey – 44.1% of native Hawaiian applicant households are at 80% or below median (2,215 X 44.1% = 977)

8a. (column b) 7,103 households on DHHL lands as of 12/31/08. Does not include rental units.

8a. (column c) Unduplicated DHHL waiting list as of 12/31/08 less 10% for married couples who both have applications.
8a. (column d) SMS 2006 Survey – 44.1% of native Hawaiians applicants are at 80% or below median. Applicants (22,152) x 44.1% = 9,769
8b. (column b) It is estimated that all housing units built prior to 1960 are in need of repair. SMS 2006 Survey estimates that 24.4% of all lessees below 80% median income have homes that were built prior to 1960 (4,915 x 24.4% = 1,199) and that 14.8% of all lessee above 80% median income have homes that were built prior to 1960 (2,188x 14.8% = 324). Total homes in need of repair are 1,199 + 324 = 1,523.

8b. (column c) Assumes estimated need based on existing homes on DHHL lands. This estimate does not include applicant or potential applicant needs in this regard.

8b. (column d) SMS 2006 Survey estimates that 24.4% of all lessees below 80% median income have homes that were built prior to 1960 (4,915 x 24.4% = 1,199).

TABLE 2
FINANCIAL RESOURCES

DEPARTMENT OF HAWAIIAN HOMELANDS

Grant Number
Federal Fiscal Year 2009
DHHL Program Year July 1, 2009 to June 30, 2010

Original Submission X Amended Submission

PART I: SOURCES OF FUNDS FOR NATIVE HAWAIIAN BLOCK GRANT (NHHBG) ACTIVITIES

Sources of Funds	Planned Amount
column a	column b
1. HUD Resources	
a. Native Hawaiian Block Grant	$9,700,789.00
b. NHHBG Program Income	$240,000.00
c. Other HUD Programs	
2. Other Federal Resources	
a.	
b.	
c.	
3. State Resources	
a.	
b.	
c.	
4. Private Resources	
a.	
b.	
c.	
5. Total Resources	$9,940,789.00

PART II: ALLOCATION OF FUNDS FOR NHHBG ACTIVITIES

Activity		Planned			
		Budgeted NHHBG Amount	Budgeted Other Amounts	Number of Units	Number of Families
column a		column b	column c	column d	column e
1. Development					
a. Rental	1. Construction of new units				
	2. Acquisition				
	3. Rehabilitation				
b. Homeownership	1. Construction of new units (infrastructure, site development)	$6,000,000		40	40
	2. Loan Programs	$1,500,000		10	10
	3. Grants/Subsidies	$1,000,000		15	15
2. Housing Services		$450,000			20
3. Housing Management Services		0			
4. Crime Prevention and Safety		$25,000			
5. Model Activities (specify below)					
a. Yet to be determined		$25,000			
6. Planning and Administration		$940,789			
7. Total		$9,940,789		65	85

OTHER SUBMISSION ITEMS

1. **Useful Life**

Section 813(a)(2) requires that housing remain affordable. The DHHL will determine the "useful life" period for its units. The useful life of each assisted housing unit in each development must be described. This information may be described here or in the affordable housing resources section of the 1-year plan.

DHHL has established the following affordability periods to describe the term during which DHHL will keep the unit affordable:

NHHBG Funds Invested	Affordability Period
Up to $15,000	5 years
$15,001 to $25,000	10 years
$25,001 to $40,000	15 years
Over $40,000	20 years

The affordability period is based on the total amount of NHHBG funds invested in the development and/or rehabilitation of a housing unit. Resale and recapture provisions will be included as a condition of the Hawaiian homestead lease to enforce the affordability restriction for each assisted housing unit.

2. **Model Housing Activities**

The DHHL is required to submit proposals to operate model housing activities. If a model housing activity is to be undertaken during the 1-year plan period, proposals may be included here, in the affordable housing resources section of the 1-year plan, or as a separate submission. All proposals must be approved by the Secretary prior to beginning any model housing activity.

DHHL will submit proposals for model housing activities prior to implementation.

3. **Planning and Administration**

In accordance with the Interim Rule, state the percentage of annual grant funds that will be used for planning and administrative purposes.

Although DHHL has historically used 5% of the NHHBG funds for planning and administration purposes, the increase in NHHBG lots over time has increased compliance requirements. To effectively track and monitor all areas of compliance will require additional funding. DHHL anticipates increasing the use of NHHBG funds for planning and administration purposes.

NATIVE HAWAIIAN HOUSING BLOCK GRANT

NATIVE HAWAIIAN HOUSING PLAN CERTIFICATION OF COMPLIANCE

This certification is for use with the Native Hawaiian Housing Plan. In accordance with the applicable statutes, the Department of Hawaiian Home Lands certifies that:

(A) it will comply with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) or with title VIII of the Act popularly known as the 'Civil Rights Act of 1968' (42 U.S.C. 3601 et seq.) in carrying out this Act, to the extent that such title is applicable, and other applicable Federal statutes;

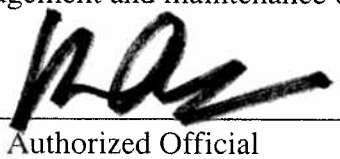
The following certifications will only apply where applicable based on program activities:

__X__ (B) it will require adequate insurance coverage for housing units that are owned and operated or assisted with grant amounts provided under the Hawaiian Homelands Homeownership Act of 2000, in compliance with such requirements as may be established by the Secretary;

__X__(C) policies are in effect and are available for review by the Secretary and the public governing the eligibility, admission, and occupancy of families for housing assisted with grant amounts provided under this Act;

__X__(D) policies are in effect and are available for review by the Secretary and the public governing rents charged, including the methods by which such rents or homebuyer payments are determined, for housing assisted with grant amounts provided under this Act; and

__X__(E) policies are in effect and are available for review by the Secretary and the public governing the management and maintenance of housing assisted with grant amounts provided under this Act.



Signature of Authorized Official
Micah A. Kane, Chairman
Hawaiian Homes Commission

6/24/09
Date