



DEPARTMENT OF HAWAIIAN HOME LANDS

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NEWS RELEASE

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Hawaiian Homes Commission Supports Pana'ewa Community Center and East Hawai'i Loss Mitigation Pilot Projects

KEAUKAHA, HAWAII – The Hawaiian Homes Commission voted yesterday to issue a license for approximately 13 acres of Hawaiian Homes Trust lands to a Pana'ewa Hawaiian homestead organization for the construction of a community center that will include a community garden, incubator kitchen and classrooms.

The Kamoleao Laulima Community Resource Center is the vision of the Pana'ewa Hawaiian Home Lands Community Association (PHHLCA), a non-profit corporation serving Hawaiian homesteaders in Pana'ewa.

The PHHLCA, in partnership with the University of Hawai'i secured a \$605,000 grant from the U.S. Department of Housing and Urban Development for the planning, design and construction of the community center. Despite receiving professional planning and design work at pro bono or reduced rates, the PHHLCA is still \$200,000 short on the cost of infrastructure.

The Department of Hawaiian Home Lands (DHHL) is working with PHHLCA to investigate options to assist in financing necessary infrastructure improvements. Upon completion of the site work, DHHL will propose a 30-year license to the HHC for consideration and approval so that the construction of the community center can finally begin.

The HHC yesterday also approved a pilot program that has the potential to prevent lease cancellations for severely delinquent Hawaiian homesteaders in East Hawai'i.

East Hawai'i homesteaders were identified as the most severely delinquent on DHHL direct loans in a report by the State Auditor released in April. Outreach by DHHL staff set up interim repayment plans with 67 percent of delinquent East Hawai'i lessees.

In the pilot project, lessees who have set-up interim repayment plans will explore loss mitigation options using federal funds provided under the Native Hawaiian Housing Block Grant to refinance, pay the past due amount, and/or defer partial repayment, in an effort to get out of delinquency.

However, 19 percent of East Hawai'i lessees in delinquency did not respond or expressed no interest in making an effort to address their delinquency, and will therefore be referred to the Department's contested case hearing process. The remaining 14 percent of lessees are already in the lease cancellation process.

The Commission reconvened today at the East Hawai'i District Office in Keaukaha. For a copy of the HHC Agenda and for more information, visit dhhl.hawaii.gov/hhc.

ABOUT THE KAMOLEAO LAULIMA COMMUNITY RESOURCE CENTER

The Kamoleao Laulima Community Resource Center is planned for 12.77 acres in Pana'ewa along Puainako Street, between 'Olu'olu Street and Railroad Avenue. The goal of the community center is to provide low- and moderate-income native Hawaiian youths, adults, and families with community-based education and training in: financial literacy, micro-enterprise business development, food cultivation, environmental stewardship, and Hawaiian culture and language. Construction plans include a 1,800 square-foot incubator kitchen and classroom building, and a two-acre community garden.

ABOUT THE EAST HAWAII LOSS MITIGATION PROGRAM

Eligibility criteria for participation in the pilot program include: (1) having income that does not exceed 80 percent of the area median income; (2) having a direct loan that has never been refinanced; (3) enrolling and successfully completing financial literacy education; (4) being disabled; (5) experiencing hardship and other mitigating factors.

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