



U.S. Department of Housing and Urban Development

Honolulu Field Office – Region IX
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OFFICE OF COMMUNITY PLANNING
AND DEVELOPMENT
9CD-22388

October 17, 2022

The Honorable Mitch Roth
Mayor of the County of Hawaii
25 Aupuni Street
Hilo, HI 96720

Dear Mayor Roth:

**SUBJECT: Annual Community Assessment (ACA) Report
Program Year 2021**

This letter is being sent to convey HUD's assessment of the County of Hawaii's (County's) performance for its 2021 Community Planning and Development (CPD) Program Year. The report reflects the County's efforts to ensure HUD program compliance. As part of HUD's annual review, the Department wants to take this opportunity to address the Community Development Block Grant (CDBG) program timeliness requirements, and the importance it plays in ensuring that the intent of the CDBG program is achieved.

HUD CDBG regulations require recipients to carry out their CDBG activities in a timely manner thus ensuring low- and moderate-income persons are assisted. The standard requires grantees to be at a 1.50 CDBG timeliness ratio 60 days prior to the end of their program year. On the test date of May 2, 2022, the County had a CDBG timeliness ratio of 1.29. HUD is pleased that the County is in compliance with the timeliness regulations and congratulates the County on the successful implementation of the CDBG Program.

The enclosed Annual Community Assessment Report reflects HUD's assessment of the County's implementation of its CPD programs. The County will have 30 days from the date of this letter to comment on the report. Should the County not wish to comment on the report, or fail to comment within the above time period, please consider the report final and make it available to the public using your standard notification process.

If you have any questions or need assistance, please contact Brian Johnson, Senior CPD Representative, at 808-457-4681 or Brian.R.Johnson@hud.gov. If responding in writing to this letter please provide your response as a PDF document to CPDHonolulu@hud.gov.

Sincerely,



For Mark A. Chandler, Director
Office of Community Planning
and Development

Enclosure

cc:

Hawaii County, OHCD, Housing Administrator (w/enclosure)

9CE: Madaraka (w/enclosure)

File: 9CD Official Files, HC PY 2021

ANNUAL COMMUNITY ASSESSMENT REPORT

County of Hawaii

2021 Program Year: July 1, 2021 to June 30, 2022

HUD Point of Contact:

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Introduction

The Housing and Community Development Act of 1974, as amended, and the National Affordable Housing Act of 1990, require federal grant recipients receiving federal assistance under the Act to submit an annual performance report disclosing the status of grant activities. The Department of Housing and Urban Development (HUD) is required by 24 CFR 91.525 to determine whether the grant recipient is in compliance with the statutes and has the continuing capacity to implement and administer the programs for which assistance is received. In accordance with 24 CFR 91.525, our comments below incorporate our assessment of the County of Hawaii's (County's) Program Year 2021 (PY21) performance.

In assessing the County's performance, HUD relied primarily upon the County's PY21 Consolidated Annual Performance and Evaluation Report (CAPER), technical assistance, remote monitoring, and communications with the County's federal programs staff. During this period, HUD has determined that the County generally met the intent of the Community Planning and Development (CPD) programs. Based on the County's accomplishments through the Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), and the Housing Trust Fund (HTF), the County has demonstrated its ability to carry out various housing and community development programs. HUD congratulates the County on its many accomplishments and its achievement of CPD program objectives.

Significant Performance Conclusions

In general, the County effectively administers the CDBG, HOME, and HTF grant funds. In accordance with the CDBG regulations, the timeliness ratio benchmark should be 1.50 sixty days prior to the end of the County's program year. The County's CDBG timeliness ratio was 1.29 as of May 2, 2022. HUD congratulates the County on its accomplishments and encourages the County to continue seeking ways for timely project implementation. As a reminder, HUD has advised all CDBG grantees that failure to meet the timeliness ratio of 1.50 may result in the loss of future grant funds.

The County is a recipient of the State of Hawaii's (State's) HOME and HTF program funds. While the primary source of HOME and HTF information is the State's CAPER, HUD notes that the County's CAPER did include substantial data to inform the citizens about HOME- and HTF-funded projects within the County.

Overall, the County has been successful in implementing activities in its Consolidated Plan by utilizing CDBG, HOME, and HTF funding.

CPD Programs

CDBG

CDBG projects selected by the County for the PY21, when complete, will primarily benefit low- and moderate-income persons. During this period, HUD noted that the County completed several CDBG-funded projects, including the following:

- the County through HOPE Services Hawaii completed the construction of a certified kitchen at the Kiheipua Shelter and accessibility improvements at the Hale Maluhia Shelter;
- completed the sewer line connection and are finalizing the kitchen and bathroom renovations at three of Mental Health Kookaa's special needs residences in Kailua-Kona;
- completed the installation of new breaker boxes and metering at the Kulaimano Elderly Housing project.

The County reported continuation for the following projects:

- The OHCD-Development Division has also started construction on various improvements at the West Hawaii Emergency Shelter including roof repairs and installation of a fire sprinkler system, solar hot water heaters, water cooler, ceiling fans and parking lot lighting with estimated completion in Fall 2022;
- Boys and Girls Club of the Big Island (BGCBI) utilized CDBG-CV funds to deliver new services not limited to childcare, academic support, homework

technology, youth resource transportation and daily nutritional supplementation for homeless families and low-income households residing in low-income census tract communities;

- The Food Basket utilized CDBG-CV funds to acquire equipment necessary for their emergency food distribution program allowing them to feed over 42,000 families with food insecurities due to Covid;
- The nonprofit Project Vision utilized CDBG-CV funds to hire outreach workers, mobile manager, equipment purchase, vehicle maintenance and necessary supplies to operate its mobile hygiene unit that provided hot private showers at various County locations and connected homeless people with services and resources such as vision and health screenings, referrals for various forms of assistance and basic necessities such as dental supplies, hair care products, water bottles and first aid supplies.

The County's Consolidated Plan describes the following four priority concerns that will be addressed: housing and special needs housing, homelessness, community development, and fair housing. HUD notes that during PY21, the County accomplished the following program objectives:

- **HOUSING & SPECIAL NEEDS:** The County provided rental assistance to 87 households through its Tenant Based Rental Assistance Program. Also completed the sewer line connection and are finalizing the kitchen and bathroom improvements to three special needs residential facilities in Kailua-Kona. In addition, started construction on two Habitat for Humanity Self-help homes in the Puna area.
- **HOMELESS:** The County completed the construction of a certified kitchen at the Kiheipua Family Shelter and completed the parking lot and interior and exterior accessibility improvements at the Hale Maluhia Shelter in Hilo. Started construction on various improvements at the West Hawaii Emergency Shelter including roof repairs and installation of a fire sprinkler system, solar hot water heaters, water cooler, ceiling fans and parking lot lighting with estimated completion in Fall 2022. CDBG-CV funds provided mobile health and hygiene services including hot showers, wound care, hygiene kits and referrals to supportive services to 2,649 homeless individuals in Hilo, Kailua-Kona and Pahoa.
- **COMMUNITY DEVELOPMENT:** The County is working closely with the State and County offices to procure for the 2024 Hawaii Housing Planning Study. The Food Basket acquired equipment to allow them to continue their island-wide Ohana Food drops for families with food insecurity due to Covid. Additionally, the Boys and Girls Club of the Big Island provided childcare, academic support, homework technology, youth resource transportation and daily nutritional supplementation for homeless families and low-income households residing in low-income census tract communities.

- **FAIR HOUSING:** In PY2021, the Fair Housing coordinator attended 7 training sessions in order to provide the most up-to-date information to the public. The website continues to provide a resource for training, information, resources, and source for complaint forms. The Fair Housing coordinator assisted 46 people with Fair Housing inquiries submitted by phone, email or in-person. The most notable achievement for PY2022 is the training provided to the public. There were 37 training sessions that provided Fair Housing information to new Section 8 renters, landlords, property managers, homeless service providers, and the general public.

HOME and HTF

The State has the primary reporting responsibility for the HOME and HTF programs. HUD will review the State's CAPER as the official report but commends the County for including data in its CAPER to inform its citizens about HOME- and HTF-funded projects. HUD encourages the County to seek leveraging of other federal, state, and private resources to supplement its HOME allocations to further develop affordable rental housing in the county of Hawaii.

Continuum of Care

During PY21, the County has partnered with non-profit organizations and other government agencies to help individuals and families from becoming homeless. It participates in various community events where it provides information about homeless services and resources available to the community.

In PY21, a total of 632 households were served during the 2021 – 2022 fiscal period. Of those, 242 exited to permanent housing.

The providers continue to work in collaboration to ensure non-duplicative delivery in services. The County is working with the providers to develop an on-line calendar that will document outreach services within each district.

In response to the coronavirus pandemic and the need for safe sheltering, the County through funding provided by the State of Hawaii, Department of Human Services and Department of Health – constructed and implemented the Hale Hanakahi and Ka Lamaku temporary emergency shelter. In total, providing 50 micro shelter units for the unsheltered community members seeking refuge from the streets.

HUD wishes the County continued success in its planning and implementing actions to end homelessness and encourages the coordination of CoC, CDBG, HOME, and ESG funds to support the County's plan to assist individuals and families experiencing homelessness.

Community Empowerment

The County provided opportunities for citizen participation during the development of the CAPER through local newspaper publications and availability of the document at various public

facilities and libraries. Despite the opportunities available for public participation in the reporting process, no public comments were received for the CAPER submission. HUD encourages the County to continue to provide opportunities for citizen input to the planning and reporting process.

Management of Funds

In accordance with the CDBG regulations, the timeliness ratio benchmark should be 1.50 or below sixty days prior to the end of the County's program year. On the test date of May 2, 2022, the County's timeliness ratio was 1.29. The staff responsible for the CPD programs works diligently to ensure HUD funding is spent in accordance with program requirements. As timely project implementation and expenditure of funds have become a priority with HUD, the Department is pleased that the County has made it a priority to maintain a timeliness ratio of 1.50 or less. HUD anticipates the County will continue to achieve the timeliness goals and that these efforts will ensure future CDBG funding will not be compromised.

Areas for Improvement and Recommendations

The County needs to continue to monitor its ongoing CDBG, HOME, and HTF projects to ensure timely implementation. HUD recommends that the County identify project obstacles and develop plans to address these obstacles to strengthen its programs.

The County did not provide a response to CR-40: Monitoring in the CAPER. The grantee is required to describe the standards and procedures used to monitor activities and used to ensure long-term compliance with requirements of the programs involved, including minority business outreach and comprehensive planning requirements. This should include all CPD funds received: CDBG (including Section 108, if applicable). Please include this section in all future CAPERs.

Fair Housing & Equal Opportunity

The County continues to promote awareness and education of fair housing issues and takes actions which help minimize and eliminate the unfair treatment of individuals in housing. In PY2021, the OHCD conducted a total of 7 Fair Housing training/seminar sessions for property managers, homeless programs and for the general public. The OHCD's website has continued to be successful in increasing awareness of housing rights and resources. The Fair Housing coordinator assisted 46 people with Fair Housing inquiries submitted by phone, email or in-person. The most notable achievement for PY2022 is the training provided to the public. There were 37 training sessions that provided Fair Housing information to new Section 8 renters, landlords, property managers, homeless service providers, and the general public.

The Analysis of Impediments (AI) was completed in 2019. This identified a general lack of awareness of fair housing rights on the part of people with disabilities, members of the general public, landlords and property managers. The OHCD and partner agencies across the state have explored new ways to provide virtual training and education to the community, which was often limited to virtual interactions. The annual Fair Housing Seminar was conducted on a virtual platform and made accessible to state-wide attendance.

HUD encourages the County to continue its efforts to further fair housing. The CAPER was made available to Mr. Jelani Madaraka, Lead Civil Rights Analyst, HUD Honolulu Field Office, for compliance with Fair Housing and Equal Opportunity (FHEO) requirements. He will forward any comments or questions he may have under separate cover.

Conclusion

Overall, the County of Hawaii is meeting its community needs by planning and executing a Consolidated Plan with a vision for the future, and by implementing this Plan through its Annual Action Plan. As a result, the County has assisted many communities and especially low- to moderate-income persons. HUD encourages the County to continue its support of various housing and community development programs, and especially wish to recognize the hard work of the County staff working on the CPD programs for their dedication. The program staff is a credit to the County and its CPD programs.