

Part I – Reporting on the One-Year Native Hawaiian Housing Plan (NHHP)

[NOTE: A separate Part I (that includes Tables I and II) must be completed for each open grant.]

Is this the final APR for this grant? Check one: Yes No

Each year, the DHHL develops goals and objectives in the NHHP that describe the use of NHHBG funds. At the end of the program year, a report on the progress made towards achievement of the goals and objectives is provided to the public and to HUD.

1. Report on each of the one-year goals and objectives identified in the NHHP for this reporting period on a table format developed by the DHHL. The table should include the following information: Goal, Objective and Task Identification Number; Description of Goal, Objective or Task; Budgeted Amount by Goal, Objective or Task; Expended Amount by Goal, Objective or Task; Project or Program Description; and Accomplishments during the Program Year. Provide an explanation for any cost overruns or delays in completing Goals, Objectives or Tasks.

Highlights of FY 2012 – 2013 (Program Year 7)

DHHL anticipates final expenditure of PY 7 funds by September 30, 2013.

Goal 1. Increase the affordable housing inventory on Hawaiian home lands to meet the increasing or unmet demand for housing by low-income native Hawaiian families.

Objective 1A. Increase the supply of affordable housing units through the construction of infrastructure improvements for single-family housing.

On the island of O'ahu, in Waimanalo, Kumuhau Subdivision consists of 52 lots with 45 turnkey homes and 7 self help homes.

The 45 turnkey homes are completed and occupied as of June 30, 2012. Of the 45 homes built, thirteen (13) were NHHBG units were in FY 11-12. Interim construction of the 45 homes was financed with Trust funds and down payment assistance was applied during the current fiscal year for the thirteen families listed above and for 3 homes that were completed last year. 7 self-help families 6 loans have been closed for the FY 12-13 period, 5 of the 6 homes are currently under construction, Habitat is looking for the last partner family.

Note: None of the self help homes have been completed

Kaka'ina, which is the second phase of the Waimanalo project, consists of 45 homes. Infrastructure construction started in December 2012 and is scheduled for completion in early calendar year 2014. Approximately 10 of the units will be reserved for NHHBG eligible families.

In Kanehili, Kapolei, a total of 403 units are planned in two increments:

Increment 1 (286 homes):

- Phase 1 consists of 121 residential lots: 111 turn key homes by Gentry Kapolei Development (Gentry) all of which are occupied; 6 owner builder/vacant lots which are all occupied; and 4 lots which had originally been awarded as owner builder/vacant lots but have been returned to the Department and have been awarded to Habitat partner families for development under a self-help program. (2) (Heanu & Mahoe) under construction by Leeward HFH. Loans will be assisted with NAHASDA funds. The remaining 2 lots will be funded by RD.
- Phase 2 consists of 139 turn key homes by Gentry . of which all are occupied
- Phase 3 . consists of 10 Modified Self Help . of which all are occupied
- Phase 4 . consists of 20 Gentry Turn Key . of which all are occupied

Increment 2 (117 homes):

Construction of the adjacent Detention Basin has been completed. Houses are being constructed as lessees become financially pre-qualified to purchase a house. As of June 2013, 38 turn key homes by Gentry have been constructed and are occupied; an additional ten turnkey homes are under construction by Gentry, and scheduled to be occupied by December 2013. Twenty-eight of the remaining lots about the Kualaka'i Parkway and require a sound/safety wall along the boundary before houses can be built. A civil engineering consultant has been hired to design the wall; construction is anticipated to start in mid-2014.

Note: For house completion, 9 (Manalo, Makekau, Medeiros, Gaspar, Matias, Makekau, Kim, Teixeira, Anakale)NHHBG homes will be counted this FY. Ilac was not counted for home construction in FY 2012. Home construction total is 10. (Moniz, Hernando, Watson, Kamakele) are under construction and will be counted next FY.

Note: This will be a duplicate count with Down Payment Assistance for the same time period for 9 of the homes.

For East Kapolei II, on the island of Oahu, the off site construction (sewer and drainage) is completed, and has been accepted by the county. Development of backbone infrastructure continues with the East-West Road, completed and Road E Extension underway. Construction of infrastructure for the first residential increment, East Kapolei IIB, is scheduled to start before the end of calendar year 2013 with an expected construction time of 12 months. This master planned community will consist of approximately 1,000 homes of which approximately 198 will be reserved for NAHASDA eligible families.

On the island of Hawai'i, the La'i ' pua subdivision will provide approximately 359 homes of which approximately 72 are earmarked for NAHASDA eligible families. The homes will be divided between Village 4 (242) and Village 5 (117).

For Village 5, the first phase of house construction includes 45 homes. As of June 30, 2012, first phase of house construction nearing completion. 42 homes have been constructed. 38 homes are occupied; 4 homes are vacant; 3 empty lots without homes. Habitat for Humanity built five homes in 10 days through the "Blitz Build" program of last year. Construction began on September 12, 2012, and was completed on September 22, 2012.

For Village 4, currently consists of two phases. Phase 1 Subdivision consists of approximately 117 residential lots. Design completed. Bids opened June 3, 2013.

Currently executing the construction contract. Phase 2 Subdivision consists of approximately 125 residential lots. Design in progress.

Note: During FY 12-13 families that were assisted with NHHBG funds for the project are reported under the Habitat for Humanity International contract on page 4.

Also, on the island of Hawai'i, the L I milo subdivision, Phase 1 consists of 37 homes of which approximately 12 will be for NAHASDA eligible families. This project faced some challenges when, in late 2007/early 2008, the developer filed for bankruptcy causing unexpected delays and additional costs. The NAHASDA portion of the infrastructure contract was expended in PY2 and last reported in the 2008 APR. Although 8 NHHBG families moved in and were reported for last fiscal year, the remaining two NHHBG families have yet to be identified. Currently, of the 37 lots five (5) lots are un-awarded vacant lots and two (2) lots have completed homes for which the original buyers have fallen out and these units remain to be filled. The challenge in selling these two units has been the lack of qualified buyers and, for NHHBG purposes, the sales price of these two homes that range from \$280,000 - \$300,000. DHHL is considering awarding at least two of the vacant lots to Habitat partner families or some other self help program that would be able to service/identify the remaining (2) NHHBG eligible households. DHHL is continuing discussion with the Habitat affiliate for assistance. Progress of the project remains unchanged from the 2011 APR reporting period.

L I milo Housing Phase 2A, Increment 1 consists of approximately 81 residential lots. Infrastructure construction in progress. Estimated construction completion in March 2014. House construction to follow, but is dependent upon DHHL budget and number of interested and qualified lessees.

For the Pi'ilani Mai Ke Kai project on the island of Kaua'i in Anahola.

Phase I: Total number of Lots in Phase I consists of 80 approximately residential lots; 36 turn key homes are completed; 6 owner builder homes (4 homes completed, 1 under construction); 12 Self Help Homes (12 completed but only 11 occupied, one home was constructed without a family identified for ownership. Habitat Homes: (3 completed, 23 lots remain due to lack of qualified families)

Total Lots: 80

Phase II: DHHL awarded the contract (IFB-12-HHL-013) to Earthworks Pacific, Inc. for the construction of on and offsite infrastructure and lot grading of 51 Lots in Phase II. The start of lot construction was delayed and started in June of 2013. The home ownership mix and scheduled/completion dates of the homes in Phase II are pending.

Task 2. Provide funding for technical assistance for at least one affordable housing project that encourages the self-help (sweat equity) construction method to assist a minimum of 10 low-income families to achieve homeownership.

During Fiscal Year 2012 . 2013:

Moloka'i Habitat for Humanity was contracted to provide technical assistance to 10 eligible NHHBG/Habitat families in the repair of their existing homes or the

construction of new homes, to include energy upgrades, as applicable. DHHL has been offering assistance to the affiliate to help the organization with fulfilling the goals and objectives for the project. The organization notified DHHL requesting closure of the Contract. (CLOSED 6/27/13)

Honolulu Habitat was contracted to provide technical assistance to four (4) families. Two (2) families were assisted last year. The organization was unable to identify two (2) more families for assistance. DHHL received notification from the organization requesting closure of the contract. (CLOSED 6/28/13)

The following were carried from Grant Number 07HBGHI0001:

Habitat for Humanity West Hawaii has completed four (4) homes under this contract two (2) homes were completed last fiscal year. The final two (2) homes (Hooper & Kama) were completed in January 2013 this contract. (COMPLETE)

Habitat for Humanity Maui (HFH Maui) was contracted to construct four (4) homes and to do six (6) renovations or replacement homes on Maui. One home was completed for the project. HFH Maui's contract expired in January without a request for extension. DHHL was not permitted to reinstate the contract pursuant to the Governor's executive memorandum relating to Budget Execution Policies. (CLOSED 1/25/13)

Habitat for Humanity International, State Support Office . To provide technical assistance for 20 homes. To date construction was completed for five (5) homes. (Fujimoto, Haili, Kekauoha, Lucas, Mamac) through the Laiopua Blitz build. Six (6) are pending or in process of construction. This contract will end on August 21, 2013 as the maximum allowed number of extensions will have been reached.

Note: Pending status - Kumuhau (5) homes, Piilani Mai Ke Kai (1) home.

Objective 1b. Provide direct assistance to potential qualified homeowners through down payment assistance and/or principal reduction subsidies, low interest rate loans, matching funds for Individual Development Accounts (IDAs), or other means/methods that become available.

Task. Offer appropriate subsidies, such as down payment assistance/principal reduction, or matching funds for Individual Development Accounts (IDA), which may be recaptured during the useful life period, and low interest loans to at least 20 eligible native Hawaiian families.

NHHBG funds are used to leverage and prioritize RD funds for NAHASDA eligible households. Families receive a grant in the amount of 20% of the base price of the home.

Fourteen (14) eligible households (Ilac, Manalo, Adam Makekau, Medeiros, Gaspar, Matias, Albert Makeakau, Kim, Teixeira, Anakalea, Moniz, Hernando, Watson and

Kamakele) were assisted with down payment assistance subsidies in Kanehili Phase 7, on the island of Oahu.

Notes: 9 of homes are duplicate counts with home completion data. Four homes were under under construction (Moniz, Hernando, Watson and Kamakele) at the close of the fiscal year 2013 and will not be counted for home completion.

Five (5) eligible households (Ramos, Naeole, Keliiliki, Freitas Kula Res. Lots) and Takatani Waiehu Kou) were assisted with down payment assistance subsidies only in Waiohuli, on the island of Maui.

Notes: All of the 5 of homes are duplicate counts with home completion data.

One (1) eligible household (Halemano) was assisted with down payment assistance subsidy in Laiopua.

Notes: Construction is pending and completion of the home will be reported in the 2014 APR.

Objective 1C. Increase the supply of affordable housing units by providing funding for house construction for single-family housing which may include solar water heating, photovoltaic panels, and/or other energy efficient features.

Objective 1D. Increase the supply of affordable housing units through acquisition of land and/or housing units to be included in DHHL's inventory of affordable housing for eligible Native Hawaiian families

Goal 2. Reduce the number of homes in need of repair or replacement, or to relieve overcrowding in homes that are occupied by low-income native Hawaiian families.

Objective 2A. Assist in the preservation and revitalization of existing homes and communities on Hawaiian home lands.

Task 1. Continue working with the City and County of Honolulu and the County of Hawai'i to provide lessees assistance with the rehabilitation of existing homes on Hawaiian home lands.

FY 12-13

County of Hawaii - Service Reimbursements for Reduced Interest Rate Rehab Loans. **Nine (9)** families were assisted with this grant (Adviento, Simmons, Kawalima, Kenoi, Kuikahi, Paulino, Keaulana-Lui, Kalamau, **Torbio**) Agreement terminated 4/30/13 funds unencumbered for P.O. 1101089-01 & 120037701 CLOSED

Honolulu Home Repair - To assist families that were in process with C/C Honoulu at contract closure. Four (4) families were assisted with a grant for home repair (Furuto, Kalimoku, Lono, Mahelona)

Task 3. Initiate new partnerships and/or encourage the development of home repair and/or replacement programs for areas not currently being served by existing City and County partnerships.

During Fiscal Year 2012. 2013

N n kuli Housing Corporation (NHC) was contracted to provide self help home repair education to 25 families and to provide down payment assistance to 2 families on the island of O'ahu. All 25 families completed their repairs in the last fiscal year. NHC provided additional support/assistance for 6 families. Two families were identified for home replacement/new construction and are eligible for NHHBG down payment assistance. The Barrett family was identified to receive down payment assistance. There were significant delays with the USDA funding for their home replacement. DHHL is pleased to report construction is underway and should be completed very soon. The contract will be closed upon completion of the Barrett home. Originally, two families were selected for down payment assistance through this grant. Unfortunately, the second participant passed away before financing was finalized for the home placement. The transfer of the lease is in process and NHC is working with the successor to assist with home replacement once the lease transfer is complete. NHC reallocated the entire down payment assistance budgeted in the contract for the Barrett home replacement. The contract will be closed upon completion of the home.

Note: DPA will be counted next fiscal year, and will be a duplicate count.

Molokai Community Services Council - Hale Hana Hou: Housing Repair Program
The Tancayo home was completed and the contract expired in February 2013. This contract was slated for ten (10) Molokai families and begun in 2007. Vendor reported difficulty in administering the grant and lack of appropriate organizational capacity. DHHL was not permitted to reinstate the contract pursuant to the Governor's executive memorandum relating to Budget Execution Policies. Request to unencumber funds received. CLOSED (02/2013)

Goal 4. Develop educational and training programs to address the housing and community needs for existing or potential beneficiaries on Hawaiian home lands.

Objective. Encourage the continuing development of and access to educational programs that assist native Hawaiian families with financial literacy and pre- and post-homebuyer education for applicant families, Undivided Interest+ families, or existing lessees, especially those who are delinquent on their mortgages.

Task. Continue to contract with private non-profit or for-profit organizations to provide homebuyer counseling services or financial literacy education to native Hawaiian families, which includes DHHL's Home Ownership Assistance Program (HOAP).

During Fiscal Year 2012 . 2013:

The HOAP program was terminated in 2011. The DHHL has begun designing a replacement program called HALE that will coordinate financial literacy services for pre-home ownership along with lessees who are suffering from loan delinquencies. DHHL expects to have the program in place by the end of FY 13-14, with the HALE Program Manager being hired by October 31, 2013.

2. Are you on schedule to complete the 5-year goals identified in your NHHP?

Check one: Yes No

3. If the answer to #2 is no, explain causes for delays and how you plan to modify your program to meet your 5-year goals and objectives. N/A

4. How would you change your programs in general as a result of your experience with the implementation of NAHASDA?

DHHL is interested in converting to a fiscal year program and report on activities and goals accomplished in the fiscal year. We would also like to revise our housing plan and APR format to coincide with fiscal conversion rather than reporting on individual grants. DHHL has not had the opportunity to convert the reporting format. DHHL now has the staffing resources to address this issue. Additional staff was added to the NAHASDA team during the 2013 fiscal year and three (3) more in FY 14. DHHL will contact HUD requesting a revision to the reporting format when the plan is finalized.

Adequate staffing is required to ensure that the administrative and monitoring needs associated with the program are met. DHHL is pleased to report three (3) NAHASDA specific staff positions were filled FY 12-13: NAHASDA Manager; NAHASDA Compliance Specialist; and NAHASDA Mortgage Loan Assistant. Additional staffing needs are being evaluated and DHHL anticipates the creation of more positions in the near future to ensure program goals and objectives can be adequately implemented and monitored.

Sources of Funds (Table I)

Explains the sources of funds that are available to DHHL for the housing activities. The information should be provided in table format and include: Funding Sources, Planned Amount, and Funds Actually Awarded (See Attachment 1 for a sample).

Funding Sources . A list of the grants, loans and donations that DHHL received to use for housing activities. Sources could include the NHHBG, other HUD grant programs, program income generated from NHHBG funds and activities, other federal grant programs, state grant programs, and private or commercial funding.

Planned Amount . A list of the planned amounts anticipated by DHHL to be received in the NHHP.

NHHBG \$8,700,000

Funds Actually Awarded . A list of the amounts actually received by DHHL from the various funding sources.

NHHBG \$8,700,000¹

Narrative:

If funds actually received are different than planned amounts, explain why the planned amount was not realized and how planned activities are impacted.

Uses of NHHG Funds (Table II)

Compares the funds planned to be expended in the NHHG by planned allowable activities to the actual funds expended for allowable activities. The information should be presented in a table format and compares the planned number of units and the planned number of families to be assisted in the NHHG to the actual number of units started or completed and the actual number of families assisted during the reporting period and cumulatively. (See Attachment 2 for a sample)

Narrative:

Amount of NHHBG funds (principal only) invested as of this reporting period end date.

\$0

¹ Note: Program income of \$28,971 was applied to prior grant year upon return of funds to LOCCS.

Table I - Sources of Funds

<u>Sources of Funds for NHHBG Activities</u>	<u>Planned Amount (from the NHHP)</u>	<u>Total Amount Actually Awarded</u>
1. HUD Resources		
a. Native Hawaiian Housing Block Grant	8,700,000	8,700,000
Planned Program Income	174,000	
b. P & I Repayments		684,128
b. Interest Income		19,219
b. Gains from Investments in Govt. Securities		9,751
b. Less transfer of Program Income from 08HBHGI0001 to 07HBGHI0001		(28,971)
		684,128
<hr/>		
2. Other Federal Resources		136,049
3. State Resources		0
4. Private Resources		0
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5. Total Resources	<u>8,874,000</u>	<u>9,520,177</u>

Grant Number 08HBGHI0001/2

DHHL FYE: 6/30/13

Table IIa - Uses of NHHBG Funds

Activity	Year-to-Date				Cumulative-to-Date		
	7/1/2012 - 6/30/2013						
	Budgeted NHHBG	Budgeted Other Amounts	Grant (NHHBG) Funds Expended	Other Funds Expended	Grant (NHHBG) Funds Expended	Other Funds Expended	% of NHHBG Funds Obligated
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1. Development	7,540,000	174,000	2,573,856	355,321	4,620,117	503,242	214.8%
a) Rental	0	0	0	0	0	0	0.0%
b) Homeownership - Construction	5,000,000	174,000	496,164	20,356	726,098	21,072	85.2%
Homeownership - Loans	1,000,000	0	548,088	176,897	1,027,022	241,968	126.9%
Homeownership - Grants	1,540,000	0	1,529,064	158,068	2,866,997	240,472	353.2%
2. Housing Services	575,000	0	223,878	18,696	947,408	104,915	0.0%
3. Housing Management Services	0	0	0	0	0	0	0.0%
4. Crime Prevention & Safety	50,000	0	0	0	0	0	12.7%
5. Model Activities	100,000	0	0	0	0	0	7.4%
6. Planning and Administration	435,000	0	219,961	83,950	324,707	212,020	139.4%
7. Total	8,700,000	174,000	3,017,696	457,967	5,892,233	820,177	100.0%

Grant Number 08HBGHI0001/2
DHHL FYE 6/30/2013

Note 1: Other Funds Expended. Year-to-Date

P & I repayment on mortgage loans	401,750
Other Credits (i.e., refund of unused subsidies, rebates from Hawaii Electric)	<u>56,218</u>
Total Other Funds Expended, 7/1/13-6/30/13	<u>457,967</u>

Note 2: Other Funds Expended Cumulative-to-Date

P & I repayments on mortgage loans	684,128
Other Credits (i.e., refund of unused subsidies, rebates from Hawaii Electric)	<u>130,049</u>
Total Other Funds Expended, Cumulative Year-to-Date	<u>820,177</u>

Table IIb – Uses of NHHBG Funds

Activity	Planned (from NHHBP)		Units Completed				Families Assisted						
	Number of Units Planned	Number of Families Planned	Year to Date		Cumulative to Date		Year to Date			Cumulative to Date			
			Number of Units Completed	Number of Units Started, Not Completed	Number of Units Completed	Number of Units Started, Not Completed	Low Income native Hawaiian Families	Non Low Income native Hawaiian Families	Non native Hawaiian Families	Low Income native Hawaiian Families	Non Low Income native Hawaiian Families	Non native Hawaiian Families	
(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	®	(s)	(t)	(u)	
1. Development													
a. Rental	Construction of New Units	0	0	0	0	0	0	0	0	0	0	0	
	Acquisition	0	0	0	0	0	0	0	0	0	0	0	
	Rehabilitation	0	0	0	0	0	0	0	0	0	0	0	
b. Homeownership	Construction of New Units	50	50	22	7	25	7	29	0	0	32	0	0
	Acquisition	25	25	15	5	16	5	20	0	0	21	0	0
	Rehabilitation	10	10	14	2	14	2	16	0	0	16	0	0
2. Housing Services	25	25	0	0	242	0	0	0	0	242	0	0	
3. Housing Management Services	0	0	0	0	0	0	0	0	0	0	0	0	
4. Crime Prevention and Safety	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
5. Model Activities (specify below)	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
6. Planning and Administration	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	
7. Total	110	110	51	14	297	14	65	0	0	311	0	0	

Acquisition includes down payment assistance, matched savings programs, subsidies, and subsidized Participation/Construction Loans

Planned Units based on NHHBP.

Construction: State HFH 5 + Kanehili 10 + HFH W. HI 2 + Waiohuli 5 = 22

Acquisition: Kanehili 14 (10 are a duplicate count) (4 Pending Const.) + Waiohuli (5 are a duplicate count) + Laiopua (1 Pending Const.) = 20

Rehabilitation: MCSC 1 + Hawaii County 9 + Honolulu Home Repairs 4 = 14

Housing Services:

Part I – Reporting on the One-Year Native Hawaiian Housing Plan (NHHP)

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Is this the final APR for this grant? Check one: Yes No

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1. Report on each of the one-year goals and objectives identified in the NHHP for this reporting period on a table format developed by the DHHL. The table should include the following information: Goal, Objective and Task Identification Number; Description of Goal, Objective or Task; Budgeted Amount by Goal, Objective or Task; Expended Amount by Goal, Objective or Task; Project or Program Description; and Accomplishments during the Program Year. Provide an explanation for any cost overruns or delays in completing Goals, Objectives or Tasks.

Highlights of FY 2012-13 (Program Year 8)

DHHL executed the grant agreement for NHHBG #09HBGHI0001 on September 4, 2009 and received notification that funds were available in LOCCS as of September 11, 2009.

In an effort to assist a higher percentage of low-income native Hawaiian families in need, DHHL requested the addition of three activities to the following NHHPs: 08BGHI0002, 09HBGHI0001, 10HBGHI0001, and 11HBGHI0001. In March of 2012, DHHL received HUD approval for requested revisions. The activities are described as follows:

“Increase the supply of affordable housing units through acquisition of land and/or housing units to be included in DHHL’s inventory of affordable housing for eligible native Hawaiian families.”

“Capitalize a revolving loan fund that will provide financing to assist native Hawaiian NAHASDA eligible families with affordable mortgage financing options to achieve and sustain homeownership on Hawaiian home lands.”

“Provide direct assistance to potential qualified homeowners through down payment assistance and/or principal reduction subsidies, low-interest rate loans, matching funds for Individual Development Accounts (IDA), or other means/methods that become available.”

DHHL is nearing completion of the development stage for the added activities, therefore budget amendments to the open program years are pending. HUD will be notified before budget revisions take place. DHHL’s intentions are to expend funds from the oldest open grant first in an effort to close out the older grants as soon as possible.

Objective 1C: Reduce the price of housing by providing direct assistance to eligible native Hawaiian homebuyers through down payment 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 10 eligible native Hawaiian households.
- b. Provide low-interest or no-interest loans to as least 20 eligible native Hawaiian households.

FY 12 -13:

Hawaii First Federal Credit Union was contracted to assist a minimum of 14 or more families into homeownership through financial counseling and individual development accounts to promote saving, personal responsibility and self-sufficiency. Beneficiary savings are matched 4 to 1. Currently, there are Eight (8) families (Alameda, Mamac, Cook, Kaupu, Kaili, Kama, Medeiros, Lucas) were assisted with IDA funds.

Note: Three lessees (Mamac, Kaili and Lucas) were also assisted with NHHBG funds through the State Habitat for Humanity Contract listed in PY 7.

Papakolea Community Development Corp. - to assist/inform lessees of their responsibilities & available resources. Notice to Proceed was issued in March of 2013, no activity to report.

Objective 1D. Increase the supply of affordable housing units through acquisition of land and/or housing units to be included in DHHL's inventory of affordable housing for eligible Native Hawaiian families

Goal 2. Reduce the number of homes in need of repair or replacement, or to relieve overcrowding in homes that are occupied by low-income native Hawaiian families.

Objective 2A. Assist in the preservation and revitalization of existing homes and communities on Hawaiian home lands.

Task 3. Initiate new partnerships and/or encourage the development of home repair and/or replacement programs for areas not currently being served by existing City and County partnerships.

During Fiscal Year 2012. 2013

Kula no na Po'e Hawaii - a Papakolea community organization is working to assess needed repairs for 20 K puna and do minor repairs for 5 families. Minor repairs were completed during FY 2013, for the 5 eligible families in the Papakolea Community. KNNPH has successfully completed the goals and objectives stated in the contract the project is complete and the contract has been closed.

N n kuli Housing Corporation (NHC) - was contracted to provide self help home repair education to 25 families and to provide down payment assistance to 2 families on the island of O'ahu. All 25 families were identified, training completed, and repairs to the homes were completed during FY 2011. The Kaleiopu family was

originally being assisted through another NHC grant. The lessee passed away and the successor to the lease is in process of transfer. He will be assisted through this grant when the transfer is complete. The grant will be closed upon completion of the home replacement.

The Notice to Proceed for NHC's new grant was issued in December 2012. No activity to report.

Goal 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.

During FY 12-13:

Council for Native Hawaiian Advancement was contracted to provide energy upgrades for eighteen (18) NAHASDA eligible families living in Hawaiian homestead communities in the County of Hawaii. Eighteen (18) eligible applicants were identified for the program. ERRs were completed and approved. Notice to proceed for thirteen (13) of the installations was issued in April 2013. Installations were started during FY 2013 and CNHA is awaiting final inspection from Hawaii County. Completion of the project will be reported in the 2014 APR.

CNHA - to provide grants for installation of solar water heaters for 60 eligible families. Notice to Proceed the administrative portion of the grant was issued in March 2013; no activity to report.

Goal 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 DHL'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.

During FY 12-13:

Habitat for Humanity Maui was contracted to establish and provide Homeownership counseling to prepare families for successful homeownership. During FY 2013, a

total of twenty eight (28) individuals have received one-on-one counseling. A total of twenty five (25) have successfully completed the Homeownership 101 class.
CLOSED

2. Are you on schedule to complete the 5-year goals identified in your NHHP?

Check one: Yes No

3. If the answer to #2 is no, explain causes for delays and how you plan to modify your program to meet your 5-year goals and objectives. N/A
4. How would you change your programs in general as a result of your experience with the implementation of NAHASDA?

DHHL is interested in converting to a fiscal year program and report on activities and goals accomplished in the fiscal year. We would also like to revise our housing plan and APR format to coincide with fiscal conversion rather than reporting on individual grants. DHHL has not had the opportunity to convert the reporting format. DHHL now has the staffing resources to address this issue. Additional staff was added to the NAHASDA team during the 2013 fiscal year. DHHL will contact HUD requesting a revision to the reporting format when the plan is finalized.

DHHL's intent is to expand the use of NHHBG funds to provide eligible families with options to prevent foreclosure and handle emergency housing situations. We will focus on program and product development to address these specific issues.

Adequate staffing is required to ensure that the administrative and monitoring needs associated with the program are met. Three (3) additional NAHASDA specific staff positions were established and approved during this fiscal year. The current DHHL Administration is in process of accessing the staffing needs for the program and actively pursuing filling the positions at this time to ensure that future program goals and objectives can be adequately implemented and monitored. Three (3) additional positions will be recruited and filled in FY 14: HALE Program Manager; and 2 housing specialists.

Davis-Bacon wage requirements continue to pose problems for low-income households in need of significant home rehabilitation. Many are unable to complete much needed repairs to their homes or must prioritize the repairs due to the limited amount of equity in their homes. Home rehabilitation is usually completed by small independent contractors. Many contractors are unable to comply with the Davis Bacon wage requirements due to limited staffing. In some cases, the addition of staff and training time needed to ensure compliance can't be justified by the contractor for one or two home repair projects. The DHHL is looking to increase the maximum home repair loan amount from \$50,000 to \$100,000 in FY 2014 to address the Davis-Bacon issue.

DHHL has been conducting informational meetings to provide potential contractors with the necessary State and HUD requirements for the program and possibly generate interest in the Home Repair/Rehabilitation Program.

Sources of Funds (Table I)

Explains the sources of funds that are available to DHHL for the housing activities. The information should be provided in table format and include: Funding Sources, Planned Amount, and Funds Actually Awarded (See Attachment 1 for a sample).

Funding Sources . A list of the grants, loans and donations that DHHL received to use for housing activities. Sources could include the NHHBG, other HUD grant programs, program income generated from NHHBG funds and activities, other federal grant programs, state grant programs, and private or commercial funding.

Planned Amount . A list of the planned amounts anticipated by DHHL to be received in the NHHP.

NHHBG \$9,700,789

Funds Actually Awarded . A list of the amounts actually received by DHHL from the various funding sources.

NHHBG \$9,700,789

Narrative:

If funds actually received are different than planned amounts, explain why the planned amount was not realized and how planned activities are impacted.

Uses of NHHG Funds (Table II)

Compares the funds planned to be expended in the NHHP by planned allowable activities to the actual funds expended for allowable activities. The information should be presented in a table format and compares the planned number of units and the planned number of families to be assisted in the NHHP to the actual number of units started or completed and the actual number of families assisted during the reporting period and cumulatively. (See Attachment 2 for a sample)

Narrative:

Amount of NHHBG funds (principal only) invested as of this reporting period end date.

\$ 0.00

Table I - Sources of Funds

<u>Sources of Funds for NHHBG Activities</u>	<u>Planned Amount (from the NHP)</u>	<u>Total Amount Actually Awarded</u>
1. HUD Resources		
a. Native Hawaiian Housing Block Grant	9,700,789	9,700,789
Planned Program Income	240,000	
b. Interest Income		0
b. P & I Repayments		85,017
2. Other Federal Resources		34,671
3. State Resources		0
4. Private Resources	0	0
5. Total Resources	<u>9,940,789</u>	<u>9,820,476</u>

Grant Number 09HBGHI0001
DHHL FYE 6/30/2013

Table IIa - Uses of NHHBG Funds

Activity	<u>Year-to-Date</u>				<u>Cumulative-to-Date</u>		
	<u>7/1/2012 - 6/30/2013</u>						
	Budgeted NHHBG	Budgeted Other Amounts	Grant (NHHBG) Funds Expended	Other Funds Expended	Grant (NHHBG) Funds Expended	Other Funds Expended	% of NHHBG Funds Obligated
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1. Development	8,260,000	240,000	81,410	15,625	114,700	22,955	0.0%
a) Rental	0	0	0	0	0	0	0.0%
b) Homeownership - Construction	5,760,000	240,000	0	0	0	0	0.0%
Homeownership - Loans	1,500,000	0	0	0	0	0	9.2%
Homeownership - Grants	1,000,000	0	81,410	15,625	114,700	22,955	77.2%
2. Housing Services	450,000	0	118,547	24,271	314,192	96,733	157.6%
3. Housing Management Services	0	0	0	0	0	0	0.0%
4. Crime Prevention & Safety	25,000	0	0	0	0	0	0.0%
5. Model Activities	25,000	0	0	0	0	0	0.0%
6. Planning and Administration	940,789	0	0	0	0	0	0.0%
7. Total	9,700,789	240,000	199,957	39,895	428,892	119,687	16.3%

Grant Number 09HBGHI0001
DHHL FYE 6/30/2013

Note 1: Other Funds Expended. Year-to-Date

P & I repayment on mortgage loans	33,808
Other Credits (i.e., refund of unused subsidies, rebates from Hawaii Electric)	<u>6,088</u>
Total Other Funds Expended, 7/1/13-6/30/13	<u><u>39,895</u></u>

Note 2: Other Funds Expended Cumulative-to-Date

P & I repayments on mortgage loans	85,017
Other Credits (i.e., refund of unused subsidies, rebates from Hawaii Electric)	<u>34,671</u>
Total Other Funds Expended, Cumulative Year-to-Date	<u><u>119,688</u></u>

Grant Number 09HBGHI0001
DHHL FYE 6/30/2013

Table IIb - Uses of NHHBG Funds

Activity	Planned (from NHP)		Units Completed				Families Assisted					
	Number of Units Planned	Number of Families Planned	Year to Date		Cumulative to Date		Year to Date			Cumulative to Date		
			Number of Units Completed	Number of Units Started, Not Completed	Number of Units Completed	Number of Units Started, Not Completed	Low Income native Hawaiian Families	Non Low Income native Hawaiian Families	Non native Hawaiian Families	Low Income native Hawaiian Families	Non Low Income native Hawaiian Families	Non native Hawaiian Families
(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	®	(s)	(t)	(u)
1. Development												
a. Rental	Construction of New Units	0	0	0	0	0	0	0	0	0	0	0
	Acquisition	0	0	0	0	0	0	0	0	0	0	0
	Rehabilitation	0	0	0	0	0	0	0	0	0	0	0
b. Homeownership	Construction of New Units	40	40	0	0	0	0	0	0	0	0	0
	Acquisition	40	40	8	0	8	0	8	0	0	8	0
	Rehabilitation	10	10	5	0	5	0	5	0	0	5	0
2. Housing Services		0	25	25	0	112	0	25	0	0	112	0
3. Housing Management Services		0	0	0	0	0	0	0	0	0	0	0
4. Crime Prevention and Safety		NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
5. Model Activities (specify below)		NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
6. Planning and Administration		NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
7. Total		90	115	38	0	125	0	38	0	0	125	0

Acquisition includes down payment assistance, matched savings programs, subsidies, and subsidized Participation/Construction Loans

Planned Units based on NHP

Construction:

Acquisition: Hawaii First Federal Credit Union 8 (Three were also assisted through HFH State Contract listed in PY 7)

Rehabilitation: Kula no na Poæ Hawaii = 5

Housing Services: HFH Maui 25

Part I – Reporting on the One-Year Native Hawaiian Housing Plan (NHHP)

[NOTE: A separate Part I (that includes Tables I and II) must be completed for each open grant.]

Is this the final APR for this grant? Check one: Yes No

Each year, the DHHL develops goals and objectives in the NHHP that describe the use of NHHBG funds. At the end of the program year, a report on the progress made towards achievement of the goals and objectives is provided to the public and to HUD.

1. Report on each of the one-year goals and objectives identified in the NHHP for this reporting period on a table format developed by the DHHL. The table should include the following information: Goal, Objective and Task Identification Number; Description of Goal, Objective or Task; Budgeted Amount by Goal, Objective or Task; Expended Amount by Goal, Objective or Task; Project or Program Description; and Accomplishments during the Program Year. Provide an explanation for any cost overruns or delays in completing Goals, Objectives or Tasks.

Highlights of FY 11-12 (Program Year 9)

DHHL executed the grant agreement for NHHBG #10HBGHI0001 on September 30, 2010 and received notification that funds were available in LOCCS as of August 26, 2010. Although planning for various projects is currently underway, funds have not been obligated for the program year as of the writing of the APR.

2011 Grant Cycle - Contracts were drafted and executed for Council for Native Hawaiian Advancement, Nanakuli Housing Corporation and Papakolea Community Development Corporation.

In an effort to assist a higher percentage of low-income native Hawaiian families in need, DHHL requested the addition of three activities to the following NHHPs: 08HBGHI0002, 09HBGHI0001, 10HBGHI0001, and 11HBGHI0001. In March of 2012, DHHL received HUD approval for requested revisions. The activities are described as follows:

“Increase the supply of affordable housing units through acquisition of land and/or housing units to be included in DHHL’s inventory of affordable housing for eligible native Hawaiian families.”

“Capitalize a revolving loan fund that will provide financing to assist native Hawaiian NAHASDA eligible families with affordable mortgage financing options to achieve and sustain homeownership on Hawaiian home lands.”

“Provide direct assistance to potential qualified homeowners through down payment assistance and/or principal reduction subsidies, low-interest rate loans, matching funds for Individual Development Accounts (IDA), or other means/methods that become available.”

DHHL is nearing completion of the development stage for the added activities, therefore budget amendments to the open program years are pending. HUD will be notified before budget revisions take place. DHHL's intentions are to expend funds from the oldest open grant first in an effort to close out the older grants as soon as possible.

2. Are you on schedule to complete the 5-year goals identified in your NHHP?

Check one: Yes No

3. If the answer to #2 is no, explain causes for delays and how you plan to modify your program to meet your 5-year goals and objectives. N/A
4. How would you change your programs in general as a result of your experience with the implementation of NAHASDA?

DHHL is interested in converting to a fiscal year program and report on activities and goals accomplished in the fiscal year. We would also like to revise our housing plan and APR format to coincide with fiscal conversion rather than reporting on individual grants. DHHL has not had the opportunity to convert the reporting format. DHHL now has the staffing resources to address this issue. Additional staff was added to the NAHASDA team during the 2013 fiscal year. DHHL will contact HUD requesting a revision to the reporting format when the plan is finalized.

DHHL's intent is to expand the use of NHHBG funds to provide eligible families with options to prevent foreclosure and handle emergency housing situations. We will focus on program and product development to address these specific issues.

Adequate staffing is required to ensure that the administrative and monitoring needs associated with the program are met. Three (3) additional NAHASDA specific staff positions were established and approved during this fiscal year. The current DHHL Administration is in process of accessing the staffing needs for the program and actively pursuing filling the positions at this time to ensure that future program goals and objectives can be adequately implemented and monitored. An additional three (3) staff positions were identified for recruitment and filling in FY 2014.

Davis Bacon wage requirements continue to pose problems for low-income households in need of significant home rehabilitation. Many are unable to complete much needed repairs to their homes or must prioritize the repairs due to the limited amount of equity in their homes. Home rehabilitation is usually completed by small independent contractors. Many contractors are unable to comply with the Davis Bacon wage requirements due to limited staffing. In some cases, the addition of staff and training time needed to ensure compliance can't be justified by the contractor for one or two home repair projects. The DHHL is looking to raise the maximum home repair loan amount from \$50,000 to \$100,000 in FY 2014.

DHHL has been conducting informational meetings to provide potential contractors with the necessary State and HUD requirements for the program and possibly generate interest in the Home Repair/Rehabilitation Program.

Sources of Funds (Table I)

Explains the sources of funds that are available to DHHL for the housing activities. The information should be provided in table format and include: Funding Sources, Planned Amount, and Funds Actually Awarded (See Attachment 1 for a sample).

Funding Sources . A list of the grants, loans and donations that DHHL received to use for housing activities. Sources could include the NHHBG, other HUD grant programs, program income generated from NHHBG funds and activities, other federal grant programs, state grant programs, and private or commercial funding.

Planned Amount . A list of the planned amounts anticipated by DHHL to be received in the NHHP.

NHHBG \$12,700,000

Funds Actually Awarded . A list of the amounts actually received by DHHL from the various funding sources.

NHHBG \$12,700,000

Narrative:

If funds actually received are different than planned amounts, explain why the planned amount was not realized and how planned activities are impacted.

Uses of NHHG Funds (Table II)

Compares the funds planned to be expended in the NHHP by planned allowable activities to the actual funds expended for allowable activities. The information should be presented in a table format and compares the planned number of units and the planned number of families to be assisted in the NHHP to the actual number of units started or completed and the actual number of families assisted during the reporting period and cumulatively. (See Attachment 2 for a sample)

Narrative:

Amount of NHHBG funds (principal only) invested as of this reporting period end date.

\$ 0.00

Table I - Sources of Funds

<u>Sources of Funds for NHHBG Activities</u>	<u>Planned Amount (from the NHHP)</u>	<u>Total Amount Actually Awarded</u>
1. HUD Resources		
a. Native Hawaiian Housing Block Grant	12,700,000	12,700,000
Planned Program Income	180,000	
b. Interest Income		0
b. P & I Repayments		0
2. Other Federal Resources (Refund of prior year's grant funds expended)		0
3. State Resources		0
4. Private Resources	0	0
5. Total Resources	<u>12,880,000</u>	<u>12,700,000</u>

Grant Number 10HBGHI0001
DHHL FYE 6/30/2013

Table IIa - Uses of NHHBG Funds

Activity	Year-to-Date				Cumulative-to-Date		
	7/1/2012 - 6/30/2013						
	Budgeted NHHBG	Budgeted Other Amounts	Grant (NHHBG) Funds Expended	Other Funds Expended	Grant (NHHBG) Funds Expended	Other Funds Expended	% of NHHBG Funds Obligated
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1. Development	10,600,000	180,000	0	0	0	0	0.0%
a) Rental	0	0	0	0	0	0	0.0%
b) Homeownership - Construction	6,820,000	180,000	0	0	0	0	0.0%
Homeownership - Loans	1,780,000	0	0	0	0	0	0.0%
Homeownership - Grants	2,000,000	0	0	0	0	0	0.0%
2. Housing Services	780,000	0	0	0	0	0	0.0%
3. Housing Management Services	0	0	0	0	0	0	0.0%
4. Crime Prevention & Safety	25,000	0	0	0	0	0	0.0%
5. Model Activities	25,000	0	0	0	0	0	0.0%
6. Planning and Administration	1,270,000	0	0	0	0	0	0.0%
7. Total	12,700,000	180,000	0	0	0	0	0.0%

Grant Number 10HBGHI0001
DHHL FYE 6/30/2013

Table IIb - Uses of NHHBG Funds

Activity	Planned (from NHP)		Units Completed				Families Assisted					
	Number of Units Planned	Number of Families Planned	Year to Date		Cumulative to Date		Year to Date			Cumulative to Date		
			Number of Units Completed	Number of Units Started, Not Completed	Number of Units Completed	Number of Units Started, Not Completed	Low Income native Hawaiian Families	Non Low Income native Hawaiian Families	Non native Hawaiian Families	Low Income native Hawaiian Families	Non Low Income native Hawaiian Families	Non native Hawaiian Families
(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	®	(s)	(t)	(u)
1. Development												
a. Rental	Construction of New Units	0	0	0	0	0	0	0	0	0	0	0
	Acquisition	0	0	0	0	0	0	0	0	0	0	0
	Rehabilitation	0	0	0	0	0	0	0	0	0	0	0
b. Homeownership	Construction of New Units	0	0	0	0	0	0	0	0	0	0	0
	Acquisition	0	0	0	0	0	0	0	0	0	0	0
	Rehabilitation	0	0	0	0	0	0	0	0	0	0	0
2. Housing Services		0	0	0	0	0	0	0	0	0	0	0
3. Housing Management Services		0	0	0	0	0	0	0	0	0	0	0
4. Crime Prevention and Safety		NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
5. Model Activities (specify below)		NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
6. Planning and Administration		NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
7. Total		0	0	0	0	0	0	0	0	0	0	0

Part I – Reporting on the One-Year Native Hawaiian Housing Plan (NHHP)

[NOTE: A separate Part I (that includes Tables I and II) must be completed for each open grant.]

Is this the final APR for this grant? Check one: Yes No

Each year, the DHHL develops goals and objectives in the NHHP that describe the use of NHHBG funds. At the end of the program year, a report on the progress made towards achievement of the goals and objectives is provided to the public and to HUD.

1. Report on each of the one-year goals and objectives identified in the NHHP for this reporting period on a table format developed by the DHHL. The table should include the following information: Goal, Objective and Task Identification Number; Description of Goal, Objective or Task; Budgeted Amount by Goal, Objective or Task; Expended Amount by Goal, Objective or Task; Project or Program Description; and Accomplishments during the Program Year. Provide an explanation for any cost overruns or delays in completing Goals, Objectives or Tasks.

Highlights of FY 2011-12 (Program Year 10)

DHHL executed the grant agreement for NHHBG #11HBGHI0001 on September 2, 2011, and received notification that funds were available in LOCCS as of August 30, 2011. Although planning for various projects is currently underway, funds have not been obligated for the program year as of the writing of the APR.

The 2012 Grant Cycle ended June 15, 2012. Fourteen (14) Grant Applications were submitted and twelve (12) passed on for approval by the Hawaiian Homes Commission in February of this year.

In an effort to assist a higher percentage of low-income native Hawaiian families in need, DHHL requested the addition of three activities to the following NHHPs: 08HBGHI0002, 09HBGHI0001, 10HBGHI0001, and 11HBGHI0001. In March of 2012, DHHL received HUD approval for requested revisions. The activities are described as follows:

“Increase the supply of affordable housing units through acquisition of land and/or housing units to be included in DHHL’s inventory of affordable housing for eligible native Hawaiian families.”

“Capitalize a revolving loan fund that will provide financing to assist native Hawaiian NAHASDA eligible families with affordable mortgage financing options to achieve and sustain homeownership on Hawaiian home lands.”

“Provide direct assistance to potential qualified homeowners through down payment assistance and/or principal reduction subsidies, low-interest rate loans, matching funds for Individual Development Accounts (IDA), or other means/methods that become available.”

DHHL is nearing completion of the development stage for the added activities, therefore budget amendments to the open program years are pending. HUD will be notified before budget revisions take place. DHHL's intentions are to expend funds from the oldest open grant first in an effort to close out the older grants as soon as possible.

2. Are you on schedule to complete the 5-year goals identified in your NHHP?

Check one: Yes No

3. If the answer to #2 is no, explain causes for delays and how you plan to modify your program to meet your 5-year goals and objectives. N/A
4. How would you change your programs in general as a result of your experience with the implementation of NAHASDA?

DHHL is interested in converting to a fiscal year program and report on activities and goals accomplished in the fiscal year. We would also like to revise our housing plan and APR format to coincide with fiscal conversion rather than reporting on individual grants.

DHHL's intent is to expand the use of NHHBG funds to provide eligible families with options to prevent foreclosure and handle emergency housing situations. We will focus on program and product development to address these specific issues.

Adequate staffing is required to ensure that the administrative and monitoring needs associated with the program are met. Three (3) additional NAHASDA specific staff positions were established and approved during this fiscal year. The current DHHL Administration is in process of accessing the staffing needs for the program and actively pursuing filling the positions at this time to ensure that future program goals and objectives can be adequately implemented and monitored. Three (3) additional staff positions will be recruited and hired in FY 2014.

Davis-Bacon wage requirements continue to pose problems for low-income households in need of significant home rehabilitation. Many are unable to complete much needed repairs to their homes or must prioritize the repairs due to the limited amount of equity in their homes. Home rehabilitation is usually completed by small independent contractors. Many contractors are unable to comply with the Davis Bacon wage requirements due to limited staffing. In some cases, the addition of staff and training time needed to ensure compliance can't be justified by the contractor for one or two home repair projects.

DHHL has been conducting informational meetings to provide potential contractors with the necessary State and HUD requirements for the program and possibly generate interest in the Home Repair/Rehabilitation Program.

Sources of Funds (Table I)

Explains the sources of funds that are available to DHHL for the housing activities. The information should be provided in table format and include: Funding Sources, Planned Amount, and Funds Actually Awarded (See Attachment 1 for a sample).

Funding Sources . A list of the grants, loans and donations that DHHL received to use for housing activities. Sources could include the NHHBG, other HUD grant programs, program income generated from NHHBG funds and activities, other federal grant programs, state grant programs, and private or commercial funding.

Planned Amount . A list of the planned amounts anticipated by DHHL to be received in the NHHP.

NHHBG \$12,675,000

Funds Actually Awarded . A list of the amounts actually received by DHHL from the various funding sources.

NHHBG \$12,674,600

Narrative:

If funds actually received are different than planned amounts, explain why the planned amount was not realized and how planned activities are impacted.

Uses of NHHG Funds (Table II)

Compares the funds planned to be expended in the NHHP by planned allowable activities to the actual funds expended for allowable activities. The information should be presented in a table format and compares the planned number of units and the planned number of families to be assisted in the NHHP to the actual number of units started or completed and the actual number of families assisted during the reporting period and cumulatively. (See Attachment 2 for a sample)

Narrative:

Amount of NHHBG funds (principal only) invested as of this reporting period end date.

\$ 0.00

Table I - Sources of Funds

<u>Sources of Funds for NHHBG Activities</u>	<u>Planned Amount (from the NHHP)</u>	<u>Total Amount Actually Awarded</u>
1. HUD Resources		
a. Native Hawaiian Housing Block Grant	12,675,600	12,674,600
Planned Program Income	208,000	
b. Interest Income		0
b. P & I Repayments		0
2. Other Federal Resources (Refund of prior year's grant funds expended)		0
3. State Resources		0
4. Private Resources	0	0
5. Total Resources	<u>12,883,000</u>	<u>12,674,600</u>

Grant Number 11HBGHI0001
DHHL FYE 6/30/2013

Table IIa - Uses of NHHBG Funds

Activity	Year-to-Date 7/1/2012 - 6/30/2013				Cumulative-to-Date		
	Budgeted NHHBG	Budgeted Other Amounts	Grant (NHHBG) Funds Expended	Other Funds Expended	Grant (NHHBG) Funds Expended	Other Funds Expended	% of NHHBG Funds Obligated
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1. Development	10,336,700	208,000	0	0	0	0	0.0%
a) Rental	0	0	0	0	0	0	0.0%
b) Homeownership - Construction	6,336,700	208,000	0	0	0	0	0.0%
Homeownership - Loans	2,000,000	0	0	0	0	0	0.0%
Homeownership - Grants	2,000,000	0	0	0	0	0	0.0%
2. Housing Services	1,000,000	0	0	0	0	0	0.0%
3. Housing Management Services	0	0	0	0	0	0	0.0%
4. Crime Prevention & Safety	25,000	0	0	0	0	0	0.0%
5. Model Activities	25,000	0	0	0	0	0	0.0%
6. Planning and Administration	1,288,300	0	0	0	0	0	0.0%
7. Total	12,675,000	208,000	0	0	0	0	0.0%

Grant Number 11HBGHI0001
DHHL FYE 6/30/2013

Table IIb - Uses of NHHBG Funds

Activity		Planned (from NHP)		Units Completed				Families Assisted					
		Planned (from NHP)		Year to Date		Cumulative to Date		Year to Date			Cumulative to Date		
		Number of Units Planned	Number of Families Planned	Number of Units Completed	Number of Units Started, Not Completed	Number of Units Completed	Number of Units Started, Not Completed	Low Income native Hawaiian Families	Non Low Income native Hawaiian Families	Non native Hawaiian Families	Low Income native Hawaiian Families	Non Low Income native Hawaiian Families	Non native Hawaiian Families
(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	®	(s)	(t)	(u)	
1. Development													
a. Rental	Construction of New Units	0	0	0	0	0	0	0	0	0	0	0	0
	Acquisition	0	0	0	0	0	0	0	0	0	0	0	0
	Rehabilitation	0	0	0	0	0	0	0	0	0	0	0	0
b. Homeownership	Construction of New Units	50	50	0	0	0	0	0	0	0	0	0	0
	Acquisition	30	30	0	0	0	0	0	0	0	0	0	0
	Rehabilitation	10	10	0	0	0	0	0	0	0	0	0	0
2. Housing Services		0	0	0	0	0	0	0	0	0	0	0	0
3. Housing Management Services		0	0	0	0	0	0	0	0	0	0	0	0
4. Crime Prevention and Safety		NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
5. Model Activities (specify below)		NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
6. Planning and Administration		NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
7. Total		90	90	0	0	0	0	0	0	0	0	0	0

Part I – Reporting on the One-Year Native Hawaiian Housing Plan (NHHP)

[NOTE: A separate Part I (that includes Tables I and II) must be completed for each open grant.]

Is this the final APR for this grant? Check one: Yes No

Each year, the DHHL develops goals and objectives in the NHHP that describe the use of NHHBG funds. At the end of the program year, a report on the progress made towards achievement of the goals and objectives is provided to the public and to HUD.

1. Report on each of the one-year goals and objectives identified in the NHHP for this reporting period on a table format developed by the DHHL. The table should include the following information: Goal, Objective and Task Identification Number; Description of Goal, Objective or Task; Budgeted Amount by Goal, Objective or Task; Expended Amount by Goal, Objective or Task; Project or Program Description; and Accomplishments during the Program Year. Provide an explanation for any cost overruns or delays in completing Goals, Objectives or Tasks.

Highlights of FY 2011-12 (Program Year 10)

DHHL executed the grant agreement for NHHBG #11HBGHI0001 on September 2, 2011, and received notification that funds were available in LOCCS as of August 30, 2011. Although planning for various projects is currently underway, funds have not been obligated for the program year as of the writing of the APR.

The 2012 Grant Cycle ended June 15, 2012. Fourteen (14) Grant Applications were submitted with twelve (12) passing committee to the Hawaiian Homes Commission for approval in February of this year.

In an effort to assist a higher percentage of low-income native Hawaiian families in need, DHHL requested the addition of three activities to the following NHHPs: 08HBGHI0002, 09HBGHI0001, 10HBGHI0001, and 11HBGHI0001. In March of 2012, DHHL received HUD approval for requested revisions. The activities are described as follows:

“Increase the supply of affordable housing units through acquisition of land and/or housing units to be included in DHHL’s inventory of affordable housing for eligible native Hawaiian families.”

“Capitalize a revolving loan fund that will provide financing to assist native Hawaiian NAHASDA eligible families with affordable mortgage financing options to achieve and sustain homeownership on Hawaiian home lands.”

“Provide direct assistance to potential qualified homeowners through down payment assistance and/or principal reduction subsidies, low-interest rate loans, matching funds for Individual Development Accounts (IDA), or other means/methods that become available.”

DHHL is nearing completion of the development stage for the added activities, therefore budget amendments to the open program years are pending. HUD will be notified before budget revisions take place. DHHL's intentions are to expend funds from the oldest open grant first in an effort to close out the older grants as soon as possible.

2. Are you on schedule to complete the 5-year goals identified in your NHHP?

Check one: Yes No

3. If the answer to #2 is no, explain causes for delays and how you plan to modify your program to meet your 5-year goals and objectives. N/A
4. How would you change your programs in general as a result of your experience with the implementation of NAHASDA?

Niniau can list the same information that you have drafted for PY 7

DHHL is interested in converting to a fiscal year program and report on activities and goals accomplished in the fiscal year. We would also like to revise our housing plan and APR format to coincide with fiscal conversion rather than reporting on individual grants.

DHHL's intent is to expand the use of NHHBG funds to provide eligible families with options to prevent foreclosure and handle emergency housing situations. We will focus on program and product development to address these specific issues.

Adequate staffing is required to ensure that the administrative and monitoring needs associated with the program are met. Three (3) additional NAHASDA specific staff positions were established and approved during this fiscal year. The current DHHL Administration is in process of accessing the staffing needs for the program and actively pursuing filling the positions at this time to ensure that future program goals and objectives can be adequately implemented and monitored. Three (3) additional staff will be recruited and hired in FY 2014.

Davis-Bacon wage requirements continue to pose problems for low-income households in need of significant home rehabilitation. Many are unable to complete much needed repairs to their homes or must prioritize the repairs due to the limited amount of equity in their homes. Home rehabilitation is usually completed by small independent contractors. Many contractors are unable to comply with the Davis Bacon wage requirements due to limited staffing. In some cases, the addition of staff and training time needed to ensure compliance can't be justified by the contractor for one or two home repair projects. The DHHL is looking at increasing the maximum loan amount from \$50,000 to \$100,000 to address this issue.

DHHL has been conducting informational meetings to provide potential contractors with the necessary State and HUD requirements for the program and possibly generate interest in the Home Repair/Rehabilitation Program.

Sources of Funds (Table I)

Explains the sources of funds that are available to DHHL for the housing activities. The information should be provided in table format and include: Funding Sources, Planned Amount, and Funds Actually Awarded (See Attachment 1 for a sample).

Funding Sources . A list of the grants, loans and donations that DHHL received to use for housing activities. Sources could include the NHHBG, other HUD grant programs, program income generated from NHHBG funds and activities, other federal grant programs, state grant programs, and private or commercial funding.

Planned Amount . A list of the planned amounts anticipated by DHHL to be received in the NHHP.

NHHBG \$12,700,000

Funds Actually Awarded . A list of the amounts actually received by DHHL from the various funding sources.

NHHBG \$12,700,000

Narrative:

If funds actually received are different than planned amounts, explain why the planned amount was not realized and how planned activities are impacted.

Uses of NHHG Funds (Table II)

Compares the funds planned to be expended in the NHHP by planned allowable activities to the actual funds expended for allowable activities. The information should be presented in a table format and compares the planned number of units and the planned number of families to be assisted in the NHHP to the actual number of units started or completed and the actual number of families assisted during the reporting period and cumulatively. (See Attachment 2 for a sample)

Narrative:

Amount of NHHBG funds (principal only) invested as of this reporting period end date.

\$ 0.00

Table I - Sources of Funds

<u>Sources of Funds for NHHBG Activities</u>	<u>Planned Amount (from the NHHP)</u>	<u>Total Amount Actually Awarded</u>
1. HUD Resources		
a. Native Hawaiian Housing Block Grant	12,700,000	12,700,000
Planned Program Income	426,000	
b. Interest Income		0
b. P & I Repayments		0
2. Other Federal Resources (Refund of prior year's grant funds expended)		0
3. State Resources		0
4. Private Resources	0	0
5. Total Resources	<u>13,126,000</u>	<u>12,700,000</u>

Grant Number 12HBGHI0001
DHHL FYE 6/30/2013

Table IIa - Uses of NHHBG Funds

Activity	<u>Year-to-Date</u>				<u>Cumulative-to-Date</u>		
	<u>7/1/2012 - 6/30/2013</u>						
	Budgeted NHHBG	Budgeted Other Amounts	Grant (NHHBG) Funds Expended	Other Funds Expended	Grant (NHHBG) Funds Expended	Other Funds Expended	% of NHHBG Funds Obligated
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1. Development	8,914,000	426,000	0	0	0	0	0.0%
a) Rental	0	0	0	0	0	0	0.0%
b) Homeownership - Construction	4,914,000	426,000	0	0	0	0	0.0%
Homeownership - Loans	2,000,000	0	0	0	0	0	0.0%
Homeownership - Grants	2,000,000	0	0	0	0	0	0.0%
2. Housing Services	1,500,000	0	0	0	0	0	0.0%
3. Housing Management Services	0	0	0	0	0	0	0.0%
4. Crime Prevention & Safety	100,000	0	0	0	0	0	0.0%
5. Model Activities	760,000	0	0	0	0	0	0.0%
6. Planning and Administration	1,426,000	0	0	0	0	0	0.0%
7. Total	12,700,000	426,000	0	0	0	0	0.0%

Grant Number 12HBGHI0001
DHHL FYE 6/30/2013

Table IIb - Uses of NHHBG Funds

Activity		Units Completed					Families Assisted						
		Planned (from NHP)		Year to Date		Cumulative to Date		Year to Date			Cumulative to Date		
		Number of Units Planned	Number of Families Planned	Number of Units Completed	Number of Units Started, Not Completed	Number of Units Completed	Number of Units Started, Not Completed	Low Income native Hawaiian Families	Non Low Income native Hawaiian Families	Non native Hawaiian Families	Low Income native Hawaiian Families	Non Low Income native Hawaiian Families	Non native Hawaiian Families
(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)	(q)	®	(s)	(t)	(u)	
1. Development													
a. Rental	Construction of New Units	0	0	0	0	0	0	0	0	0	0	0	0
	Acquisition	0	0	0	0	0	0	0	0	0	0	0	0
	Rehabilitation	0	0	0	0	0	0	0	0	0	0	0	0
b. Homeownership	Construction of New Units	50	50	0	0	0	0	0	0	0	0	0	0
	Acquisition	30	30	0	0	0	0	0	0	0	0	0	0
	Rehabilitation	10	10	0	0	0	0	0	0	0	0	0	0
2. Housing Services		0	0	0	0	0	0	0	0	0	0	0	0
3. Housing Management Services		0	0	0	0	0	0	0	0	0	0	0	0
4. Crime Prevention and Safety		NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
5. Model Activities (specify below)		NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
6. Planning and Administration		NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
7. Total		90	90	0	0	0	0	0	0	0	0	0	0

Part II – Reporting on Program Year Accomplishments

[This Part is not grant specific. A single Part II consisting of Sections A through C (including the Inspection of Assisted Housing table), is to be prepared and submitted at the end of each fiscal year and will cover all open grants.]

SECTION A . ASSESSMENT

1. Self-Assessment: Sec. 819(b) of the NAHASDA requires the DHHL to annually review its activities and to include the results of this review in its APR. Under this section, provide a narrative briefly describing the activities monitored, the findings of the DHHL related to these activities, actions planned to address significant deficiencies, and any specific actions conducted to monitor sub-recipients.

Addition of NAHASDA Staff

The staff shortage that the NAHASDA program has endured was further burdened by the furloughs implemented from 2009 through 2011. Fortunately the furloughs ended leaving additional work hours for NAHASDA staff to complete additional tasks. Three (3) additional NAHASDA specific staff positions were established and approved and during this fiscal year, hired. The current DHHL Administration is in process of assessing the staffing needs for the program and actively pursuing filling the positions at this time to ensure that future program goals and objectives can be adequately implemented and monitored. The three positions hired this fiscal year were: NAHASDA Manager; NAHASDA Compliance Specialist; and Mortgage Loan Assistant. Three additional positions to be hired in FY 2014 include the HALE Program Manager and two (2) Housing specialists.

The present administration has taken a proactive approach to work closely with the NAHASDA Manager to insure effective communication between all DHHL divisions and programs. NAHASDA staff are actively working on codifying policies and procedures within the NHHBG program and revisions of some of the existing ones. They have taken advantage of training opportunities and materials offered through HUD and are planning to obtain certifications offered by Management Concepts in FY 2014.

Contract Monitoring

DHHL monitors all contracts funded with NHHBG funds through the various departments that administer the specific activity of the contract. For example, contracts for development (site development or house development) are monitored by the appropriate Project Manager located in our Land Development Division. Contracts that are funded through the NAHASDA Community Grant Cycle (subrecipient agreements) or that are required for program implementation (i.e. Lead-Based Paint) are monitored by the NAHASDA Program Specialist and/or Compliance Specialist. DHHL Self-Monitoring was established in July 2012 to ensure DHHL's compliance with HUD regulations. The NAHASDA Program Specialist coordinates various reports for HUD purposes.

Sub Recipient Monitoring

In addition to the quarterly reports that are submitted to DHHL and phone calls, site visits were conducted in May and June of this year for the subrecipient grants. The Program Specialist and Compliance Specialist went on visits statewide to conduct monitoring on NHHBG activities. Only one subrecipient was found non-compliant: Anahola Community Association. They did not respond and the balance of their contract will be terminated as per 24 CFR 85, Non-Performance.

Training

Currently, DHHL has six (6) staff positions that are funded through NAHASDA. DHHL is providing additional training opportunities for NHHBG staff through the Management Concepts Grants Management Certificate Program that will assist DHHL staff in the management of the NAHASDA Program. One NAHASDA staff has completed Management Concepts' Grants Management Certificate Program for the Pass-Through Track and Recipient Track. Three of the current NAHASDA staff, as well as other DHHL staff, have completed the HUD sponsored Environmental Review Training, Davis Bacon Training, and Self Monitoring Training. DHHL is making every effort to ensure that all staff who utilize NHHBG funds receives adequate training, as applicable. During this fiscal year Hawaii's HUD office has conducted several trainings for DHHL staff and subrecipients. A request was submitted to HUD for Income Eligibility training for DHHL staff. The training was held at DHHL on August 24, 2012. DHHL would like to ensure compliance and consistency during the eligibility review process. Fair Housing training covering Section 3 of the HUD Act of 1968 (Employment and Contracting Opportunities for low-income individuals and businesses); Section 504 of the Rehabilitation Act; and General Fair Housing and Civil Rights Information were conducted by HUD for DHHL staff on August 31, 2012. In May 2013, the NAHASDA Manager was named by the Chairman as the designated Fair Housing Officer for the department.

As a part of the DHHL's self monitoring plan, DHHL had several staff attend the HUD sponsored Self Monitoring Training in 2011. As a result of the training, DHHL has implemented the following:

1. Insurance for all NAHASDA assisted units . DHHL has implemented a tracking mechanism by adding the appropriate data fields to the existing DHHL data system. This assists DHHL with the overall tracking of insurance and useful life requirements of NAHASDA. Every effort is made to ensure all homes that have received NAHASDA assistance maintains adequate insurance for the replacement of the home. However, in the unforeseen event that an assisted family may be unable to comply with the Insurance requirement due to extenuating circumstances (unemployment, illness, etc.), DHHL has secured a vendor to place homeowners insurance for those families.
2. Labor Standards Compliance . the DHHL currently has a Labor Compliance Specialist (not NAHASDA funded) that reviews all NAHASDA projects for compliance with the Davis Bacon wage requirements, as applicable. A compliance specialist position has been approved specifically for the monitoring of NAHASDA funded projects. DHHL is actively pursuing filling the position at this time.

3. Environmental Review Records for NAHASDA projects . are currently reviewed by two of the NAHASDA staff. Several of the DHHL staff has attended the recent HUD sponsored Environmental Review Training. The appropriate Project Manager or one of the LDD staff are responsible for reviewing the ERRs that are completed by consultants. DHHL has procured the services of an Environmental firm to review Environmental Assessments for projects assisted with NAHASDA funds to re-evaluate ERR/EAs to ensure compliance.
4. Procurement - All procurement of services and goods are guided by the Hawai'i Public Procurement Code, Hawai'i Revised Statutes (HRS), Chapters 103D and 103F, in addition to 24 CFR Part 85.36. The DHHL Fiscal Office and/or the State Procurement Office reviews all contracts to ensure compliance. In addition to state resources as they pertain to procurement (i.e. online access), DHHL staff has created a Procurement Manual that is updated, as needed.
5. Subrecipient Monitoring
 - a. Subrecipient Grants - Site visits were conducted for Subrecipient compliance on eleven (11) of the thirteen (13) open subrecipient grants during this fiscal year. Site visits were scheduled in May and June 2013.
 - b. Construction Monitoring - Project Managers conduct site visits to monitor the project progress and to ensure work has been completed as stated in invoices submitted for payment. Site visits are conducted a minimum of 2-4 times per month for each project. A template has been created to document the site visits conducted by DHHL Project Managers for each project. This will be kept in the contract file for each NAHASDA assisted project. The Land Development Division weekly staff meetings are held to update the Division Administrator on the project progress and any issues that may be of concern.

Inspections -

 - **Infrastructure** (streets, water, sewer, etc.) are inspected by County inspectors. Upon final inspection and submittal of As-built drawings, they are then turned over to and maintained by the applicable County entity.
 - **Homes**-Building inspections are conducted throughout construction on the homes. (electrical, plumbing, final inspections, etc.) The type of certification issued varies by county. A Certificate of Occupancy, Final Inspection or the equivalent is required before permanent power can be furnished for the home.
 - c. Payroll Compliance . NAHASDA staff have been tracking payroll compliance via certified payroll review. The new Mortgage Loan Assistant has been provided training by HUD in June 2013.
6. Useful Life Tracking . DHHL has implemented a tracking mechanism by adding the appropriate data fields to the existing DHHL data system. The program assists DHHL with the overall tracking of insurance and useful life requirements of NAHASDA. DHHL has also implemented appropriate transfer procedures that will allow DHHL to ensure that units assisted with NHHBG funds are kept affordable for the useful life of the unit or that a pro-rated portion of the NHHBG funds originally used to assist the low income household are repaid in the event that the unit is transferred to a non-income eligible household. This is a coordinated effort from staff in various DHHL departments to adequately monitor the NHHBG assisted units.

7. NHHBG Eligibility . The Hawaiian Homes Commission approved the NAHASDA Eligibility policy in December 2012. The policy was disseminated to subrecipients for implementation and/or reference.

DHHL Self Monitoring - All existing DHHL staff (even staff whose positions are not funded by NHHBG) are committed to fulfilling DHHL's obligations to ensure the continued funding of the NHHBG. A Self-Monitoring meeting was held July 23, 2012, with DHHL staff to stress the importance of DHHL's compliance and steps needed for the implementation of the required self-monitoring. Several staff members were provided the Self-Monitoring worksheets to conduct evaluations to ensure DHHL's compliance with HUD regulations. Staff members selected are knowledgeable in the subject areas assigned for monitoring. Reviewers were instructed to recuse themselves from any self-monitoring activities in areas/projects that they oversee. DHHL completed the Self Monitoring on August 7, 2012. Below are the concerns found by the auditors and actions taken to correct the concerns.

- a. Labor Standards Monitoring auditors noted employee interviews and site visits were not conducted during the 2011-2012 FY. **An interview/site visit schedule is in place for the 2012-2013 FY.**
 - b. Procurement & Contract Administration Monitoring of NAHASDA Grants - It was noted that 3 contracts for the 2011 Grant Cycle were pending approval with the AG for over one month. Auditor suggested requesting an update from the AG as to the status of the contracts. **The Contract Administrator was in continual contact with the AG regarding all 3 contracts via email & phone conversations. The documentation of the contact was not printed and filed within the contract file at the time of the Auditor's review. Documentation has been filed in the contract files.**
 - c. NAHASDA Accountant has not been notified of changes in contract status for several P.O.s and/or Contracts. The auditor suggests the P.O.s and/or Contracts should be reviewed at least quarterly and the NAHASDA accountant should be notified by the Contract Administrator of any changes for contracts and pending contracts. (cancellations, unencumberance of funds, etc.) **The NAHASDA Accountant will be notified by the Contract Administrator at least quarterly of any contract changes.**
2. Assisted Housing Unit Inspection: Sec. 819(b)(2) specifies that self-assessment must include an on-site inspection of housing units assisted with NHHBG funds. A summary of the results of the assisted housing units inspected in this reporting period should be included in the APR in table format.

Rental Units - During this reporting period, there were no NAHASDA assisted rental units constructed on Hawaiian Home Lands; therefore, no rental inspections were conducted. DHHL is exploring options for a rental program using NAHASDA funds and may pursue this activity in the near future.

Single Family Homes . As a standard practice, and as required for all construction that is permitted (i.e. via county permitting process) in the State of Hawai'i, DHHL requires its developers and individual lessees to comply with county building codes, standards, and processes. In general, county building codes require that the county conduct periodic inspections at key intervals during construction. The various county

codes may vary between county and typically cover plumbing, electrical, building, housing, land use, energy, and fire.

For example, the City and County of Honolulu conducts monitoring inspections for the building, land use, housing, and energy codes with a call in for final building code inspection. In addition, contractors or developers are required to call in for electrical, plumbing, and final building inspection. Electrical and plumbing call in (call in and schedule the inspection) is required at the various building stages of underground, rough in, fixture installation, and final inspections.

Subrecipients have transitioned into the requirement and projects that are directly controlled by DHHL have continued to provide the needed documentation.

Inspection of Assisted Housing (Table III)

Provide the information in table format summarizing the results of assisted housing unit inspection. The table should include the following information: Type of Housing; Total Number of Assisted Housing; Number of Units Inspected; Number of Units in Standard Condition; Number of Units Needing Moderate Rehabilitation (costing less than \$20,000); Number of Units Needing Substantial Rehabilitation (costing more than \$20,000); and Number of Units Needing Replacement (See Attachment 3 for a sample).

Table III . Inspection of Assisted Housing

Type of Housing	Total Number of Assisted Units	Units Inspected				
		Total Number of Units Inspected	Number of Units in Standard Condition	Number of Units Needing Moderate Rehabilitation (costing less than \$20,000)	Number of Units Needing Substantial Rehabilitation (more than \$20,000)	Number Units Needing Replacement
Homeownership (New Build)	32	32	32	0	0	0
Rental (NA)	0	0	0	0	0	0
Total	32	32	32	0	0	0

As noted in previous APRs, ALL units built on Hawaiian Home Lands are required to comply with the respective county building process to include permitting and compliance with applicable county building codes. Since the 2011 reporting period, DHHL has begun

to collect the county issued Certificate of Occupancy or similar document indicating that the unit has met applicable county inspection requirements. For DHHL infrastructure projects, DHHL collected Certificates of Occupancy during FYE June 30, 2013, K nehilli (8 of 8 units assisted), La'i ' pua (1 of 1 units assisted), Kumuhau (16 of 16 units assisted), and Habitats (6 of 6 units assisted), Waiohuli (1 of 1 units assisted)

There were nine (9) completed home repairs for the Home Repair Programs four (4) Honolulu and five (5) Hawaii. Home Rehabilitations were not included in the table above. Documentation of final inspection was received for all.

SECTION B . PUBLIC ACCOUNTABILITY

Section 820(d) of NAHASDA requires the DHHL to make the APR available for public comment and to provide a summary of any comments received from beneficiaries with the submission to HUD. The Department has not been able to finalize the APR until this date and as such, the document will be send either via email or USPS to the following organizations and individuals for comment:

The leadership of the Hawaiian home communities and the Hui K ko'o ' ina Ho'opulapula (Hui K ko'o), which represents the applicants on the DHHL waiting lists, as follows:

Island	Organization
Statewide	Hui K ko'o ' ina Ho'opulapula
	Sovereign Councils of Hawaiian Homelands Assembly
O'ahu	Papak lea Community Development Corporation
	Kal wahine Streamside Association
	K nehilli - East Kapolei 1 Undivided Interest
	Kapolei Community Development Corporation
	Kaupe'a Homestead Association
	Kewalo Hawaiian Homestead Community Assn.
O'ahu	Malu'ohai Residents Association
	N n kuli Hawaiian Homestead Community Association
	Papak lea Community Association
	Princess Kahanu Estates Hawaiian Homes Assoc.
	Wai'anae Kai Homestead Association
	Wai'anae Valley Homestead Association
Moloka'i	Waim nalo Hawaiian Homes Association
	Ahupua'a O Moloka'i
	Ho'olehua Homestead Agriculture Association
	Ho'olehua Homestead Association
	Kalama'ula Hawaiian Homestead Association
	Kalama'ula Mauka Homestead Association
	Kamiloloa-One Ali± Homestead Association
	Kapa'akea Homesteaders Association
Moloka'i Homestead Farmers Alliance	
Maui	Moloka'i Livestock Association
	Ka 'Ohana O Kahikinui
	K kea Homestead Farm Lots Association

	Paukalo Hawaiian Homestead Community Association
	Villages of Leialii Association
	Waiehu Kou Community Homestead Assn
	Waiehu Kou Phase 3 Association, Inc.
	Waiehu Kou Phase IV
	Waiehu Kou Residence Lots, Phase 2 Assn.
	Waiohuli Hawaiian Homesteaders, Inc.
Kauai	Anahola Hawaiian Homes Association
	Anahola Hawaiian Land Farm Lots Association
	Kekaha Hawaiian Homestead Association
	Pi'ilani Mai Ke Kai
Hawaii West	Kailapa Community Association
	Kaniohale at the Villages of Laie 'ua
	Kawaihae Puaka'ima Community Association
	Laie 'ua 2020
	Waimea Hawaiian Homestead Association Inc.
Hawaii East	Kaumana Hawaiian Home Lands Assoc
	Keaukaha Community Association
	Keaukaha-Pana'ewa Farmers Association
	Maku'u Farmers Association
	Pana'ewa Hawaiian Home Lands Community Association
	Pi'ihonua Homestead Community Association

The Housing Directors in the State of Hawaii as follows:

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

The Hawaiian Service Institutions and Agencies (HSIA) as follows:

- 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 Hawaii, 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 L kahi. A non-profit organization formed to address the health care needs of the Native Hawaiian people.

Department of Hawaiian Home Lands Administrators as follows:

- Jobie M. K. Masagatani, Chairman Designate
- Darrell Young, Deputy to the HHC Chairman
- Derek Kimura, Executive Assistant
- William (Kamana) Mills, Special Assistant, Hawaiian Home Land (HHL) Claims
- Rodney Lau, Administrative Services Officer
- James Pao, Fiscal Management Officer
- Darrell Yagodich, Planning Program Manager
- Dean Oshiro, Homestead Services Administrator
- Linda Chinn, Land Management Division Administrator
- Sandra S. Pfund, Land Development Division Administrator
- Punialoha Chee, Information and Communications Office Administrator