



January 19, 2018

Senate Committee on Ways and Means  
State Capitol, Rm. 208  
Honolulu, HI 96813


Attn: GIA

Dear Senate Committee on Ways and Means,

Attached please find the GIA-CIP Grant Application (2018-2019) from Na Hale O Maui to assist in building permanently affordable Community Land Trust homes in Lahaina, Maui.

For any additional information or if you have any questions please contact me at (808) 244-6110 (office) or (808) 304-3533 (cell) or at [cassandra@nahaleomaui.org](mailto:cassandra@nahaleomaui.org).

Sincerely,

  
Cassandra Abdul  
Executive Director

House District(s) 8

Senate District(s) 5

THE TWENTY-NINTH LEGISLATURE  
APPLICATION FOR GRANTS  
CHAPTER 42F, HAWAII REVISED STATUTES

Log No:

For Legislature's Use Only

Type of Grant Request:

GRANT REQUEST – OPERATING

GRANT REQUEST – CAPITAL

"Grant" means an award of state funds by the legislature, by an appropriation to a specified recipient, to support the activities of the recipient and permit the community to benefit from those activities.

"Recipient" means any organization or person receiving a grant.

STATE DEPARTMENT OR AGENCY RELATED TO THIS REQUEST (LEAVE BLANK IF UNKNOWN): \_\_\_\_\_

STATE PROGRAM I.D. NO. (LEAVE BLANK IF UNKNOWN): \_\_\_\_\_

1. APPLICANT INFORMATION:

Legal Name of Requesting Organization or Individual:  
HOUSING AND LAND ENTERPRISE OF MAUI

Db/a: Nā Hale O Maui

Street Address: 190 N. Church Street  
Wailuku, Maui, HI 96793

Mailing Address: PO Box 1829  
Wailuku, Maui, HI 96793

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name CASSANDRA ABDUL

Title EXECUTIVE DIRECTOR

Phone # (808) 244-6220 (w) or (808) 304-3533 (cell)

Fax # (808) 244-6115

E-mail cassandra@nahaleomaui.org

3. TYPE OF BUSINESS ENTITY:

- NON PROFIT CORPORATION INCORPORATED IN HAWAII  
 FOR PROFIT CORPORATION INCORPORATED IN HAWAII  
 LIMITED LIABILITY COMPANY  
 SOLE PROPRIETORSHIP/INDIVIDUAL  
 OTHER

6. DESCRIPTIVE TITLE OF APPLICANT'S REQUEST:

Nā Hale O Maui is a grass-roots Community Land Trust created to secure and preserve a permanent supply of affordable housing alternatives for low and moderate income households in Maui County. The Grant will fund the construction of 12 single family homes in Lahaina, Maui, Hawaii. Eight of the homes will be truly affordable to families earning between 80 – 100% of AMI and 4 will be sold to homeowners earning between 100- 120% of AMI for Maui County. The homes will remain affordable in perpetuity. The grant will be used for a public purpose pursuant to Section 42F-102, Hawaii Revised Statutes.

4. FEDERAL TAX ID #: \_\_\_\_\_

5. STATE TAX ID #: \_\_\_\_\_

7. AMOUNT OF STATE FUNDS REQUESTED:

FISCAL YEAR 2019: \$1,200,000

8. STATUS OF SERVICE DESCRIBED IN THIS REQUEST:

- NEW SERVICE (PRESENTLY DOES NOT EXIST)  
 EXISTING SERVICE (PRESENTLY IN OPERATION)

SPECIFY THE AMOUNT BY SOURCES OF FUNDS AVAILABLE AT THE TIME OF THIS REQUEST:

STATE \$ \_\_\_\_\_

FEDERAL \$ \_\_\_\_\_

COUNTY \$660,000

PRIVATE/OTHER \$ \_\_\_\_\_

AUTHORIZED SIGNATURE

CASSANDRA ABDUL, EXECUTIVE DIRECTOR  
NAME & TITLE

JANUARY 18, 2018  
DATE SIGNED

10-4

## I. Background and Summary

This section shall clearly and concisely summarize and highlight the contents of the request in such a way as to provide the State Legislature with a broad understanding of the request. Please include the following:

### **1. A brief description of the applicant's background**

Housing and Land Enterprise of Maui, dba Nā Hale O Maui, a grass-roots organization founded in 2006, has a mission "to secure and preserve a permanent supply of affordable housing alternatives for low and moderate income households in Maui County." Nā Hale O Maui is located in Wailuku, Maui, Hawai'i, House District 8 and Senate District 5.

Nā Hale O Maui is a Community Land Trust (CLT), and was the first and only organization of its kind in Hawai'i. CLTs reduce the cost of homeownership by separating the land and house through leasehold arrangements. Each home is sold to income-qualified buyers at a below market price. The land is retained in trust by the CLT. In most cases, the homeowner may resell the home at a restricted price. This ensures the home will remain affordable in perpetuity, while sharing a portion of the appreciation based on the homeowner's investment.

NHOM has acquired, rehabilitated or built, and sold 34 single-family homes. We provide education; training and support to ensure our homeowners understand the leasehold arrangement and will successfully make mortgage payments and maintain their homes in good repair.

As a result of this education and support, no affordable NHOM homes have been lost to foreclosure since NHOM was founded 2006, including the period referred to as "the Great Recession."

## 2. The goals and objectives related to the project

NHOM acquired twelve improved residential lots in the 100% workforce housing Kahoma Homes subdivision developed by West Maui Land Company, Inc. (WML.) The development is located in House District 10 and Senate District 6. The developer provided a significant discount on the lots sold to NHOM, helping to increase the affordability of the homes. We expect the total project construction costs to be approximately \$4-5 million.

Our goal is to design, construct and sell twelve permanently affordable homes over a two-year period for as low a price as possible. Our plan calls for up to five 4-bedroom, 2.5 bath homes with approximately 1,391 sq. ft. of living area and seven 3-bedroom, 2 bath homes with approximately 1,288 sq. ft. of living area. The homes will be sold for prices below the 2016 *maximum price range* of \$414,000 to \$571,320 set in the WML Development Agreement with the County of Maui.

We are currently working on accurate cost estimates and currently anticipate the home prices for households between 80.1-100% Area Median Income (AMI) family home prices between \$350,000 - \$400,000 (leasehold), and the 100.1-120% AMI in the \$400,000 - \$450,000 range (leasehold). Eight of the homes will be for families earning less than 100% of the AMI, and four will be for those earning up to 120% of the AMI for Maui County. Preference will be given to those who work and/or live in West Maui.

Nā Hale O Maui homes will be sold leasehold, contributing to the truly affordably priced homes in perpetuity. This GIA-CIP grant will enable our organization to scale up its homeownership program, which has previously been limited to one or two homes at a time. Funds granted by the state legislature will do much to

move affordable housing forward significantly, as we work with additional partners to fully fund 12 NEW PERMANENTLY AFFORDABLE SINGLE-FAMILY HOMES IN LAHAINA.

The long-term community result we seek is additional access for income qualified island families to quality homes they can afford to buy at below market rates, that remain affordable in perpetuity, generation after generation, family after family. In addition to the life-changing benefit of home ownership, our constituents gain knowledge about the leasehold process, education on managing their money, available matching grants to help if needed with down payments and upfront costs, and support throughout the process of buying their home.

NHOM may provide matching grants, based on need, of up to \$10,000 to assist buyers with the down payment and closing costs. To date, Nā Hale O Maui has provided \$105,200 in matching grants to our homeowners.

### **3. The public purpose and need to be served**

The need for affordable housing on Maui is evident due to rising home ownership costs, compounded by relatively low wages. Working families in Hawai'i face the highest housing prices in the nation, and often do not earn enough to meet housing costs. The median income in Maui County is \$64,000 (US Census 2016), and the median price of a single-family home is \$695,500 (Realtors Association of Maui, December 2017.) Many professionals, including teachers, police officers, firefighters and construction and hotel workers, cannot afford to live in the communities they serve.

In its report, "Measuring Housing Demand in Hawai'i, Hawai'i 2015-2025," the Department of Business, Economic Development and Tourism, details how lack of affordable housing became a crisis in Maui. First, stricter mortgage lending

and down payment requirements made it difficult for first time buyers to purchase a home. Second, job losses during the recession kept buyers away from the market. Third, as the economy recovered, home prices increased at a rapid pace pricing many potential homebuyers out of the market. This in turn resulted in sustained rental price increases. While home ownership rates have recently increased, they are still below the pre-recession level. Finally, private building construction has been slow to take off after the Great Recession, especially in Maui and Hawai'i Counties.

The lack of affordable homes has a detrimental effect on our community as a whole. Many moderate-income families feel they have no choice but to leave Hawai'i in search of a home and lifestyle they can afford. Further, housing affects overall quality of life, as families must make tough choices when over-burdened with high monthly living costs. Lack of access to affordable housing inhibits a family's ability to pay for other important budget items such as nutritious food, preventative medical care, insurance, reliable transportation and quality childcare, according to the Hawai'i Appleseed Project Report.

Although some affordable housing has been built on Maui, units are only affordable for a limited deed restricted period. The majority of the homes originally sold as affordable have moved to market pricing and are no longer within reach of working island families.

Nā Hale O Maui offers one solution to this community challenge and a life-changing opportunity to a number of Maui families. To be eligible for a Kahoma home, families must earn below 120% of the Area Median Income (AMI), the 2016 maximum of \$97,800 for a family of four. For the Kahoma Homes project, we will have eight families earning between 80.1 - 100% of AMI and four families earning up to 120% of AMI.

The CLT model, enables NHOM to sell quality homes and provide education; guidance and support to ensure our families succeed as homeowners. The CLT model ensures that homes remains affordable in perpetuity. This assures a permanent community benefit since public funds invested in CLT properties stay with the properties, while the home owner shares in the portion of any realized appreciation of the homeowners investment.

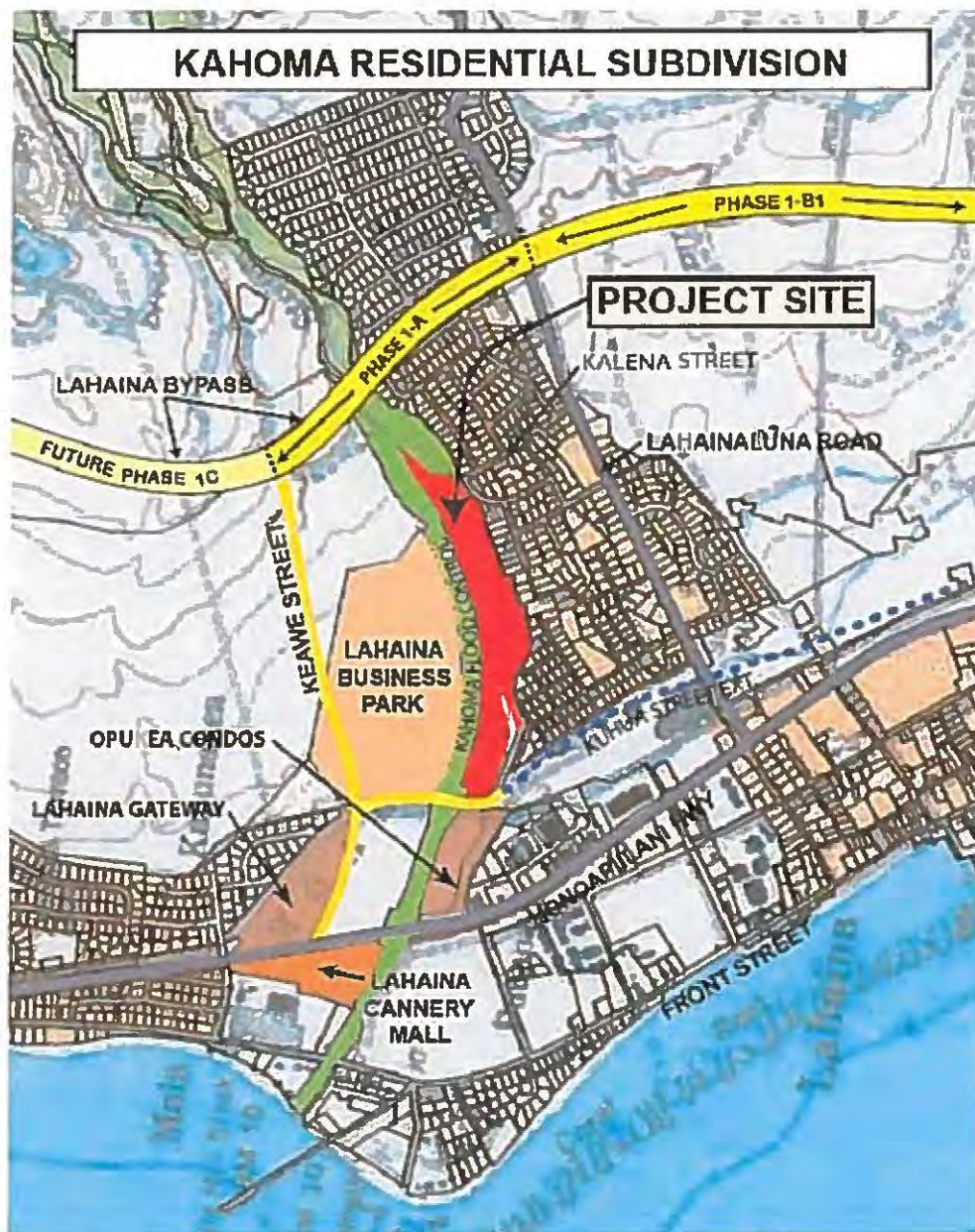
#### **4. Describe the target population to be served**

The target population to be served is island families earning between 80.1% and 120% of the 2016 Area Median Income (AMI) for Maui County according to the U.S Census and the federal department of Housing and Urban Development. Eight homes will be sold to families earning between 80.1-100% of AMI, and four homes will be sold to families earning between 100.1-120% of Maui County AMI. Priority will be given to families who work and/or live in West Maui.

Historically, Nā Hale O Maui homeowners have been between 30 to 50 years of age. Ninety one percent of our homeowners have children and almost 50 percent self-identify as Native Hawaiian or Pacific Islander.

#### **5. Describe the geographic coverage**

The project an in-fill project, located in the Kahoma Homes subdivision developed by West Maui Land Company in Lahaina, located in House District 10 and Senate District 6. (Please see the attached map below showing the project site in red.)



Kahoma Homes is a 100% workforce housing project located in Lahaina. An ideal location for Maui's busy working families, west Maui is one of the key commercial tourism hubs on Maui, with many resorts, restaurants, and visitor entertainment companies that employ a great number of west Maui's almost



12,000 residents. Bounded by the Kahoma Flood Control Channel to the north and existing residential communities to the south, this neighborhood is a short distance from:

- Lahaina Business Park
- Lahaina Gateway Center
- Lahaina Cannery Mall
- Front Street
- West Maui's resort areas of Ka'anapali and Kapalua
- All of west Maui's public schools
- Maui Bus Stops located at the Lahaina Gateway Center and Lahaina Cannery Mall

Kahoma Homes is a residential subdivision with wide streets, sidewalks, limited on-street parking and a centrally located large neighborhood park. The 68 lots in the project range in size from 5,000 square feet to 12,000 square feet. Homes will be built and offered for sale by Habitat for Humanity Maui (10 homes), Nā Hale O Maui (12 homes), and affiliates of West Maui Land Company, Inc. will be building 43 homes and offering 3 vacant lots to qualified buyers who meet the eligibility requirements.

## **II. Service Summary and Outcomes**

### **1. Describe the Scope of work, tasks and responsibilities.**

The scope of work is the design, construction and sale of 12 single family affordable homes in Kahoma, Lahaina. The homes will be 3-bedroom/2 bath and 4-bedroom/2.5 bath. Architectural plans are in process. The floorplan has been approved. Elevations and complete plans are in process. Two of the three designs will be submitted to the County of Maui Department of Public Works for design registration. Once plans and specifications are

finalized and approved, select contractors will be invited to bid on the project, contracts will be executed, permits obtained and construction will commence.

Financing for the construction of the homes is ongoing. An Affordable Housing RFP for \$1 million for vertical construction of the homes was submitted to the County of Maui in December 2017. The County of Maui previously awarded \$660,000 (including \$60,000 for Administrative fees) for pre-construction costs and expenses, including but not limited to other County and State exactions. NHOM will continue to seek Private Grants in various amounts. NHOM will apply to private lenders for additional funding needs.

The Executive Director is responsible for all aspects of the design, construction and sale of the homes. A Project Manager will perform periodic inspections to ensure contract specifications and timetables are met. The Housing Coordinator will manage the Homebuyer Seminars, where potential homebuyers learn about the NHOM CLT project and ownership. She manages the 4-steps of the process so they can be placed on the Qualified Buyer List, including reviewing financial qualifications and eligibility. When homes are ready, she will manage the process with each qualified homebuyer, including but not limited to inspection, contracts, escrow and closing.

2. Provide a projected annual timeline for accomplishing the results or outcomes of the service;

The outcome of this request will be the construction of twelve new homes in Lahaina, Maui.

3. Describe its quality assurance and evaluation plans for the request. Specify how the applicant plans to monitor, evaluate and improve their results; and

Quality assurance will be provided through regular inspections of each phase of the construction work. Design criteria and specifications created by the Architect will be followed. The work will be done by licensed building contractors.

The Board of Directors is updated on the status of the project at each board meeting.

4. List the measure(s) of effectiveness that will be reported to the State agency through which grant funds are appropriate (the expending agency.) The measures will provide a standard and objective way for the State to assess the program's achievement or accomplishment. Please note that if the level of appropriation differs from the amount included in this application that the measure(s) will need to be updated and transmitted to the expending agency. The State Agency will be periodically updated on the completion of homes, contracts for sales and closing of escrow.

### III. Financial

#### Budget

1. The applicant shall submit a budget utilizing the enclosed budget forms as applicable, to detail the cost of the request.
  - a. Budget request by source of funds ([Link](#)) See Attached.
  - b. Personnel salaries and wages ([Link](#)) See Attached.
  - c. Equipment and motor vehicles ([Link](#)) N/A
  - d. Capital project details ([Link](#)) See Attached.
  - e. Government contracts, grants, and grants in aid ([Link](#))  
See Attached.
2. The applicant shall provide its anticipated quarterly funding requests for the fiscal year 2019.

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
300,000	300,000	300,000	300,000	1,200,000

3. The applicant shall provide a listing of all other sources of funding that they are seeking for fiscal year 2019.

County of Maui	Affordable Housing Fund
Hawaii Community Foundation	FLEX Grant Program
Cooke Foundation	
A& B Foundation	
Atherton Foundation	
Matson Foundation	
Homestreet Bank/Foundation	
HEI Charitable Foundation	
Mike Lyons Community Award	
Walmart Foundation	
Fred Baldwin Memorial Foundation	
Ward Village Foundation	
Weinberg Foundation	
American Savings Bank	CRA
Territorial Savings Bank	CRA
First Hawaiian Bank	CRA
Bank of Hawaii	CRA
Hawaii National Bank	CRA

4. The applicant shall provide a listing of all state and federal tax credits it has been granted within the prior three years. Additionally, the applicant shall provide a listing of all state and federal tax credits they have applied for or anticipate applying for pertaining to any capital project, if applicable. NONE

5. The applicant shall provide a listing of all federal, state, and county government contracts, grants, and grants in aid it has been granted within the prior three years and will be receiving for fiscal year 2019 for program funding. NONE

5. The applicant shall provide the balance of its unrestricted current assets as of December 31, 2017.

**ASSETS**

**Current Assets**

**Checking/Savings**

BOH Operating Acct	22,783.69
BOH EFT Acct	1,519.08
BOH Project Funding Acct (Restricted)	60,883.91
CPB savings	71,636.94
Petty Cash	200.00
Territorial Savings Bank	32,623.65

**Total Checking/Savings** 189,647.27

**Accounts Receivable**

**Accounts Receivable** 131.30

**Total Accounts Receivable** 131.30

**Other Current Assets**

Construction in Progress	158,993.00
Homebuyer Grant receivable	90,500.00
Buildings & Improvements	787,071.46
Prepaid Insurance	5,582.23

**Total Other Current Assets** 1,042,146.69

**Total Current Assets** 1,231,925.26

**Less Restricted Assets** -60,883.91

**Net Unrestricted Current Assets** **1,171,041.35**

**IV. Experience and Capability**

**1. Necessary Skills and Experience**

The Executive Director has past experience with development of subdivisions: Waiehu Heights Subdivision (approximately 450 lots) and Wailuku Industrial Park (approximately 79 lots) in Wailuku, Maui, Hawaii. She has experience with on- and off-site infrastructure and construction of

turn key housing. She also has many years of experience renovating and rehabilitating single and multi-family homes.

Na Hale O Maui acquired 33 homes through the foreclosure process, rehabilitated and renovated each home, and sold the homes to income qualified homeowners in Maui County. NHOM built a new home on a vacant lot previously purchased in foreclosure. The NHOM homes are located in Central (Wailuku and Kahului,) Upcountry, South and West Maui.

Three NHOM homes have been resold to income qualified households. A fourth home is currently in escrow and due to close in January, 2018. All resales are to income qualified families at truly affordable prices, demonstrating the success of the CLT model to help island homeowners build wealth through shared appreciation, passing on a portion of the appreciation to future homebuyers.

(Please see V. Personnel for details on skills and experience)

## **V. Personnel: Project Organization and Staffing (1-3)**

### **1. Proposed Staffing, Staff Qualifications, Supervision and Training**

The applicant shall describe the proposed staffing pattern and proposed service capacity appropriate for the viability of the request. The applicant shall provide the qualifications and experience of personnel for the request and shall describe its ability to supervise, train and provide administrative direction relative to the request.

#### **Executive Director and Principle Broker**

Cassandra JL Abdul, Executive Director & Principal Broker Housing and Land Enterprise of Maui, dba Na Hale O Maui (NHOM), will direct the project. She has

extensive development management experience, including the financing the multi-million dollar development of the "Shops at Wailea," on Maui, and numerous other projects.

Cassandra is a lifelong resident and a real estate professional for more than 35 years. Ms. Abdul, born and raised in Hawaii, attended school in Honolulu, spent most childhood vacations with maternal grandparents in Happy Valley and raised her children in Maui.

She has been involved with real estate development, sales, and management and planning for most of her adult life, holds an active real estate brokers license, is a Certified Property Manager and a Certified Commercial Investment Member. Ms. Abdul has an extensive background in analysis, acquisition, and land development; turn key housing, sales, ground lease negotiations, commercial leasing and asset management. She earned B.A. and M.B.A. degrees from the University of Hawaii.

Previously, Cassandra was employed in the Hawaiian Trust Real Estate Department, advancing from Real Estate Officer, to VP and Manager, and eventually Chief Transaction Officer before returning to her family-owned commercial real estate company as President and Principal Broker. Kay Abdul Realty, Inc., was the founding, managing partner and developer of Wailuku Industrial Park and Waiehu Heights subdivisions in Wailuku.

Ms. Abdul continues her active role in the community, serving as President of Pualani Manor, a non-profit corporation for affordable rental apartments, and recently joined the Board of the Maui Nonprofit Directors' Association.

## Housing Coordinator

Natalie Fitzgerald, who has been employed at NHOM since 2009 and serves in the capacity of Housing Coordinator. Ms. Fitzgerald assists the Executive Director in refining and maintaining day-to-day administration, communication procedures and management of the Housing Program.

Ms. Fitzgerald organizes and participates in events and outreach programs utilizing communication, technical and analytical skills with Maui cultures and people to influence organizational growth and implementation of the Housing program. Management of the Housing Coordinator Program includes Homeowner counseling, application and selection.

She has worked in the real estate industry since 2001 beginning at the Hilton Vacation Club in Honolulu and advancing to becoming a Realtor (S) with Equity One Real Estate, Makawao from 2003-2007 and with Coldwell Banker Island Properties in Kihei from 2007-2012, prior to working at NHOM.

In her career she has been involved in Real estate sales and marketing to local and visiting clientele. Multiple tasks included developing marketing plans, maintain client list by periodic follow-ups, maintaining files during escrow transactions, establishing relationships with affiliates in lending, escrow, and inspectors, etc.

Working with numerous and varied contractors on individual housing rehabilitation and construction projects the NHOM team has successfully put 34 families into affordable homes that will never go to market price and because NHOM is Community Land Trust they will always remain affordable to our families.



## **Fiscal**

Celeste L. Thomas has been in the service of NHOM as a bookkeeper part time responsible for the accounts receivable, accounts payable, general ledger and bank reconciliations. Ms. Thomas also provides financial data to the Board of Directors and to funding sources as required.

Ms. Thomas has been in her career field since 1980 and has worked with private sector companies such as Dorvin D. Leis Co. and Hawaii Protea Corporation, among others.

From 2011 until the present she has owned her own company "Accurate Bookkeeping Service" in Kula, Maui.

Her experience includes being responsible for multiple real estate development projects, cash flow projections, budget preparation, accounts receivable/payable, general ledger through financial statements, using QuickBooks Pro and MS Office suite. She has worked with various companies CPAs to submit data for periodic review and tax returns and monitor subcontractor compliance on construction projects.

## **2. Organization Chart—**

The applicant shall illustrate the position of each staff and line of responsibility/supervision. If the request is part of a large, multi-purpose organization, include an organization chart that illustrates the placement of this request.



### 3. Compensation

The applicant shall provide the annual salaries paid by the applicant to the three highest paid officers, directors, or employees of the organization by position.

The Board of Directors and Officers of Na Hale O Maui serve without pay or compensation.

Paid staff are:

Cassandra JL Abdul, Executive Director & Principal Broker Housing and Land Enterprise of Maui, dba Na Hale O Maui is compensated at \$70,000 annually.

Natalie Fitzgerald, Housing Coordinator is compensated at \$48,108 annually.

Celeste Thomas, Bookkeeper/Administrative Assistant is compensated at approximately \$25,000 annually.

**VI. Other**

**1. Litigation**

The applicant shall disclose any pending litigation to which they are a party, including the disclosure of any outstanding judgement. If applicable, please explain.

NONE.

**2. Licensure or Accreditation**

The applicant shall specify any special qualifications, including but not limited to licensure or accreditation that the applicant possesses relevant to this request. The Executive Director holds a real estate license and two commercial real estate designations (CCIM and CPM.)

**3. Private Educational Institutions**

The applicant shall specify whether the grant will be used to support or benefit a sectarian or non-sectarian private educational institution. Please see Article X, Section 1, of the State Constitution for the relevance of this question

No.

**4. Future Sustainability Plan**

The applicant shall provide a plan for sustaining after fiscal year 2018-19 the activity funded by the grant if the grant of this application is:

- (a) Received by the applicant for fiscal year 2018-19, but

The grant request of \$1,200,000 will help to fund the construction of 12 single family 3- and 4-bedroom homes to be built in Kahoma, Lahaina, Maui, to be sold to income qualified island families who work and/or live on the West side of the island.

(b) Not received by the applicant thereafter.

**5. Certificate of Good Standing (If the Applicant is an Organization)**

If the applicant is an organization, the applicant shall submit one (1) copy of a certificate of good standing from the Director of Commerce and Consumer Affairs that is dated no earlier than December 1, 2017.



**Department of Commerce and Consumer Affairs**

**CERTIFICATE OF GOOD STANDING**

I, the undersigned Director of Commerce and Consumer Affairs of the State of Hawaii, do hereby certify that

**HOUSING AND LAND ENTERPRISE OF MAUI**

was incorporated under the laws of Hawaii on 08/05/2006 ; that it is an existing nonprofit corporation; and that, as far as the records of this Department reveal, has complied with all of the provisions of the Hawaii Nonprofit Corporations Act, regulating domestic nonprofit corporations.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Department of Commerce and Consumer Affairs, at Honolulu, Hawaii.

Dated: January 12, 2018

Director of Commerce and Consumer Affairs



To check the authenticity of this certificate, please visit: <http://hbc.ehawaii.gov/documents/authenticate.html>  
Authentication Code: 294844-COCS\_PDF-216481D2

**6. Declaration Statement**

The applicant shall submit a declaration statement affirming its compliance with Section 42F-103, Hawaii Revised Statutes. ([Link](#)) See Attached.

**DECLARATION STATEMENT OF  
APPLICANTS FOR GRANTS PURSUANT TO  
CHAPTER 42F, HAWAII REVISIED STATUTES**

The undersigned authorized representative of the applicant certifies the following:

- 1) The applicant meets and will comply with all of the following standards for the award of grants pursuant to Section 42F-103, Hawaii Revised Statutes:
  - a) Is licensed or accredited, in accordance with federal, state, or county statutes, rules, or ordinances, to conduct the activities or provide the services for which a grant is awarded;
  - b) Complies with all applicable federal and state laws prohibiting discrimination against any person on the basis of race, color, national origin, religion, creed, sex, age, sexual orientation, or disability;
  - c) Agrees not to use state funds for entertainment or lobbying activities; and
  - d) Allows the state agency to which funds for the grant were appropriated for expenditure, legislative committees and their staff, and the auditor full access to their records, reports, files, and other related documents and information for purposes of monitoring, measuring the effectiveness, and ensuring the proper expenditure of the grant.
- 2) If the applicant is an organization, the applicant meets the following requirements pursuant to Section 42F-103, Hawaii Revised Statutes:
  - a) Is incorporated under the laws of the State; and
  - b) Has bylaws or policies that describe the manner in which the activities or services for which a grant is awarded shall be conducted or provided.
- 3) If the applicant is a non-profit organization, it meets the following requirements pursuant to Section 42F-103, Hawaii Revised Statutes:
  - a) Is determined and designated to be a non-profit organization by the Internal Revenue Service; and
  - b) Has a governing board whose members have no material conflict of interest and serve without compensation.

Pursuant to Section 42F-103, Hawaii Revised Statutes, for grants used for the acquisition of land, when the organization discontinues the activities or services on the land acquired for which the grant was awarded and disposes of the land in fee simple or by lease, the organization shall negotiate with the expending agency for a lump sum or installment repayment to the State of the amount of the grant used for the acquisition of the land.

Further, the undersigned authorized representative certifies that this statement is true and correct to the best of the applicant's knowledge.

Housing and Land Enterprise of Maui, dba Na Hale O Maui

(Business Name)



(Signature)

January 19, 2018

(Date)

Cassandra J L Abdul

(Typed Name)

Executive Director

(Title)

Rev 12/2/16

10

Application for Grants

**7. Public Purpose**

The applicant shall specify whether the grant will be used for a public purpose pursuant to Section 42F-102, Hawaii Revised Statutes. ([Link](#))

The grant will be used for a public purpose pursuant to Section 42F-102, HRS.

## BUDGET REQUEST BY SOURCE OF FUNDS

Period: July 1, 2018 to June 30, 2019

Applicant: Housing and Land Enterprise of Maui dba Na Hale O Maui

BUDGET CATEGORIES	Total State Funds Requested (a)	Total Federal Funds Requested (b)	Total County Funds Requested (c)	Total Private/Other Funds Requested (d)
<b>A. PERSONNEL COST</b>				
1. Salaries	104,581	0	0	0
2. Payroll Taxes & Assessments	18,468	0	0	0
3. Fringe Benefits	20,335	0	0	0
<b>TOTAL PERSONNEL COST</b>	<b>143,384</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>B. OTHER CURRENT EXPENSES</b>				
1. Airfare, Inter-Island	1,010			
2. Insurance	20,000			
3. Lease/Rental of Equipment	0			
4. Lease/Rental of Space	0			
5. Staff Training	1,000			
6. Supplies	2,500			
7. Telecommunication	3,606			
8. Utilities	0			
9. Transportation	3,500			
10. Project Inspections	25,000			
11. Vertical construction	1,000,000	0	1,376,872	3,100,000
12.				
13.				
14.				
15.				
16.				
17.				
18.				
19.				
20.				
<b>TOTAL OTHER CURRENT EXPENSES</b>	<b>1,056,616</b>	<b>0</b>	<b>1,376,872</b>	<b>3,100,000</b>
<b>C. EQUIPMENT PURCHASES</b>	<b>0</b>			
<b>D. MOTOR VEHICLE PURCHASES</b>	<b>0</b>			
<b>E. CAPITAL</b>	<b>0</b>			
<b>TOTAL (A+B+C+D+E)</b>	<b>1,200,000</b>	<b>0</b>	<b>1,376,872</b>	<b>3,100,000</b>
<b>SOURCES OF FUNDING</b>		Budget Prepared By:		
(a) Total State Funds Requested	1,200,000	Cassandra Abdul <span style="float: right;">808-244-6110</span>		
(b) Total Federal Funds Requested	0	Phone		
(c) Total County Funds Requested	1,376,872	January 19, 2018		
(d) Total Private/Other Funds Requested	3,100,000	Date		
<b>TOTAL BUDGET</b>	<b>5,676,872</b>	Cassandra Abdul, Executive Director Name and Title (Please type or print)		





## BUDGET JUSTIFICATION - CAPITAL PROJECT DETAILS

Period: July 1, 2018 to June 30, 2019

Applicant: Housing and Land Enterprise of Maui dba Na Hale O Maui

FUNDING AMOUNT REQUESTED						
TOTAL PROJECT COST	ALL SOURCES OF FUNDS RECEIVED IN PRIOR YEARS		STATE FUNDS REQUESTED	OTHER SOURCES OF FUNDS REQUESTED	FUNDING REQUIRED IN SUCCEEDING YEARS	
	FY: 2016-2017	FY: 2017-2018	FY:2018-2019	FY:2018-2019	FY:2019-2020	FY:2020-2021
PLANS	0	0	0	0	0	0
LAND ACQUISITION	1,562,636.00	-	-	-	-	-
DESIGN	0	78,408.00	-	-	-	-
CONSTRUCTION	0	144,720.00	1,200,000.00	2,876,872.00	1,000,000.00	600,000.00
EQUIPMENT	-	-	-	-	-	-
<b>TOTAL:</b>	1,562,636.00	223,128.00	1,200,000.00	2,876,872.00	1,000,000.00	600,000.00
<b>JUSTIFICATION/COMMENTS:</b>						

**GOVERNMENT CONTRACTS, GRANTS, AND / OR GRANTS IN AID**

Applicant: Housing and Land Enterprise of Maui dba Na Hale O Maui

Contracts Total: 1,440,000

	<b>CONTRACT DESCRIPTION</b>	<b>EFFECTIVE DATES</b>	<b>AGENCY</b>	<b>GOVERNMENT ENTITY (U.S. / State / Haw / Hon / Kau / Mau)</b>	<b>CONTRACT VALUE</b>
1	Grant No. G3980 - Land Acquisition	2016-2017	Dept. of Housing & Human Concerns	Maui County	780,000
2	Grant No. G4484 - Vertical Construction	2016-2018	Dept. of Housing & Human Concerns	Maui County	600,000
3	Grant No. G4484 - Admin/Developer Fee	2016-2018	Dept. of Housing & Human Concerns	Maui County	60,000
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
26					
27					
28					

**ALAN M. ARAKAWA**  
MAYOR



**KEITH A. REGAN**  
MANAGING DIRECTOR

**OFFICE OF THE MAYOR**

Ke'ena O Ka Meia  
COUNTY OF MAUI – Kalana O Maui

January 12, 2018

The Honorable Donovan Dela Cruz, Chair  
Senate Committee on Ways and Means  
Hawaii State Senate  
Hawaii State Capitol, Room 208  
Honolulu, Hawaii 96813

ATTN: GIA

The Honorable Sylvia Luke  
Chair House Committee on Finance  
State Capitol, Room 306  
Honolulu, HI 96813

ATTN: GIA

Dear Senator Dela Cruz and Representative Luke,

I am writing in support of the GIA application by Na Hale O Maui for a Grant-in-Aid to support the construction of 12, 3 and 4 bedroom permanently affordable homes in Lahaina. They have purchased the land for the project.

Eight of the homes will be for households earning 80% of the area median income and 4 will be for families earning 80% to 120% of the median income.

Na Hale O Maui has previously applied for and received funds from our Affordable Housing Fund and we applaud their efforts to expand their funding base with additional private, foundation and public funds.

Maui County, like the rest of the state, struggles to meet the overwhelming need for affordable housing for our local residents. Na Hale O Maui homes are permanently affordable and never go to market price.

Every step forward to meet this crisis is welcome and continues my administration's efforts to meet this critical need for our residents.

**Letter of Support**  
**The Honorable Donovan Dela Cruz**  
**The Honorable Sylvia Luke**  
**Page 2**

**Thank you for your positive consideration of the Na Hale O Maui GIA request.**

**Sincerely,**



**ALAN M. ARAKAWA**  
**Mayor, County of Maui**

Council Chair  
Mike White

Vice-Chair  
Robert Carroll

Presiding Officer Pro Tempore  
Stacy Crivello

Councilmembers  
Alika Atay  
Elle Cochran  
Don S. Guzman  
Riki Hokama  
Kelly T. King  
Yuki Lei K. Sugimura



**COUNTY COUNCIL**  
COUNTY OF MAUI  
200 S. HIGH STREET  
WAILUKU, MAUI, HAWAII 96793  
[www.MauiCounty.us](http://www.MauiCounty.us)

January 12, 2018

The Honorable Donovan Dela Cruz, Chair  
Senate Committee on Ways and Means  
Hawaii State Senate  
Hawaii State Capitol, Room 208  
ATTN: Grant-in-Aid  
Honolulu, Hawaii 96813

The Honorable Sylvia Luke, Chair  
House Committee on Finance  
Hawaii House of Representatives  
Hawaii State Capitol, Room 306  
ATTN: Grant-in-Aid  
Honolulu, Hawaii 96813

Dear Senator Dela Cruz and Representative Luke:

I am writing to express my support for Na Hale O Maui's ("NHOM") grant-in-aid ("GIA") application. NHOM is a community land trust established to create and build permanent affordable housing for Maui County's local residents. The power of NHOM is that the land parcels remain in a land trust and as a result, the homes remain "affordable" in perpetuity.

NHOM, to date, has built affordable housing for 34 families in the Kihei, Central Maui, and the Upcountry area.

As a result of the extremely low inventory of affordable housing in West Maui, NHOM purchased land to build 12 affordable homes. This project will create 12, 3 or 4 bedroom single-family homes. Units would be eligible for households meeting the following criteria:

- Earns 80% of the area median income (8 affordable housing units)
- Earns between 80% and 120% of the median income (4 affordable housing units).

January 12, 2018

Page 2

NHOM received \$780,000 from the Maui County Affordable Housing Fund to assist in purchasing the parcels and to complete the project fully, funding is needed to complete the homes.

Maui County is in dire need of affordable homes, and it is only through partnerships and by working together will we be able to create the needed homes for local residents.

If you have any questions, please do not hesitate to contact me or my staff at (808) 270-5507 or by e-mail at [Mike.White@mauicounty.us](mailto:Mike.White@mauicounty.us).

Sincerely,



MIKE WHITE  
Council Chair

January 12, 2018

The Honorable Donovan M. Dela Cruz  
Chair Senate Committee on Ways and Means  
Hawaii State Capitol, Room 208  
Honolulu, HI 96813

ATTN: GIA

Representative Sylvia Luke  
Chair House Committee on Finance  
State Capitol, Room 306  
Honolulu, HI 96813

ATTN: GIA

Dear Senator Dela Cruz and Representative Luke,

My name is Michael Trotto and I have the honor to serve as the Board President of Na Hale O Maui, a nonprofit community land trust helping to create affordable housing for Maui's residents and to keep the housing affordable in perpetuity.

Currently we have 34 families in affordable homes and we are now working to build 12, 3 & 4-bedroom homes in Lahaina, one of the least affordable areas of our county.

Maui County is experiencing a severe crisis in the availability of workforce housing for residents and the Na Hale O Maui project in Lahaina is much needed to address this crisis.

We realize that 12 homes will not solve the crisis, but it is a necessary step in the right direction and we cannot afford to wait to take any action we can and to do it now.

I respectfully ask that you consider funding the Na Hale O Maui project as requested and partner with us to build these 12 desperately needed homes for our residents.

Sincerely,

Michael Trotto  
President, Na Hale O Maui  
[www.nahaleomaui.org](http://www.nahaleomaui.org)



January 12, 2018

The Honorable Donovan Dela Cruz, Chair  
Senate Committee on Ways and Means  
Hawaii State Senate  
Hawaii State Capitol, Room 208  
Honolulu, Hawaii 96813

ATTN: GIA

The Honorable Sylvia Luke, Chair  
House Committee on Finance  
Hawaii House of Representatives  
Hawaii State Capitol, Room 306  
Honolulu, Hawaii 96813

ATTN: GIA

Dear Senator Dela Cruz and Representative Luke,

My name Sheena Solomon and I am a Na Hale O Maui homeowner and a member of the NHOM board of directors since October 2015. Fully one-third of the board members are homeowners by our By-laws.

I know from first hand experience the positive benefits of having an affordable and safe place for my family to live.

The NHOM application for state GIA funding for our Lahaina affordable homes project will do much to move us forward toward our goal of building 12, 3 and 4 bedroom homes in Lahaina. Fully two-thirds (8 homes) will be for local families earning 80% of the area median income. The balance will be for families earning between 80% and 120% of the AMI. NHOM owns the land the homes will be built upon.

NHOM currently has 34 families living in truly affordable housing That will never go to market because NHOM is a Community Land Trust and removes the cost of the land from the price of the homes. The homes are under a 99-year lease that can be passed on to one's family and heirs.

I respectfully request that the NHOM Lahaina affordable housing project receive favorable consideration from your committees in the House and Senate.

Sheena Solomon  
Lessee Homeowner  
NHOM Homeowner Director



**DECLARATION STATEMENT OF  
APPLICANTS FOR GRANTS PURSUANT TO  
CHAPTER 42F, HAWAII REVISED STATUTES**

The undersigned authorized representative of the applicant certifies the following:

- 1) The applicant meets and will comply with all of the following standards for the award of grants pursuant to Section 42F-103, Hawaii Revised Statutes:
  - a) Is licensed or accredited, in accordance with federal, state, or county statutes, rules, or ordinances, to conduct the activities or provide the services for which a grant is awarded;
  - b) Complies with all applicable federal and state laws prohibiting discrimination against any person on the basis of race, color, national origin, religion, creed, sex, age, sexual orientation, or disability;
  - c) Agrees not to use state funds for entertainment or lobbying activities; and
  - d) Allows the state agency to which funds for the grant were appropriated for expenditure, legislative committees and their staff, and the auditor full access to their records, reports, files, and other related documents and information for purposes of monitoring, measuring the effectiveness, and ensuring the proper expenditure of the grant.
  
- 2) If the applicant is an organization, the applicant meets the following requirements pursuant to Section 42F-103, Hawaii Revised Statutes:
  - a) Is incorporated under the laws of the State; and
  - b) Has bylaws or policies that describe the manner in which the activities or services for which a grant is awarded shall be conducted or provided.
  
- 3) If the applicant is a non-profit organization, it meets the following requirements pursuant to Section 42F-103, Hawaii Revised Statutes:
  - a) Is determined and designated to be a non-profit organization by the Internal Revenue Service; and
  - b) Has a governing board whose members have no material conflict of interest and serve without compensation.

Pursuant to Section 42F-103, Hawaii Revised Statutes, for grants used for the acquisition of land, when the organization discontinues the activities or services on the land acquired for which the grant was awarded and disposes of the land in fee simple or by lease, the organization shall negotiate with the expending agency for a lump sum or installment repayment to the State of the amount of the grant used for the acquisition of the land.

Further, the undersigned authorized representative certifies that this statement is true and correct to the best of the applicant's knowledge.

Housing and Land Enterprise of Maui, dba Na Hale O Maui  
(Typed Name of Individual or Organization)

  
(Signature)

January 19, 2018  
(Date)

Cassandra J L Abdul  
(Typed Name)

Executive Director  
(Title)



## Department of Commerce and Consumer Affairs

### CERTIFICATE OF GOOD STANDING

I, the undersigned Director of Commerce and Consumer Affairs of the State of Hawaii, do hereby certify that

#### HOUSING AND LAND ENTERPRISE OF MAUI

was incorporated under the laws of Hawaii on 08/05/2006 ; that it is an existing nonprofit corporation; and that, as far as the records of this Department reveal, has complied with all of the provisions of the Hawaii Nonprofit Corporations Act, regulating domestic nonprofit corporations.



IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Department of Commerce and Consumer Affairs, at Honolulu, Hawaii.

Dated: January 12, 2018

Director of Commerce and Consumer Affairs