

**AFFORDABLE HOUSING PRODUCTION
(AHP) PROGRAM**

FY2023-24 ANNUAL REPORT

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

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EXECUTIVE SUMMARY

Funding for the Affordable Housing Production (AHP) Program is made possible through Ordinance 22-77, which appropriates at least \$5,000,000 per year for the Office of Housing and Community Development (OHCD) to facilitate programs that support affordable housing production in the County of Hawai'i (County).

In Fiscal Years (FY) 2022-23 and FY2023-24, the OHCD was appropriated a total of \$18,000,000 for the AHP Program. The OHCD successfully developed the Administrative Rules for the AHP Program, issued a Request for Proposals (RFP) with the combined appropriation from the two fiscal years, and awarded seven projects totaling \$17,324,559.46. These projects are currently at various stages of predevelopment and development. The purpose of this report is to provide transparency and accountability regarding the use of funds and the progress of the awarded projects, as outlined in the AHP Program Administrative Rules Section § 2-2 Annual Report.

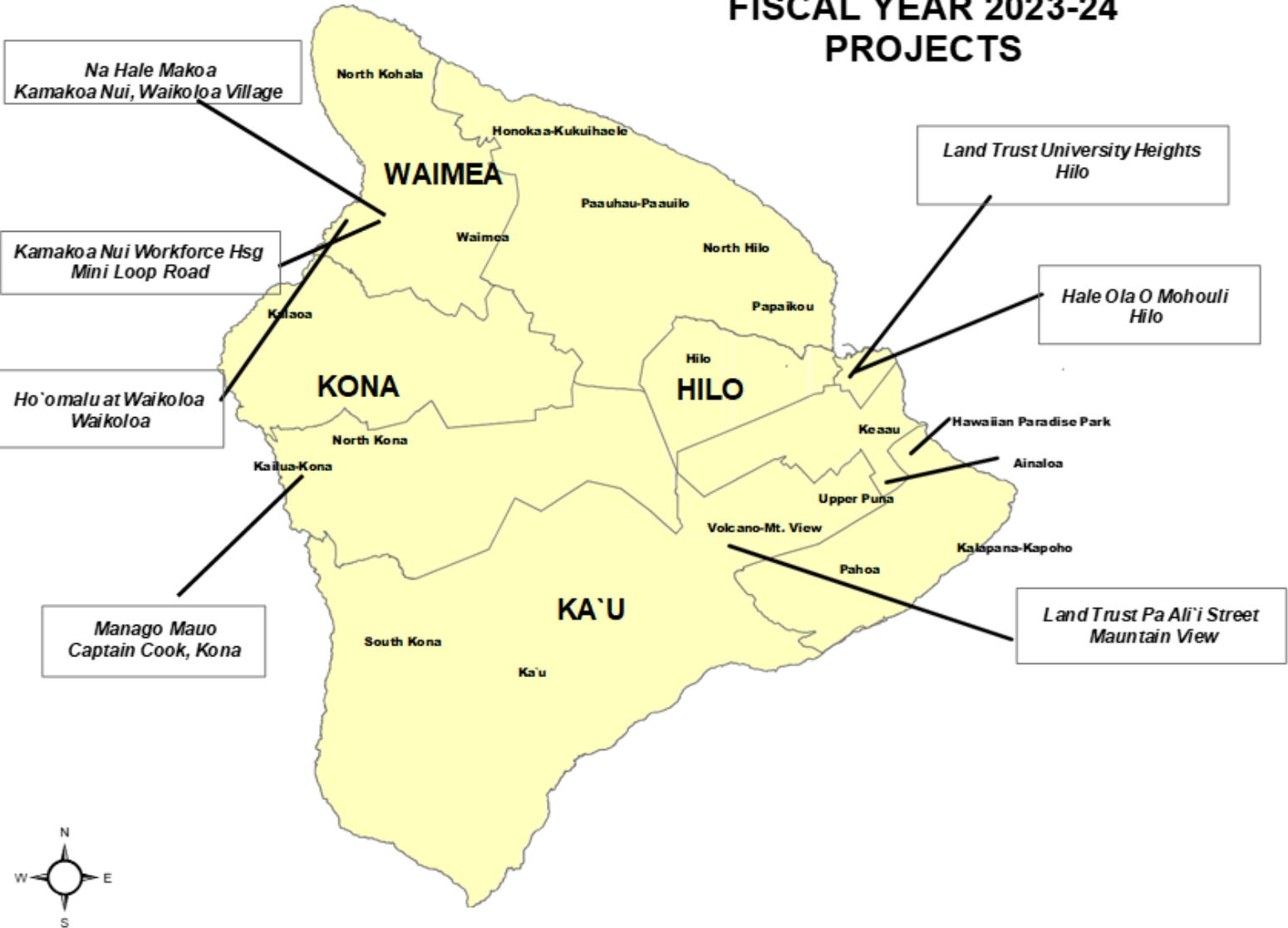
Key Statistics

- Total Appropriation: \$18,000,000
- Total Funds Awarded: \$17,324,559.46
- Total Projects Awarded: 7

FY2023-24 SUMMARY OF THE FUNDED PROJECTS

Project Name	Total Amount Requested	Total Amount Funded	Units Added/Impacted	District
Na Hale Makoa	\$2,000,000	\$2,000,000	140	9
Manago Mauo	\$5,500,000	\$5,500,000	72	6
Land Trust Pa Ali'i Street	\$300,000	\$300,000	1	5
Land Trust University Heights	\$300,000	\$300,000	1	2
Ho'omalulu at Waikoloa	\$3,000,000	\$3,000,000	229	9
Kamakoa Nui Workforce Housing	\$5,400,000	\$5,400,000	643	9
Hale Ola O Mohouli	\$2,000,000	\$824,559.46	90	2
Total of 7 projects	\$18,500,000	\$17,324,559.46	1,176	

AFFORDABLE HOUSING PRODUCTION FUND FISCAL YEAR 2023-24 PROJECTS



INTRODUCTION:

In its first year post-award, the OHCD established a strong foundation for the future success of the AHP Program and its projects. While no housing units were completed this year, substantial progress was made through the initiation and advancement of each funded project to increase the affordable housing availability in the County. The strategic allocation of funds facilitated housing developments directly supported by the County for the first time while encouraging further private and public investments and partnerships. This approach has accelerated progress on multiple fronts, making the housing development process more streamlined and effective.

FY2023-24 SUMMARY OF THE PROJECT STATUS:

Project	Environmental Compliance	Grant Agreement	Obligation of Funds	Anticipated Start
Na Hale Makoa	Completed	In Progress		Q3 2024
Manago Mauo*	Completed	-	-	-
Land Trust Pa Ali'i Street	Completed	Completed	Completed	In Progress
Land Trust University Heights	Completed	Completed	Completed	In Progress
Ho'omalua at Waikoloa	Completed	Pending		Q2 2025
Kamakoa Nui Workforce Housing	Completed	In Progress		Q3 2024
Hale Ola' O Mohouli	Completed	Pending		Q2 2025

* (see page 6)

FY2023-24 SUMMARY OF THE ADMINISTRATIVE EXPENDITURE:

Per the AHP Program Administrative Rules §1-3 (5): On an annual basis, up to 10% of the fund's appropriation shall be used for administrative expenses by the OHCD.

For the combined allocation of FY2022-23 and FY2023-24, the OHCD has allocated approximately 3.75% for this purpose.

FY2022-23 & FY2023-24 Administrative Allocation	Expenditure	Total Remaining
\$ 675,440.54	\$ 412,784.20	\$ 262,656.34

NA HALE MAKOA

Organization:	Pacific Housing Assistance Corporation (PHAC) dba Kamakoa Nui Limited Partnership
Funds Awarded:	\$2,000,000
Location:	Waikoloa Village, South Kohala, HI
Project Type:	New Construction (Rental)
Units:	140 (including one manager's unit)
Affordability Period:	61 years
Report Period:	FY2023-24

Current Status:

- Pre-construction Phase.

Milestones and Achievements:

- Additional Funding Secured: Secured additional Funding from the Hawai'i Housing Finance and Development Corporation (HHFDC), ensuring financial viability for the project's subsequent phases.

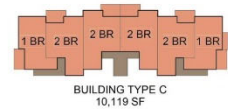
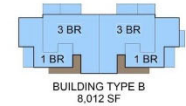
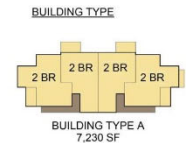
Upcoming Activities:

- Ground Lease: Finalize and Execute the Ground Lease.
- Grant Agreement and Obligation of Funds: Execute the AHP Program Grant Agreement and obligate funds with the relevant provider.
- Close Financing: Complete all necessary steps to close financing, enabling the project to proceed to construction.

Expenditure Report:

N/A, the project has yet to begin.

NA HALE MAKOA



MANAGO MAUO

Organization:	Mental Health Kokua (MHK)
Funds Awarded:	\$5,500,000
Location:	Captain Cook, South Kona, HI
Project Type:	Property Acquisition, Converting Hotel Units into Affordable Rentals
Units:	72 (including one manager's unit)
Affordability Period:	Perpetuity
Report Period:	FY2023-24

Current Status:

- Project Unable to Proceed: The parties could not agree on the terms of the purchase contract. As a result, the funds will be reallocated for future projects.

CANCELLED

LAND TRUST PA ALI'I STREET

Organization:	Housing and Land Enterprise of Hawaii County dba Hale o Hawaii County
Funds Awarded:	\$300,000
Location:	Royal Hawaiian Estates, Volcano, HI
Project Type:	New Construction (For-Sale)
Units:	1
Affordability Period:	Perpetuity
Report Period:	FY2023-24

Current Status:

- Construction Phase.

Milestones and Achievements:

- Building Permit: Approved.
- Grant Agreement and Obligation of Funds: Executed the AHP Program Grant Agreement and obligated funds with the relevant provider.

Upcoming Activities:

- Finalize Construction.
- Anticipated Completion: Q4 2024.

Expenditure Report:

Total Award	Total Expenditure	Total Remaining
\$300,000	-	-



Picture from: <https://www.hpmhawaii.com/homes>.

LAND TRUST UNIVERSITY HEIGHTS

Organization:	Housing and Land Enterprise of Hawaii County dba Hale o Hawaii County
Funds Awarded:	\$300,000
Location	University Heights, Hilo, HI
Project Type:	New Construction (For-Sale)
Units:	1
Affordability Period:	Perpetuity
Report Period:	FY2023-24

Current Status:

- Construction Phase.

Milestones and Achievements:

- Building Permit: Approved
- Grant Agreement and Obligation of Funds: Executed the AHP Program Grant Agreement and obligated funds with the relevant provider.

Upcoming Activities:

- Finalize Construction.
- Anticipated Completion: Q4 2024.

Expenditure Report:

Total Award	Total Expenditure	Total Remaining
\$300,000	-	-



Picture from: <https://www.hpmhawaii.com/homes>.

HO'OMALU AT WAIKOLOA

Organization:	Stanford Carr Development LLC dba Ho'omalua at Waikoloa LP
Funds Awarded:	\$3,000,000
Location:	Waikoloa, South Kohala, HI
Project Type:	New Construction (Rental)
Units:	229 (including one manager's unit)
Affordability Period:	65 years
Report Period:	FY2023-24

Current Status:

- Pending financing.

Milestones and Achievements:

- Funding Secured: Secured Rental Housing Revolving Funds (RHRF) from the Hawai'i Housing Finance and Development Corporation (HHFDC).
- Subsidy Secured: Secured Project-Based Housing Choice Vouchers to ensure the project's long-term sustainability.
- Submitted the funding application to the HHFDC.

Upcoming Activities:

- Pending Funding Decision from HHFDC: Results expected for Low Income Housing Tax Credit (LIHTC) and Hula Mae Multi-Family Program (HMMF) in July/August 2024.
- Grant Agreement and Obligation of Funds: If awarded, execute the AHP Program Grant Agreement and obligate funds with the relevant provider.
- Closing Financing: If awarded HHFDC funds, complete all necessary steps to close financing, enabling the project to proceed to construction.

Expenditure Report:

- N/A, the project has yet to begin.

HO'OMALU AT WAIKOLOA



KAMAKOIA NUI WORKFORCE HOUSING-MINI LOOP ROAD AND INFRASTRUCTURE DEVELOPMENT

Organization:	Office of Housing and Community Development (OHCD) – Community Development Division
Funds Awarded:	\$5,400,000
Location:	Waikoloa, South Kohala, HI
Project Type:	Infrastructure road development, providing access to 9 parcels. The parcels will be offered to developers through a Request for Proposals (RFP) process for the construction of approximately 643 residential units.
Units:	643 Units: 318 rental and 325 for-sale units
Affordability Period:	Minimum 20 years (rentals) or 10 years (for-sale) with potential for extension through the RFP process.
Report Period:	FY2023-24

Current Status:

- Planning and Design.

Milestones and Achievements:

- Funding Secured: Secured additional funding from the Capital Improvement Project (CIP) Fund.
- Planning and Design: Contracted with Sam O. Hirota, Inc. to plan the infrastructure development.

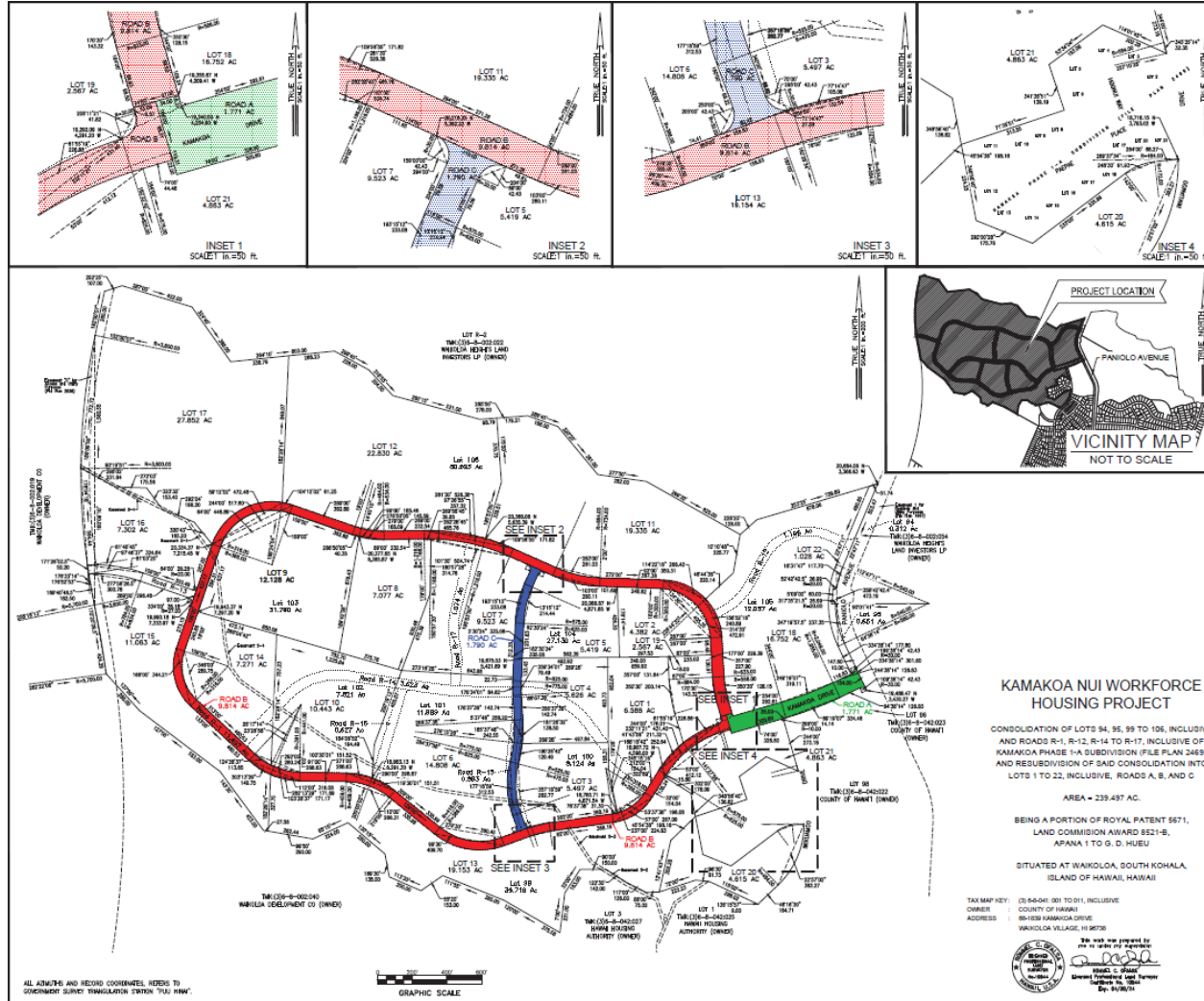
Upcoming Activities:

- Finish Planning and Design.
- Grant Agreement and Obligation of Funds: Execute the AHP Program Grant Agreement and obligate funds with the relevant provider.
- Construction Start.

Expenditure Report:

- N/A, the project has yet to begin.

KAMAKOIA NUI WORKFORCE HOUSING-MINI LOOP ROAD AND INFRASTRUCTURE DEVELOPMENT



HALE OLA‘ O MOHOULI

Organization:	Hawaii Island Community Development Corporation (HICDC) dba Hale Ola O Mohouli LLLP
Funds Awarded:	\$824,559.46
Location:	Hilo, HI
Project Type:	New Construction (Rental)
Units:	90 (including one manager’s unit)
Affordability Period:	61 years
Report Period:	FY2023-24

Current Status:

- Pending financing.

Milestones and Achievements:

- Funding Secured: Successfully secured funding from the HOME Investment Partnerships Program, Housing Trust Fund (HTF), and the Hawai‘i Housing Finance and Development Corporation (HHFDC) Rental Housing Revolving Funds (RHRF).

Upcoming Activities:

- Pending Funding Decision from HHFDC: Results expected for Low Income Housing Tax Credit (LIHTC) and Hula Mae Multi-Family Program (HMMF) in July/August 2024.
- Grant Agreement and Obligation of Funds: If awarded, execute the AHP Program Grant Agreement and obligate funds with the relevant provider.
- Closing Financing: If awarded HHFDC funds, complete all necessary steps to close financing, enabling the project to proceed to construction.

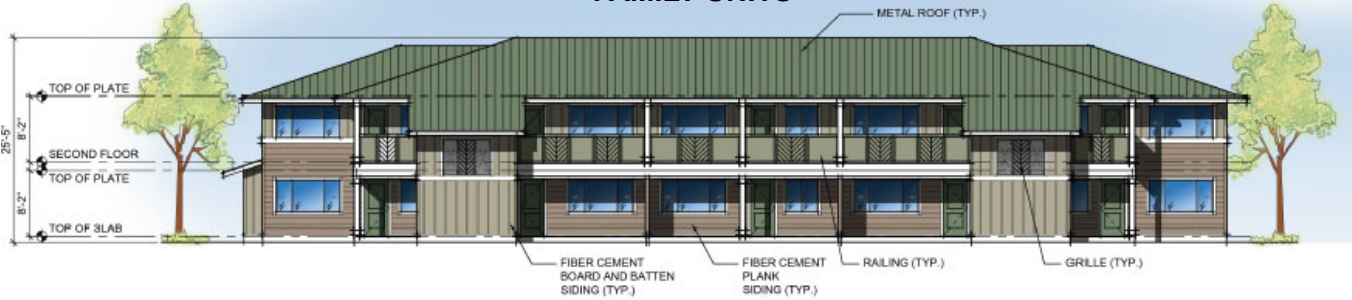
Expenditure Report:

- N/A, the project has yet to begin.

HALE OLA' O MOHOULI



FAMILY UNITS



SENIOR UNITS

