

**AFFORDABLE HOUSING PRODUCTION  
PROGRAM**

**FY2023-24 ANNUAL PLAN**

**County of Hawaii  
Office of Housing and Community Development  
1990 Kino'ole Street, Suite 102  
Hilo, Hawai'i 96720  
Phone: 808-961-8379**

## EXECUTIVE SUMMARY

The Office of Housing and Community Development (OHCD) was appropriated \$9,000,000 in Fiscal Year (FY) 2022 and another \$9,000,000 in FY 2023 for the Affordable Housing Production (AHP) Program. Due to the time it took to develop and approve Administrative Rules and create the electronic application for the program, the appropriations from two (2) fiscal years were combined into one Request for Proposal (RFP).

In March 2023, the OHCD held two (2) public meetings to hear the community's views and comments on the needs for affordable housing, which included:

- Workforce Housing
- Rental Housing
- Single-family housing
- Multi-family housing

The Administrative Rules providing the framework for administering the AHP Program were finalized and approved effective April 9, 2023.

The OHCD set goals and priorities for the FY 2023-24 funding round:

1. To increase the supply of affordable units by prioritizing new construction or acquisition of land or market units to produce affordable units;
2. To prioritize households earning between 100% and 140% of the Area Median Income (AMI); and
3. To produce affordable rental units with longer-term affordability periods.

The Request for Proposal period started on May 1, 2023, and closed on July 31, 2023, for \$17,324,559.46 in AHP funds. During this time, the OHCD provided technical assistance to applicants and received twenty (20) proposals, totaling \$55,405,685.58 to add/impact 1,609 units. Examples of project proposals include acquisition of property, new construction, infrastructure, rehabilitation, deferred payment loan program, and residential repair loan program.

The Selection Committee reviewed, ranked, and rated each proposal and based their scores on the following objectives, along with how projects aligned with the set goals and priorities:

- Project Impact and Delivery
- Project Readiness
- Project Funding and Leverage
- Applicant Qualifications

**FUNDING**

|                                                       |               |
|-------------------------------------------------------|---------------|
| FY2022-23 Allocation                                  | \$ 9,000,000  |
| FY2023-24 Allocation                                  | \$ 9,000,000  |
| *Set-Aside                                            | -             |
| **FY2022-23 and FY2023--24<br>Administrative Expenses | \$ 675,440.54 |

**TOTAL AMOUNT AVAILABLE TO FUND: \$ 17,324,559.46**

\*Discretionary up to 30% of the total appropriated amount per Section §1-3 Funding (6) Administrative Rules

\*\*Allocation can be up to 10% of the total appropriated amount per Section §1-3 Funding (5) Administrative Rules

**SUMMARY OF PROJECTS FUNDED**

| <b>Project Name</b>               | <b>Total Amount Requested</b> | <b>Total Amount Funded</b> | <b>Units added/impacted</b> |
|-----------------------------------|-------------------------------|----------------------------|-----------------------------|
| Na Hale Makoa                     | \$2,000,000                   | <b>\$2,000,000</b>         | 140                         |
| Manago Mauo                       | \$5,500,000                   | <b>\$5,500,000</b>         | 72                          |
| Land Trust Pa Ali'i Street        | \$300,000                     | <b>\$300,000</b>           | 1                           |
| Land Trust University Heights     | \$300,000                     | <b>\$300,000</b>           | 1                           |
| Ho'omalulu at Waikoloa            | \$3,000,000                   | <b>\$3,000,000</b>         | 229                         |
| Kamakoa Nui Workforce Housing     | \$5,400,000                   | <b>\$5,400,000</b>         | 643                         |
| Hale Ola O Mohouli                | \$2,000,000                   | <b>\$824,559.46</b>        | 90                          |
| <b>Total of 7 projects funded</b> | <b>\$18,500,000</b>           | <b>\$17,324,559.46</b>     | <b>1,176</b>                |

## ***Na Hale Makoa***

|                             |                                                                                                                                                                                 |
|-----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Name:               | Na Hale Makoa                                                                                                                                                                   |
| Applicant:                  | Kamakoa Nui Limited Partnership aka Pacific Housing Assistance Corporation (PHAC)                                                                                               |
| Total Requested:            | \$2,000,000                                                                                                                                                                     |
| Total Funded:               | \$2,000,000                                                                                                                                                                     |
| Location:                   | Waikoloa Village, Hawaii, District (9)                                                                                                                                          |
| Land Tenure:                | County-owned land                                                                                                                                                               |
| Project Type:               | New Construction                                                                                                                                                                |
| Housing Type:               | Rental, Multi-family                                                                                                                                                            |
| Target Population:          | Family                                                                                                                                                                          |
| Length of Affordability:    | 61 Years                                                                                                                                                                        |
| Affordability Restrictions: | 20 Units @ 30% Area Median Income (AMI)<br>89 Units @ 60% AMI<br>13 Units @ 80% AMI<br>10 Units @ 100% AMI<br>7 Units @ 140% AMI<br>1 Manager Unit<br>-----<br>Total: 140 Units |

*Kamakoa Nui Limited Partnership, a for-profit organization, requested a total amount of \$2,000,000 in AHP Program funds to support the development of a 140-unit multi-family rental project. The project includes 40 one-bedroom units, 80 two-bedroom units, and 20 three-bedroom units, including one manager unit. These units will be available to households earning between 30% to 140% of the AMI. The affordability period for these affordable units will be 61 years.*

## ***Manago Mauo***

|                             |                                                                                                 |
|-----------------------------|-------------------------------------------------------------------------------------------------|
| Project Name:               | Manago Mauo                                                                                     |
| Applicant:                  | Mental Health Kokua (MHK)                                                                       |
| Total Requested:            | \$5,500,000                                                                                     |
| Total Funded:               | \$5,500,000                                                                                     |
| Location:                   | Captain Cook, South Kona, Hawaii, District (6)                                                  |
| Land Tenure:                | Manago Hotel, Private owner                                                                     |
| Project Type:               | Property Acquisition, Converting Hotel Units into Affordable Rentals                            |
| Housing Type                | Rental, Multi-family                                                                            |
| Target Population:          | Workforce                                                                                       |
| Length of Affordability:    | Perpetuity                                                                                      |
| Affordability Restrictions: | 71 Units @ 140% Area Median Income (AMI) or below<br>1 Manager Unit<br>-----<br>Total: 72 Units |

*Mental Health Kokua (MHK), a non-profit organization, requested a total amount of \$5,500,000 in AHP Program funds to acquire Manago Hotel with 72 market units to be converted into affordable workforce rentals. The project includes 67 studios, 2 one-bedroom, and 3 two-bedroom units. These units will be available to households earning no more than 140% of the AMI. The affordability period for these affordable units will be in perpetuity.*

### **Land Trust - Pa Ali'i Street**

|                             |                                                                           |
|-----------------------------|---------------------------------------------------------------------------|
| Project Name:               | Hale o Hawaii County - Pa Ali'i Street                                    |
| Applicant:                  | Housing and Land Enterprise of Hawaii County dba Hale o Hawaii County     |
| Total Requested:            | \$300,000                                                                 |
| Total Funded:               | \$300,000                                                                 |
| Location:                   | Royal Hawaiian Estates, Volcano, Hawaii, District (5)                     |
| Land Tenure:                | Owned by applicant                                                        |
| Project Type:               | New Construction                                                          |
| Housing Type:               | For-sale on leased land, Single-Family                                    |
| Target Population:          | Workforce                                                                 |
| Length of Affordability:    | Perpetuity                                                                |
| Affordability Restrictions: | 1 Unit @ 140% Area Median Income (AMI) or below<br>-----<br>Total: 1 Unit |

*Hale of Hawaii County, a non-profit organization designed as a Land Trust, requested a total amount of \$300,000.00 in AHP Program funds to develop one 3-bed/2.5-bath single-family dwelling unit. The unit will be available for sale to households earning between 60-140% of the AMI. The affordability period for this unit will be in perpetuity. Hale o Hawaii County operates on a self-sustaining model that focuses on reinvesting proceeds generated from the sale of AHP-funded property back into the construction of additional affordable homes.*

## ***Land Trust - University Heights***

|                             |                                                                                                             |
|-----------------------------|-------------------------------------------------------------------------------------------------------------|
| Project Name:               | Hale o Hawaii County - University Heights                                                                   |
| Applicant:                  | Housing and Land Enterprise of Hawaii County dba Hale o Hawaii County                                       |
| Total Requested:            | \$300,000                                                                                                   |
| Total Funded:               | \$300,000                                                                                                   |
| Location:                   | University Heights, Hilo, Hawaii, District (2)                                                              |
| Land Tenure:                | State owned land conveyed to County of Hawaii via Executive Order then leased to Hale o Hawaii for 65 years |
| Project Type:               | New Construction                                                                                            |
| Housing Type:               | For-sale on leased land, Single-Family                                                                      |
| Target Population:          | Workforce                                                                                                   |
| Length of Affordability:    | Perpetuity                                                                                                  |
| Affordability Restrictions: | 1 Unit @ 140% Area Median Income (AMI) or below<br>-----<br>Total: 1 Unit                                   |

*Hale of Hawaii County, a non-profit organization designed as a Land Trust, requested a total amount of \$300,000.00 in AHP Program funds to develop one 3-bed/2.5-bath single-family dwelling unit. The unit will be available for sale to households earning between 60-140% of the AMI. The affordability period for this unit will be in perpetuity. Hale o Hawaii County operates on a self-sustaining model that focuses on reinvesting proceeds generated from the sale of AHP-funded property back into the construction of additional affordable homes.*

## ***Ho'omalua at Waikoloa***

|                             |                                                                                                                                      |
|-----------------------------|--------------------------------------------------------------------------------------------------------------------------------------|
| Project Name:               | Ho'omalua at Waikoloa                                                                                                                |
| Applicant:                  | Ho'omalua at Waikoloa LP aka Stanford Carr                                                                                           |
| Total Requested:            | \$3,000,000                                                                                                                          |
| Total Funded:               | \$3,000,000                                                                                                                          |
| Location:                   | Waikoloa, Hawaii, District (9)                                                                                                       |
| Land Tenure:                | Land owner Waikoloa Development Co. to convey land subject to 201H approval and closing of all financing                             |
| Project Type:               | New Construction                                                                                                                     |
| Target Population:          | Workforce                                                                                                                            |
| Housing Type:               | Rental, Multi-family                                                                                                                 |
| Length of Affordability:    | 65 Years                                                                                                                             |
| Affordability Restrictions: | 12 Units @ 30% Area Median Income (AMI)<br>168 Units @ 60% AMI<br>48 Units @ 100% AMI<br>1 Manager Unit<br>-----<br>Total: 229 Units |

*Ho'omalua at Waikoloa LP, a for-profit organization, requested a total amount of \$3,000,000.00 in AHP Program funds to support the development of a 228-unit workforce rental housing. The project includes 30 one-bedroom units, 168 two-bedroom units, and 30 three-bedroom units. These units will be available to households earning between 30% -100% of the AMI. The affordability period for these 229 affordable units will be 65 years.*

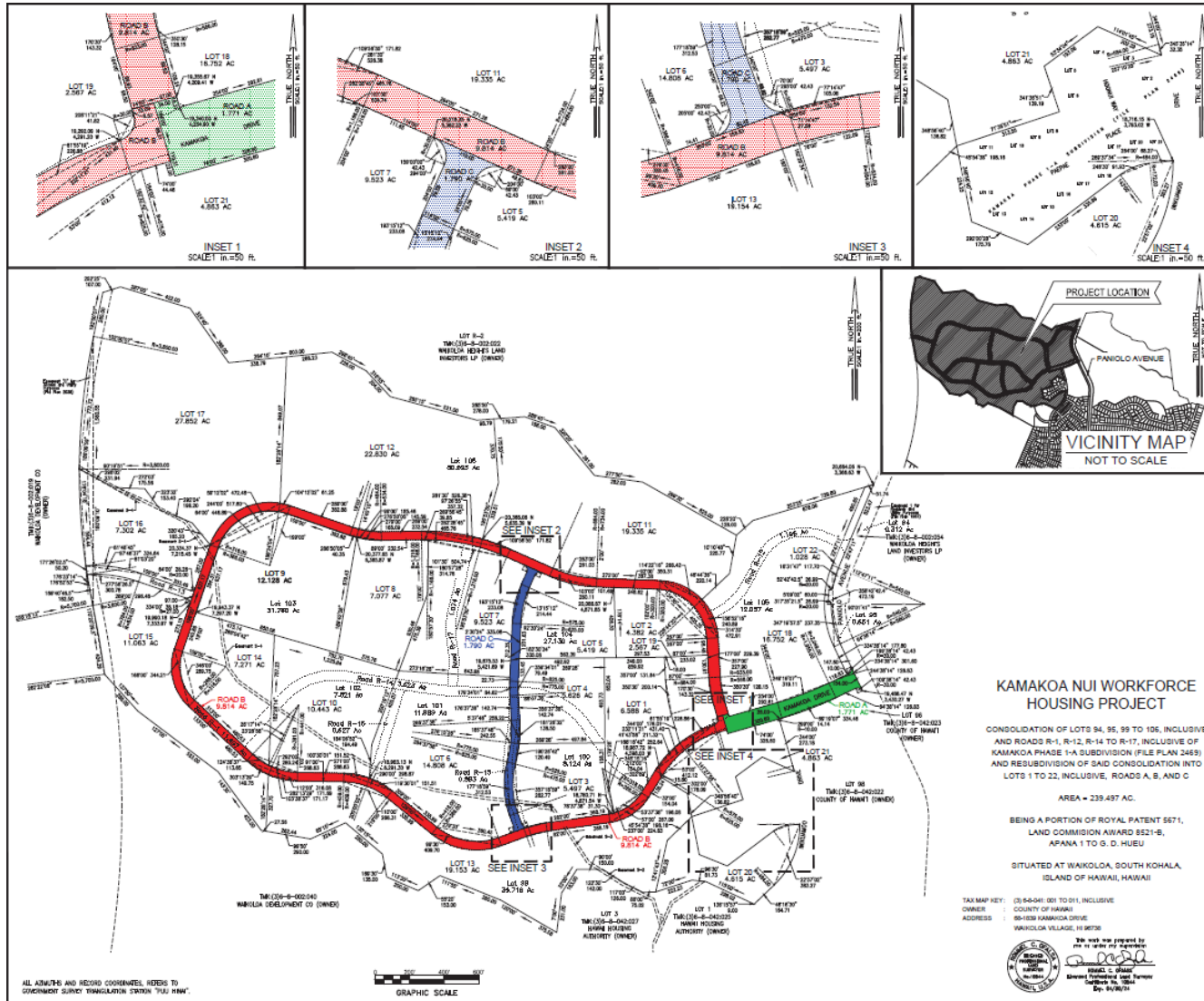


## ***Kamakoia Nui Workforce Housing – Mini Loop***

|                             |                                                                                                                                                          |
|-----------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|
| Project Name:               | Kamakoia Nui Workforce Housing-Mini Loop Road and Infrastructure Development                                                                             |
| Applicant:                  | Office of Housing and Community Development (OHCD)<br>Community Development Division                                                                     |
| Total Requested:            | \$5,400,000                                                                                                                                              |
| Total Funded:               | \$5,400,000                                                                                                                                              |
| Location:                   | Waikoloa, Hawaii, District (9)                                                                                                                           |
| Land Tenure:                | County-owned land                                                                                                                                        |
| Project Type:               | Infrastructure (Road), providing access to 9 parcels for the development of 643 residential units.                                                       |
| Housing Type:               | For Sale & Rental                                                                                                                                        |
| Target Population:          | Family                                                                                                                                                   |
| Length of Affordability:    | Minimum 20 years (rental) 10 years (for-sale) with potential for extension (RFP)                                                                         |
| Affordability Restrictions: | 318 Units @ 60% Area Median Income (AMI)<br>132 Units @ 120% AMI<br>193 Units @ 140% AMI<br>-----<br>Total: 643 Units: 318 rental and 325 for-sale units |

*The Office of Housing and Community Development (OHCD), Community Development Division, a public agency, requested a total amount of \$5,400,000 in AHP Program funds for the development of essential road and utility infrastructure, enabling the development of an estimated 643 housing units which includes 318 rental and 325 for-sale units. This initiative, "Mini Loop," is a segment of a broader infrastructure plan designed to provide access to other County-owned parcels, facilitating future affordable housing development. (see attached map) Upon successful infrastructure implementation, the agency intends to initiate a Request for Proposal (RFP) process to identify qualified developers for the new construction phase. The affordability period for these 643 units will be for a minimum of 20 years (rentals) and 10 years (for sale), with the potential for further extension as determined by the developer's proposal during the RFP process.*

# Kamakoa Nui Workforce Housing – Mini Loop MAP



## ***Hale Ola O Mohouli***

|                             |                                                                                                            |
|-----------------------------|------------------------------------------------------------------------------------------------------------|
| Project Name:               | Hale Ola O Mohouli                                                                                         |
| Applicant:                  | Hawaii Island Community Development Corporation (HICDC)                                                    |
| Total Requested:            | \$2,000,000                                                                                                |
| Total Funded:               | * \$824,559.46                                                                                             |
| Location:                   | Hilo, Hawaii, District (2)                                                                                 |
| Land Tenure:                | State owned land conveyed to County of Hawaii via Executive Order then leased to HICDC for 65 years        |
| Project Type:               | New Construction                                                                                           |
| Housing Type:               | Rental, Single-Family, Pocket Neighborhood                                                                 |
| Target Population:          | Family                                                                                                     |
| Length of Affordability:    | 61 Years                                                                                                   |
| Affordability Restrictions: | 5 Units @ 30% Area Median Income (AMI)<br>84 Units @ 60% AMI<br>1 Manager Unit<br>-----<br>Total: 90 Units |

\* Due to the limited availability of AHP Program funds, OHCD could only provide a partial award.

*Hawaii Island Community Development Corporation (HICDC), a non-profit organization, requested a total amount of \$2,000,000 in AHP Program funds to support the development of 90 single-family dwelling units in a pocket neighborhood setting. This project includes 38 one-bedroom units and 52 two-bedroom units. These units will be available to households earning between 30% - 60% of the AMI. The affordability period for these 90 affordable units will be 61 years.*

# AFFORDABLE HOUSING PRODUCTION FUND FISCAL YEAR 2023-24 PROJECTS

