



DEPARTMENT OF HAWAIIAN HOME LANDS

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NEWS RELEASE

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Hawaiian Homes Pilot Program To Help Finance Packaged Home Construction on Vacant Lots *Over 100 Keaukaha and Kalama'ula homesteaders to be offered first*

KEAUKAHA, HAWAII – A new pilot program announced today by the Department of Hawaiian Home Lands (DHHL) will use federal funds to cover the cost of a packaged home for Hawaiian homesteaders holding leases to vacant lots they have yet to build a home upon.

Governor Abercrombie, DHHL Director Jobie Masagatani, and construction industry representatives to unveil the details of the Department's Packaged Home Financing pilot program to a crowd of Big Island homesteaders gathered at Puhi Bay in the homestead community of Keaukaha.

"Whoever it is among you that will be utilizing the program. You are the pioneers in it," said Gov. Abercrombie, "This is not a gift, this is not a charitable enterprise. This is a financing package. This depends on the integrity, and commitment and fortitude of the families that will be taking advantage it."

Under the program, the Department finances the cost of the materials for the packaged home, including shipping, and the homesteader is left to cover the cost of a home construction loan, which averages \$130,000 for these packaged homes. In Keaukaha, this means a \$300 monthly mortgage payment instead of a \$600 monthly mortgage payment for families earning 80 percent of less than the area median income.

"Many of us have to qualify like everything else, and maybe I might not qualify but its an opportunity," said Rev. Francine Palama, who owns a vacant lot in the Keaukaha Hawaiian homestead, "This is the direction for us the people in Keaukaha, and mahalo ke akua, mahalo nā kūpuna."

"We really wanted to focus on those families that had lots but for whatever reason have not been able to build and to provide another opportunity for them to get on their homestead because that is what 'āina ho'opulapula is about. That is what Prince Kūhiō would have wanted," said Jobie Masagatani, Hawaiian Homes Commission Chair and DHHL Director, "So for the first time the oldest homesteads have the first opportunity to benefit from a program like this."

The program is being offered to over 100 vacant lot homesteaders in the state's two oldest Hawaiian homestead communities - Kalama'ula on Moloka'i and Keaukaha on the Hawai'i Island. Some of these lots remained vacant for over a decade.

"Because Keaukaha is a pilot project, I want it to succeed. We will do whatever we need to do to make it succeed. Because I think from here given the opportunity to expand to all the rest, its really a no-brainer," said Patrick Kahawaiola'a, Keaukaha homesteader and President of the Keaukaha Community Association, "If our kupuna did it back in 1926, I think 2014, we should be able to take the challenge of being that pilot project because we are coming on 90 years. Its a blessing."

The Department partnered up with HPM Building Supply and Honsador Lumber to provide the packaged homes and the expertise needed to walk homesteaders through the process. The Department will be utilizing federal funds it received under the Native American Housing Assistance and Self-Determination Act or NAHASDA to fund the \$29 million pilot program. DHHL staff is in the process of qualifying vacant lot homesteaders.

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