



STATE OF HAWAII
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
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CONSOLIDATED PLAN INFORMATIONAL PACKET
For
PY2021 Annual Action Plan
(July 1, 2021 – June 30, 2022)

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EQUAL HOUSING
OPPORTUNITY

STATE OF HAWAII CONSOLIDATED PLAN CYCLE
PY2021 Action Plan
 (July 1, 2021 to June 30, 2022)

DEVELOP PY2021 Action Plan

September – November 2020 Hold Series of Consultation Meetings for Action Plan

September 09, 2020 (Wednesday, 2:00 pm)	COUNTY OF HAWAII: via WebEx. Host: Office of Housing and Community Development. Access to WebEx: https://www.hawaiicounty.gov/departments/office-of-housing .
September 11, 2020 (Friday, 10:00 am)	COUNTY OF HAWAII: via WebEx. Host: Office of Housing and Community Development. Access to WebEx: https://www.hawaiicounty.gov/departments/office-of-housing .
TBD, October 2020	CITY and COUNTY of HONOLULU: Host: Hawaii Housing Finance and Development Corporation and the City and County of Honolulu's Department of Budget and Fiscal Services. Access to ZOOM , TBD
TBD, Sept/Oct 2020	MAUI: Host: Housing Division, Department of Housing and Human Concerns. Virtual access TBD.
TBD, November 2020	KAUAI: Host: Kauai County Housing Agency. Virtual access TBD.
November 2020 – February 2021	Develop PY2021 Action Plan
February 12, 2021	Counties' & DHS-BESSD deadline to submit Action Plan information to HHFDC.
March 5, 2021	Mail Draft Action Plan to Counties and libraries for public review and comment
March 12, 2021	Publish Notice of Public Comment on Draft PY2021 Action Plan
March 13, 2021	Start 30-day period to accept public comment on the Draft PY2021 Action Plan
April 11, 2021	End of public comment period
April 23, 2021	Deadline to respond to public comments
May 13, 2021	HHFDC Board consideration of PY2021 Action Plan
May 14, 2021	Submit PY2021 Action Plan to HUD
July 1, 2021 – June 30, 2022	Implement Annual Action Plan – Program Year 2021-2022

PURPOSE OF THE CONSOLIDATED PLAN

The Consolidated Plan is an application by the Hawaii Housing Finance and Development Corporation (HHFDC) to the U. S. Department of Housing and Urban Development (HUD) for funding through the HOME Investment Partnerships Program (HOME), the National Housing Trust Fund (HTF) program, the Emergency Solutions Grant Program (ESG), and the Housing Opportunities for Persons with AIDS (HOPWA) program. The HOME, ESG and HOPWA funds are utilized in the Counties of Hawaii, Kauai, and Maui; the City and County of Honolulu receives a direct allocation of these funds from HUD. HTF funds are utilized statewide, including the City and County of Honolulu.

The Consolidated Plan process is mandated by HUD to ensure that jurisdictions receiving direct federal assistance develop and utilize a plan for its housing and related needs of extremely low-, very low-, low- and moderate-income families in a way that improves the availability and affordability of decent, safe and sanitary housing within a suitable living environment.

In May 2020, the Hawaii Housing Finance and Development Corporation (HHFDC) adopted the Consolidated Plan for the period July 1, 2020 through June 30, 2025. The Consolidated Plan established these priorities:

- Construction of affordable rental units for both the general population and for special needs populations;
- Provision of tenant-based rental assistance;
- Development (new construction or rehabilitation of existing buildings) of transitional housing units;
- Project development and construction of affordable for-sale homes;
- Provision of down-payment/closing cost assistance and gap loans;
- Funding for operations of shelters for the homeless and for victims of domestic violence, including the transition to permanent housing;
- Funding for activities supporting homelessness prevention and rapid re-housing to help individuals and families living on the streets or in emergency shelters achieve stability through permanent housing placement;
- Housing information and rental assistance to persons with HIV/AIDS; and
- Support for fair housing education and training.

HHFDC will be adopting an Annual Action Plan (AAP) for the one-year period of July 1, 2021 through June 30, 2022. The HHFDC administers the HOME and HTF programs, and the State's Department of Human Services - Benefits, Employment and Support Services Division administers the ESG and HOPWA programs.

Citizens may participate in the planning process through public hearings on needs and priorities and through the review and comment period on the AAP and any substantial amendments.

STATE OF HAWAII
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
HOME INVESTMENT PARTNERSHIPS PROGRAM
(Program Year 2021-2022)

The HOME Investment Partnerships Program (HOME) is a federally-funded program created by the National Affordable Housing Act of 1990. This program is intended to be a locally designed and administered program which: 1) expands the supply of decent, safe, affordable, and sanitary housing, with primary attention to low income rental housing; 2) strengthens the abilities of state and local governments to design and implement affordable housing strategies; and 3) provides both federal financing and technical assistance.

According to the HOME Program regulations, the State of Hawaii (the “State”) is the Participating Jurisdiction (PJ); the Hawaii Housing Finance and Development Corporation (HHFDC) is the agency designated to administer the HOME Program for the State. The HOME Program requires that all HOME funds be utilized to assist households earning 50%, 60% or 80% or below of the area median income.

Each year, the U.S. Department of Housing and Urban Development (HUD) determines by formula the amount of HOME funds that States and units of local governments are eligible to receive. In PY 2021-22, the State anticipates receiving approximately \$3,000,000 in HOME funds. The State distributes its HOME funds in accordance with the State Consolidated Plan which provides information on the State’s housing needs, primarily in the counties of Hawaii, Kauai, and Maui, and a strategic plan to address those needs. The State has designated the counties of Hawaii, Kauai and Maui as HOME State Recipients to administer the State’s HOME funds to address their respective housing needs. In accordance with HHFDC’s allocation policy, the County of Hawaii is designated to receive the state’s entire HOME allocation in PY2021-22, less five percent for HHFDC’s administration of the program.

HOME funds can be used to expand and/or preserve the supply of safe, decent and affordable rental housing. This includes new construction or acquisition and/or rehabilitation of rental housing units affordable to very low- and low-income families. HOME funds also can be used for tenant-based rental assistance and new construction, acquisition and/or rehabilitation of housing for affordable homeownership.

The State’s HOME Program encourages any program or activity funded in whole or in part with HOME funds to avoid the displacement of individuals and families unless it is the only practical alternative. Should HOME funds be utilized for such an activity, the HHFDC as well as the State Recipients, will comply with Section 104(d) of the Housing and Community Development Act of 1974, as amended, and the Uniform Relocation Act.

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STATE OF HAWAII
HAWAII HOUSING FINANCE AND DEVELOPMENT CORPORATION
HOUSING TRUST FUND PROGRAM
(Program Year 2021-2022)

The National Housing Trust Fund Program (HTF) is a new federally-funded program which was created by Section 1131 of Title I of the Housing and Economic Recovery Act of 2008. This program is intended to be a locally designed and administered program to increase and preserve the supply of decent, safe, sanitary, and affordable housing, with primary attention to rental housing for extremely low-income and very low-income households, including homeless families. HUD launched this program in PY2016, and HHFDC was designated to administer the HTF program for the State of Hawaii.

HUD has issued the HTF Interim Rule to establish regulations that will govern the program. HUD will determine annually by formula the amount of HTF that states are eligible to receive. By statute, HUD will provide states a minimum annual allocation of \$3,000,000 or, if funding is insufficient, HUD will publish an alternative methodology for public comment. HTF funds can be used for the new construction or acquisition and/or rehabilitation of rental housing units affordable to extremely low-income families ($\leq 30\%$ Area Median Income), and some operating costs for rental projects. Up to 10% of HTF funds may also be used for homeownership housing, restricted to first-time homebuyers with incomes at or below 30% AMI.

HHFDC's HTF allocation plan sets forth the distribution of HHFDC's HTF funds in accordance with the State's Consolidated Plan. Due to the limited amount of HTF funds available, HHFDC's allocation plan allows the utilization of its HTF funds solely for rental housing activities serving households with incomes at or below 30% of the area median income in all four counties. Under the plan, HHFDC retains 5% of the annual allocation for administration. In past allocations, HHFDC annually distributed 50% of the HTF funds to the City and County of Honolulu (City) and rotated the remaining 50% to one of the neighbor island counties, in accordance with the rotation of HOME funds. In accordance with HHFDC's HOME rotation, HHFDC proposes to distribute 50% of the PY2021 HTF allocation to the County of Hawaii, subject to the approval of HHFDC's Board of Directors.

Last year (PY2020), HHFDC elected not to allocate 50% of the HTF funds to the City, to allow the City time to focus on meeting deadlines for prior years' HTF allocations and to improve its HTF program administration. For PY2021, HHFDC is again considering alternatives, subject to the approval of HHFDC's Board of Directors, to allocating HTF funds (approximately \$1,425,000) to the City, including the distribution of these funds to HHFDC's other Subgrantees, or to eligible recipients.

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STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
Benefits, Employment and Support Services Division
Homeless Programs Office

**EMERGENCY SOLUTIONS GRANT (ESG) PROGRAM
(Program Year 2021-2022)**

The Emergency Shelter Grant Program, authorized by 24 CFR Part 576, was revised to focus less on emergency shelters and more on homelessness prevention and rapid re-housing. To better reflect its objectives, the name of the program was also changed to the Emergency **Solutions** Grant (ESG). Funds are provided to states, local governments, and to private nonprofit organizations to assist individuals and families living in places not meant for human habitation or in publicly or privately-operated shelters designated to provide temporary living arrangements.

Eligible homeless participants are provided supportive services and financial assistance to attain and sustain permanent housing. Additionally, ESG funds enable service providers to assist at-risk individuals and families on the brink of homelessness to remain in stable, permanent housing. ESG funds may also be used to either improve the quality of existing emergency shelters for the homeless or help to make additional homeless shelters available through the rehabilitation or conversion of existing buildings. ESG can be used to pay certain operating and social service expenses in connection with emergency shelters for the homeless, and for homeless prevention activities. This allows persons who are homeless to have access to safe and sanitary shelter as well as supportive services and other kinds of assistance needed to improve their situation. The State utilizes the ESG funds for operational costs such as utility payments, insurance and security for emergency shelters.

The State anticipates receiving approximately \$450,000 of ESG funds for PY2021-2022.

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**HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS
(Program Year 2021-2022)**

The Housing Opportunities for Persons with AIDS (HOPWA) Program, authorized by 24 CFR Part 574, provides resources and incentives to states, local governments, and private nonprofit organizations to devise long-term comprehensive strategies for meeting the housing needs of persons with acquired immunodeficiency syndrome (AIDS) or related diseases and their families. HOPWA funds may be used to support all forms of housing designed to prevent homelessness including emergency housing, shared housing arrangements, apartments, single-room occupancy (SRO) dwellings and community residences. Also allowed are housing information services; resource identification; acquisition, rehabilitation, conversion, lease, and repair of facilities to provide housing and services; new construction for SRO dwellings and community facilities; project or tenant-based rental assistance; short-term rent, mortgage, and utility payments to prevent homelessness of the tenant or mortgagor of a dwelling.

The State anticipates receiving approximately \$250,000 of HOPWA funds for PY2021-2022.

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