



## Application Submittal Checklist

*The following items are required for submittal of the grant application. Please verify and check off that the items have been included in the application packet.*

- 1) Hawaii Compliance Express Certificate (If the Applicant is an Organization)
- 2) Declaration Statement
- 3) Verify that grant shall be used for a public purpose
- 4) Background and Summary
- 5) Service Summary and Outcomes
- 6) Budget
  - a) Budget request by source of funds ([Link](#))
  - b) Personnel salaries and wages ([Link](#))
  - c) Equipment and motor vehicles ([Link](#))
  - d) Capital project details ([Link](#))
  - e) Government contracts, grants, and grants in aid ([Link](#))
- 7) Experience and Capability
- 8) Personnel: Project Organization and Staffing

*Leilani Spencer*

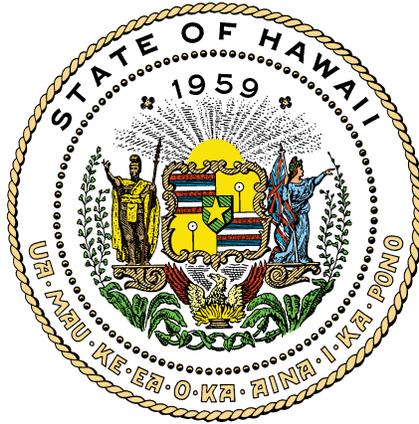
Leilani Spencer, Executive Director/CEO

01/23/26

AUTHORIZED SIGNATURE

PRINT NAME AND TITLE

DATE



## 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

NEIGHBORHOOD HOUSING COMMUNITY DEVELOPMENT CORPORATION

was incorporated under the laws of Hawaii on 11/14/2018 ;  
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 23, 2026

Director of Commerce and Consumer Affairs





## **Application for Grants – Public Purpose Certification**

The grant will be used for a public purpose pursuant to Section 42F-102, Hawai'i Revised Statutes.

### **Name of Requesting Organization:**

Neighborhood Housing Community Development Corporation, doing business as Permanently Affordable Living Hawai'i (PAL Hawai'i)

### **Public Purpose of the Grant:**

Establishing a foundation of hope by providing affordable homes for the people of Hawai'i and preserving long-term housing affordability for local workforce families.

### **Activity to Be Supported by the Grant:**

Construction of **six permanently affordable, for-sale single-family homes** at the Kauhale O Kalāheo project on Kaua'i. The homes will be placed under the stewardship of PAL Hawai'i's **Ho'omaluhia Community Land Trust**, ensuring long-term public benefit and affordability for up to **198 years**.

### **Target Group:**

Income-qualified local workforce households earning **100% of Area Median Income (AMI) or below**, selected through the **County of Kaua'i's First-Time Homebuyer Program**, with priorities and preferences for households with long-standing, multigenerational ties to Kaua'i and the Kalāheo community.

### **Cost of the Grant:**

\$300,000 (\$50,000 per home for six homes)

## Application for Grants

*If any item is not applicable to the request, the applicant should enter “not applicable”.*

### **I. Certification – Please attach immediately after cover page**

#### **1. Hawaii Compliance Express Certificate (If the Applicant is an Organization)**

If the applicant is an organization, the applicant shall submit one (1) copy of a Hawaii Compliance Express Certificate from the Comptroller of the Department of Accounting and General Services that is dated no earlier than December 1, 2025.

#### **2. Declaration Statement**

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

#### **3. Public Purpose**

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

### **II. 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;**

Neighborhood Housing Community Development Corporation, doing business as Permanently Affordable Living Hawai'i (PAL), is a Hawai'i-based 501(c)(3) nonprofit organization dedicated to creating and stewarding permanently affordable housing and supportive services for local residents. Founded in 2018, PAL was established in response to the growing displacement of Hawai'i families caused by rising housing costs and limited long-term affordability options.

PAL's mission is to establish a foundation of hope by providing affordable homes and services for the people of Hawai'i. Through the development and stewardship of permanently affordable homeownership opportunities and the delivery of resident-focused support services, PAL works to ensure that local families with long-standing, multigenerational ties to Hawai'i communities can achieve housing stability, preserving the cultural and social fabric of the islands.

PAL's work centers on long-term affordability models that protect public investment, prevent displacement, and create intergenerational benefits for Hawai'i residents. By combining affordable housing development, community land trust principles, and ongoing stewardship, PAL delivers durable housing assets that remain affordable for future generations while responding to Hawai'i's urgent housing needs.

2. The goals and objectives related to the request;

The goal of this capital improvement request is to expand the supply of permanently affordable homeownership opportunities on Kaua'i through the construction of new single-family homes at the Kauhale O Kalāheo project. This investment will directly address the shortage of affordable housing by creating tangible, long-term public assets that remain affordable for future generations.

### Goals

PAL Hawai'i's goals for this request are to:

- Construct **six permanently affordable single-family homes** at Kauhale O Kalāheo for income-qualified local residents.
- Increase access to affordable homeownership for households earning **100% of Area Median Income (AMI) or below**.
- Preserve the cultural and social fabric of Hawai'i by prioritizing households with long-standing, multigenerational ties to Hawai'i communities.
- **Protect public investment through long-term affordability and stewardship provided by the Ho'omaluhia Community Land Trust (HCLT), which secures affordability for up to 198 years through renewable long-term ground leases.**

### Objectives

To achieve these goals, PAL Hawai'i will:

1. **Complete the construction of six single-family detached homes** at Kauhale O Kalāheo using efficient, value-engineered designs that control costs while ensuring quality and durability.
2. **Leverage Grant-in-Aid capital funding of \$50,000 per home** to offset construction costs and reduce the purchase price for income-qualified buyers.
3. **Deliver homes in a range of family-appropriate configurations**, including 2-bedroom/1-bath, 3-bedroom/2-bath, and 4-bedroom/2-bath layouts, to meet the needs of local families.

4. **Ensure long-term affordability and stewardship through the Ho'omaluhia Community Land Trust**, which applies resale restrictions and land stewardship mechanisms through **two successive 99-year renewable ground leases**, preserving affordability for up to **198 years** while allowing homeowners to build limited equity.
  5. **Coordinate construction and project delivery** with development partners to complete homes on schedule and in compliance with all applicable State and County requirements.
3. The public purpose and need to be served;

Kaua'i continues to face a severe shortage of affordable housing, particularly for local families seeking stable, long-term homeownership opportunities. Housing costs on Kaua'i have increased at a pace that far exceeds local wages, placing homeownership out of reach for many working households and contributing to displacement, overcrowding, and long-term housing insecurity. According to U.S. Census-based housing indicators, **approximately 25.3% of Kaua'i County residents experience severe housing problems**, including high housing cost burdens, overcrowding, or inadequate housing conditions, underscoring the scale and persistence of the affordability crisis on the island.

The cost of entering the homeownership market further illustrates this gap. Recent housing market data indicates that the **median home value on Kaua'i is nearly \$1 million**, a price point that is unattainable for most households earning up to **100% of Area Median Income (AMI)** without substantial subsidy. As a result, many local families are unable to transition from renting into ownership, limiting long-term housing stability and wealth-building opportunities.

Public planning and housing policy efforts at the State and County levels have consistently identified the need for new affordable housing production, including owner-occupied housing, to address these pressures. Without targeted public investment in new construction, families with long-standing, multigenerational ties to Kaua'i face increasing pressure to leave the island or remain perpetually cost-burdened. Expanding access to affordable homeownership is therefore essential to stabilizing Kaua'i's workforce, strengthening community continuity, and preserving the island's cultural and social fabric.

The **Kauhale O Kalāheo** project directly responds to this need by creating new, permanently affordable single-family homes for households earning **100% AMI or below**. The six homes supported through this capital improvement request will provide family-sized homeownership opportunities that are otherwise unavailable at affordable price points within Kaua'i's private market.

This project serves a clear public purpose by converting State investment into **durable, long-term housing assets**. Through stewardship by PAL Hawai'i's

**Ho'omaluhia Community Land Trust**, affordability is preserved through resale restrictions and land stewardship mechanisms implemented via **two successive 99-year renewable ground leases**, securing affordability for **up to 198 years**. This structure protects public investment, prevents speculative resale, and ensures that the benefit of the State's investment extends beyond the initial homeowners to future generations of Kaua'i residents.

By supporting the construction of these six homes, the State of Hawai'i advances its housing priorities by increasing affordable housing supply, addressing documented cost burdens, and ensuring that public funds create a permanent, intergenerational benefit for Kaua'i communities.

4. Describe the target population to be served; and

The Kauhale O Kalāheo capital improvement project serves **Kaua'i residents who are most impacted by the island's housing affordability crisis**, particularly those seeking stable, long-term homeownership opportunities that are otherwise unavailable in the private market.

The six homes supported through this request are intended for **income-qualified local households earning 100% of Area Median Income (AMI) or below**. Across all PAL housing, including Kauhale O Kalāheo, **priorities and preferences are provided for households with long-standing, multigenerational ties to Hawai'i**, helping preserve community continuity and reduce displacement of local families.

The target population for this project is **Kaua'i's local workforce**, including individuals and families employed in essential sectors such as education, healthcare, construction, hospitality, public service, and other occupations critical to the island's economy and daily functioning. Despite steady employment, many workforce households are unable to access homeownership due to Kaua'i's high housing costs and limited supply of affordable for-sale homes. Workforce housing is essential to maintaining a stable local economy, reducing long commutes, retaining skilled workers, and supporting community resilience.

Eligible homebuyers will be selected through the **County of Kaua'i's First-Time Homebuyer Program**, ensuring equitable access, transparency, and alignment with established County eligibility and selection processes. Long-term affordability for these homes will be preserved through stewardship by PAL Hawai'i's **Ho'omaluhia Community Land Trust**, ensuring that the public benefit of this investment extends to future generations.

5. Describe the geographic coverage.

The Kauhale O Kalāheo capital improvement project is located in the community of **Kalāheo**, on the island of **Kauaʻi**, and serves residents countywide. The project site is located off **Puʻu Road in Kalāheo**, within a residentially zoned area that provides access to schools, employment centers, healthcare, and essential services.

While eligible households may come from **across Kauaʻi**, **priority and preference will be given to families from Kalāheo and surrounding communities**, supporting local residents who have long-standing ties to the area and helping preserve neighborhood continuity. This approach balances island-wide access with place-based prioritization that reflects community needs and housing pressures in the immediate project area.

The geographic focus of this project reflects Kauaʻi's unique housing constraints, including limited land availability, high construction costs, and the need for strategically located workforce housing. By investing in permanently affordable homes in Kalāheo, the State of Hawaiʻi supports long-term housing solutions that strengthen community stability, retain local workforce families, and deliver enduring public benefit.

### **III. Service Summary and Outcomes**

The Service Summary shall include a detailed discussion of the applicant's approach to the request. The applicant shall clearly and concisely specify the results, outcomes, and measures of effectiveness from this request. The applicant shall:

1. Describe the scope of work, tasks and responsibilities;

PAL Hawaiʻi will oversee and coordinate all phases of the Kauhale O Kalāheo capital improvement project, including homebuyer selection, home construction, and final ownership transfer. The scope of work reflects a collaborative approach with County and nonprofit partners and clear assignment of responsibilities to ensure timely delivery of permanently affordable homes.

#### **A. Homebuyer Selection and Loan Approval Process**

The homebuyer selection and loan approval process will be coordinated in partnership with the **County of Kauaʻi Housing Department** and **Hawaiian Community Assets (HCA)** to ensure transparency, equity, and compliance with established eligibility standards.

Key tasks include:

- **Marketing and Outreach:**  
PAL Hawaiʻi will prepare and provide project-specific outreach materials to the County of Kauaʻi Housing Department for distribution through the

County's **First-Time Homebuyer Program**, ensuring island-wide awareness of the opportunity.

- **Income Qualification:**  
The County of Kaua'i will verify income eligibility for interested households in accordance with program requirements, confirming that applicants meet the **100% Area Median Income (AMI) or below** threshold.
- **Homebuyer Selection:**  
PAL Hawai'i will select eligible households using its established **points-and-preferences system**, which prioritizes local families with long-standing, multigenerational ties to Kalāheo and surrounding communities, while maintaining fairness and transparency.
- **Loan Preparation and Approval:**  
Hawaiian Community Assets (HCA) will work directly with selected homebuyers to assemble loan application packages, provide homebuyer education and counseling as needed, and submit applications to participating lending institutions for mortgage approval.

## **B. Home Construction Process**

Construction of the six single-family homes will be managed by PAL Hawai'i under the supervision of PAL's project leadership and a selected licensed general contractor. PAL Hawai'i will be responsible for construction oversight, coordination, and compliance throughout the build process.

Construction tasks include:

1. **Site Preparation and Foundations**  
Excavation, installation of pier-and-post foundations, and construction of subfloor systems.
2. **Structural Framing**  
Wall framing, roof framing and sheathing, and installation of exterior siding.
3. **Exterior Installation**  
Roofing, porches, windows, and exterior doors.
4. **Mechanical Systems**  
Rough-in and completion of plumbing, electrical, insulation, and related systems in compliance with applicable codes.
5. **Interior Finishes**  
Drywall installation, interior carpentry, cabinetry, countertops, flooring, and interior painting.
6. **Final Construction and Site Work**  
Exterior painting, hardware installation, gutters and downspouts, grading, and landscaping.

PAL Hawai'i will conduct regular site inspections, coordinate required inspections with County agencies, and ensure construction adheres to approved plans, budgets, and timelines.

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### **C. Final Loan Closing and Ownership Transfer**

Upon completion of construction and receipt of final approvals, PAL Hawai'i will coordinate the **loan closing and ownership transfer process** in partnership with Hawaiian Community Assets and a licensed title company.

Tasks include:

- Final verification of buyer eligibility and mortgage approval
  - Execution and recording of ownership and land trust documents
  - Transfer of homes to qualified buyers
  - Placement of homes into the **Ho'omaluhia Community Land Trust**, including recording of ground leases and resale restrictions to ensure long-term affordability for up to **198 years**
2. Provide a projected annual timeline for accomplishing the results or outcomes of the service;

PAL Hawai'i will complete the Kauhale O Kalāheo capital improvement project through a phased, clearly defined timeline that ensures accountability, timely delivery, and permanent affordability.

### **Project Timeline and Key Milestones**

1. **Select and Qualify Homebuyers (Approximately 3 Months)**  
PAL Hawai'i will coordinate with the **County of Kaua'i's First-Time Homebuyer Program** and **Hawaiian Community Assets** to identify and qualify six income-eligible households earning **100% of Area Median Income (AMI) or below**. Income verification, homebuyer education, and mortgage readiness preparation will occur during this phase.
2. **Construct Six Permanently Affordable Homes (Approximately 8 Months)**  
PAL Hawai'i will oversee construction of six single-family detached homes using approved plans and value-engineered designs. Construction activities will include site preparation, vertical construction, installation of mechanical systems, interior finishes, final inspections, and site completion. Progress will be monitored against established schedules and budgets to ensure timely completion.
3. **Finalize Mortgage Closings and Ownership Transfers (Approximately 2 Months)**

Upon completion of construction, PAL Hawai'i will coordinate mortgage closings with lending institutions and a licensed title company. Homes will be conveyed to qualified buyers and placed under the stewardship of the **Ho'omaluhia Community Land Trust**, including recording of long-term ground leases and resale restrictions to ensure permanent affordability.

This timeline results in the delivery of **six completed, permanently affordable homes within approximately 13 months** from the start of buyer selection.

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

PAL Hawai'i is committed to delivering high-quality, cost-effective, and permanently affordable housing through a structured quality assurance and evaluation process. For the Kauhale O Kalāheo capital improvement project, PAL Hawai'i will implement a comprehensive construction oversight and quality management approach to ensure that homes are completed in accordance with approved plans, budgets, timelines, and affordability requirements.

#### **Construction Oversight and Quality Assurance**

PAL Hawai'i's **Project Manager** will oversee all aspects of home construction and contractor performance. Responsibilities include maintaining project schedules, coordinating required permits and inspections, monitoring budgets and job costs, and ensuring that all phases of construction meet established standards for quality, safety, and code compliance.

PAL Hawai'i will conduct regular site visits and progress reviews to verify that construction milestones are met and that work performed aligns with approved plans and specifications. Required inspections and approvals by County and State agencies will be coordinated and documented to ensure compliance with applicable building codes and regulatory requirements. Any construction deficiencies, delays, or cost variances will be addressed promptly through corrective actions and coordination with the general contractor.

#### **Financial Monitoring and Accountability**

Project expenditures, including Grant-in-Aid funds allocated at **\$50,000 per home**, will be tracked against the approved project budget. PAL Hawai'i will maintain detailed financial records to support reporting requirements and ensure responsible use of public funds. Budget performance and job costs will be reviewed throughout construction to identify efficiencies and prevent overruns.

#### **Evaluation and Continuous Improvement**

Following completion of construction and ownership transfer, PAL Hawai'i will conduct **post-construction job costing and project evaluations**. Feedback will be gathered from

staff, vendors, and homebuyers to assess construction quality, project coordination, and overall effectiveness. Findings will be documented and used to identify areas for improvement, refine construction processes, and enhance cost control for future housing developments.

### **Affordability and Compliance Verification**

PAL Hawai‘i will verify that all homebuyers meet income eligibility requirements prior to closing and will ensure that each home is placed under the stewardship of the **Ho‘omaluhia Community Land Trust**. Long-term ground leases and resale restrictions will be recorded at closing to preserve affordability for up to **198 years**, protecting the public investment and ensuring long-term compliance.

### **Reporting and Oversight**

Project progress, expenditures, and outcomes will be summarized in internal reports and made available to the State as required. PAL Hawai‘i’s executive leadership will review project performance to ensure accountability, adherence to timelines, and achievement of project objectives.

Through this integrated quality assurance and evaluation framework, PAL Hawai‘i ensures that the Kauhale O Kalāheo capital improvement project delivers high-quality, permanently affordable homes while continuously improving construction efficiency, cost effectiveness, and long-term stewardship.

4. List the measure(s) of effectiveness that will be reported to the State agency through which grant funds are appropriated (the expending agency). The measure(s) 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) of effectiveness will need to be updated and transmitted to the expending agency.

PAL Hawai‘i will report the following measures of effectiveness to the State agency through which Grant-in-Aid funds are appropriated. These measures provide objective, verifiable indicators of project progress and completion and may be adjusted proportionally if the level of appropriation differs from the amount requested.

### **Measuring Project Effectiveness**

The effectiveness of the Kauhale O Kalāheo capital improvement project will be evaluated using the following measurable outcomes:

#### **1. Homebuyer Selection and Qualification**

- **Number of households selected and income-qualified** through the County of Kaua'i's First-Time Homebuyer Program.
- Target: **Six households earning 100% of Area Median Income (AMI) or below** verified prior to construction completion.

**2. Affordable Home Production**

- **Number of single-family homes constructed and completed** using Grant-in-Aid capital funds.
- Target: **Six permanently affordable single-family homes** completed in accordance with approved plans, budgets, and timelines.

**3. Construction and Regulatory Completion**

- **Number of homes receiving Certificates of Occupancy** from the County of Kaua'i.
- Target: **Six Certificates of Occupancy issued**, confirming compliance with applicable building and safety codes.

**4. Successful Homeownership Transfer and Affordability Protection**

- **Number of homes successfully conveyed to qualified buyers** through recorded mortgage closings and title transfers.
- **Number of homes placed under long-term affordability restrictions** through the Ho'omaluhia Community Land Trust.
- Target: **Six completed ownership transfers** with recorded ground leases and resale restrictions securing affordability for up to **198 years**.

**IV. 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](#))
  - b. Personnel salaries and wages ([Link](#))
  - c. Equipment and motor vehicles ([Link](#))
  - d. Capital project details ([Link](#))
  - e. Government contracts, grants, and grants in aid ([Link](#))
2. The applicant shall provide its anticipated quarterly funding requests for the fiscal year 2027.

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
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1	100,000	100,000	100,000		300,000
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- The applicant shall provide a listing of all other sources of funding that they are seeking for fiscal year 2027.

For fiscal year 2027, PAL Hawai'i anticipates seeking construction financing to support the development and completion of the Kauhale O Kalāheo project.

- 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.

PAL Hawai'i has not been granted any state or federal tax credits within the prior three years. The organization has not applied for, nor does it anticipate applying for, any state or federal tax credits pertaining to any capital project.

- 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 2027 for program funding.

Within the prior three years, PAL Hawai'i has received the following State of Hawai'i Grants-in-Aid:

- **Fiscal Year 2024**
  - \$100,000 – Grant-in-Aid for operating support
  - \$200,000 – Grant-in-Aid for capital improvement project (CIP)
- **Fiscal Year 2025**
  - \$200,000 – Grant-in-Aid for capital improvement project (CIP)

PAL Hawai'i has not received any federal or county government contracts or grants within the prior three years. At this time, PAL Hawai'i is not receiving government contracts, grants, or grants-in-aid for fiscal year 2027 program funding beyond this application.

- The applicant shall provide the balance of its unrestricted current assets as of December 31, 2025.

\$8,684,317

**V. Experience and Capability**

**1. Necessary Skills and Experience**

The applicant shall demonstrate that it has the necessary skills, abilities, knowledge of, and experience relating to the request. State your experience and appropriateness for providing the service proposed in this application. The applicant shall also provide a listing of verifiable experience of related projects or contracts for the most recent three years that are pertinent to the request.

PAL Hawai'i has the demonstrated skills, experience, and organizational capacity necessary to successfully carry out the capital improvement project proposed in this application. The organization's leadership and construction team bring extensive experience in **affordable housing development, construction oversight, project management, and nonprofit administration**, enabling PAL Hawai'i to deliver high-quality, cost-effective housing projects that respond directly to Kaua'i's housing needs.

### **Experienced Leadership and Construction Team**

PAL Hawai'i's leadership team has deep experience in real estate development, affordable housing delivery, and long-term stewardship models. This expertise allows PAL Hawai'i to manage complex capital projects, coordinate public and private partners, and ensure compliance with applicable State and County requirements.

PAL Hawai'i's **Construction Superintendent** has more than **25 years of experience building homes on Kaua'i**, providing extensive local knowledge of construction practices, site conditions, and permitting processes. In addition, PAL Hawai'i is supported by a **Construction Consultant** who previously served **14 years as Executive Director of Habitat for Humanity Kaua'i** and has an additional **five years of experience operating a Hawai'i-licensed contracting firm**. This team brings specialized expertise in building **affordable, value-engineered single-family homes** that balance quality, durability, and cost control.

### **Verifiable Recent Project Experience (Past Three Years)**

PAL Hawai'i has successfully undertaken and managed multiple affordable housing projects within the past three years that are directly relevant to this request:

- **Kauhale O Kekaha** – A 13-unit affordable rental housing community owned and operated by PAL Hawai'i since February 2022, serving low-income and formerly houseless households.
- **Kauhale O Kapa'a** – A 13-unit affordable rental housing community acquired and operated by PAL Hawai'i since January 2023, currently undergoing rehabilitation and compliance upgrades.
- **Kauhale O Namahana** – A single-family affordable homeownership development currently under construction. Construction began in **August**, and the project is **actively underway** with completion projected by the **end of fiscal year 2027**. This project demonstrates PAL Hawai'i's current capacity to manage active

vertical construction, coordinate contractors, control costs, and deliver permanently affordable homes.

These projects provide clear, verifiable evidence of PAL Hawai'i's ability to oversee construction, manage budgets and timelines, and deliver housing projects from planning through completion.

### **Appropriateness for the Proposed Capital Project**

The Kauhale O Kalāheo project builds directly on PAL Hawai'i's recent and ongoing construction experience. The organization's established leadership, experienced construction team, and active project portfolio demonstrate readiness to deliver the proposed six single-family homes efficiently, responsibly, and in alignment with long-term affordability goals.

This combination of **local construction expertise, affordable housing specialization, and current active project delivery** makes PAL Hawai'i well qualified to carry out the capital improvement project proposed in this application.

## **2. Facilities**

The applicant shall provide a description of its facilities and demonstrate its adequacy in relation to the request. If facilities are not presently available, describe plans to secure facilities.

PAL Hawai'i maintains facilities and infrastructure that are fully adequate to support the planning, construction oversight, and delivery of the Kauhale O Kalāheo capital improvement project.

### **Construction and Project Management Facilities**

PAL Hawai'i utilizes its existing administrative office located at **Anahola Marketplace (4523 Ioane Road, Anahola, Hawai'i)** as the central hub for project management, financial administration, contractor coordination, and compliance oversight related to capital projects. This facility supports staff responsible for construction oversight, accounting, procurement, and coordination with County and State agencies.

On-site construction activities at Kauhale O Kalāheo will be managed directly at the project location, with regular site presence by PAL Hawai'i's construction leadership and project management team. PAL Hawai'i's Construction Superintendent and Project Manager will oversee construction progress, coordinate inspections, and ensure adherence to approved plans, budgets, and schedules.

### **Project Site and Infrastructure Readiness**

The Kauhale O Kalāheo project site, located off **Pu'u Road in Kalāheo**, is fully entitled and has secured all major public approvals necessary for construction, including zoning,

environmental, utility, and access approvals. The project site itself serves as the primary facility for construction activities, staging, and inspections.

PAL Hawai'i has secured ownership of the six lots to be developed under this request, ensuring site control and readiness to proceed with construction once final plans and financing are completed.

### **Adequacy and Future Facility Needs**

PAL Hawai'i's existing facilities and project management systems are sufficient to support the scope of work proposed under this capital improvement request. No additional facilities are required to initiate or complete construction of the six homes at Kauhale O Kalāheo. Should future phases of development or additional housing projects necessitate expanded administrative or construction support facilities, PAL Hawai'i will secure such facilities as needed to ensure continued effective project delivery.

## **VI. Personnel: Project Organization and Staffing**

### **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.

PAL Hawai'i will implement a focused staffing structure appropriate to the scope and scale of the Kauhale O Kalāheo capital improvement project. This structure ensures effective leadership, construction oversight, financial accountability, and regulatory compliance necessary for successful project delivery.

### **Project Leadership and Oversight**

- **Executive Director**  
Provides overall leadership, strategic direction, fiscal oversight, and organizational accountability. The Executive Director is responsible for identifying new housing opportunities, advancing housing development initiatives, and overseeing housing projects from concept through completion to ensure alignment with PAL Hawai'i's mission and long-term affordability goals.
- **Chief Operating Officer**  
Oversees day-to-day operations related to the project, including coordination among staff, consultants, and contractors, and ensures compliance with applicable regulatory and administrative requirements.

- **Financial Controller**

Manages financial systems, budgeting, expenditure tracking, and internal controls related to the capital improvement project. The Financial Controller ensures responsible use of Grant-in-Aid funds and compliance with reporting and audit requirements.

### **Construction Management and Execution**

- **Construction Consultant / Project Manager**

PAL Hawai'i will retain a Construction Consultant who will serve as the **Project Manager** for the Kauhale O Kalāheo homes. The Project Manager will oversee all phases of construction, monitor schedules and budgets, coordinate inspections, and ensure compliance with approved plans, building codes, and funding requirements.

- **General Contractor**

A licensed General Contractor will be selected to execute construction activities and will be responsible for managing construction workers and subcontractors, maintaining jobsite safety, coordinating inspections, and completing the homes in accordance with contract specifications, timelines, and quality standards.

### **Supervision, Training, and Administrative Direction**

PAL Hawai'i provides administrative direction and oversight through its executive leadership and financial management team. Regular progress meetings, site inspections, and financial reviews will be conducted to monitor performance, address issues, and ensure adherence to approved scopes, schedules, and budgets.

The Construction Consultant will provide day-to-day oversight of construction quality and progress. The General Contractor is responsible for training, supervising, and managing its workforce and subcontractors in compliance with industry standards and safety requirements.

### **Service Capacity and Project Viability**

This staffing model provides sufficient capacity and expertise to successfully complete the construction of six permanently affordable single-family homes. By combining experienced organizational leadership, dedicated construction oversight, and licensed construction execution, PAL Hawai'i ensures that the Kauhale O Kalāheo capital improvement project will be delivered efficiently, responsibly, and in alignment with long-term affordability objectives.

## **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 an annual salary range paid by the applicant to the three highest paid officers, directors, or employees of the organization by position title, not employee name.

Chief Executive Officer \$95,137.27

Chief Operating Officer \$94,000

Communication and Development Director \$90,500.80

## **VII. 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.

PAL Hawai'i is not currently involved in any pending litigation and has no outstanding judgments.

### **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.

PAL Hawai'i does not hold any licensure or accreditation that is required for the services proposed under this request. The organization operates in compliance with all applicable federal, state, and county regulations related to affordable housing, property management, and nonprofit operations.

### **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.

The grant funds will not be used to support or benefit any sectarian or non-sectarian private educational institution.

### **4. Future Sustainability Plan**

The applicant shall provide a plan for sustaining after fiscal year 2027 the activity funded by the grant if the grant of this application is:

- (a) Received by the applicant for fiscal year 2027, but

(b) Not received by the applicant thereafter.

PAL Hawai'i has a clear plan to sustain the activity funded by this capital improvement grant beyond fiscal year 2027, regardless of whether Grant-in-Aid funding is received thereafter. The sustainability of this project is achieved through the completion of durable housing assets, permanent affordability mechanisms, and long-term stewardship, rather than reliance on ongoing operating subsidies.

If the grant is received for fiscal year 2027, the funds will be used to support the construction of six permanently affordable single-family homes at the Kauhale O Kalāheo project. Upon completion of construction and transfer of ownership, the homes will become self-sustaining assets owned by qualified homebuyers. No ongoing operational funding from the State is required to maintain the homes.

Long-term sustainability and public benefit are ensured through stewardship by PAL Hawai'i's **Ho'omaluhia Community Land Trust**, which applies renewable long-term ground leases and resale restrictions that preserve affordability for up to **198 years**. This structure protects the State's investment, prevents speculative resale, and ensures that affordability is retained for future generations of Kaua'i residents.

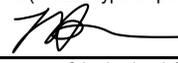
If Grant-in-Aid funding is not received beyond fiscal year 2027, the completed homes will continue to serve income-qualified households without interruption. Ongoing stewardship and compliance monitoring will be supported through PAL Hawai'i's organizational operations and land trust model, which are sustained through a combination of earned revenue, private fundraising, and homeowner fees associated with land trust stewardship.

Through this approach, the State's investment results in a one-time capital contribution that creates a permanent public benefit, without creating future fiscal dependency on State funds.

## BUDGET REQUEST BY SOURCE OF FUNDS

Period: July 1, 2026 to June 30, 2027

Applicant: \_\_\_\_\_ Neighborhood Housing Community Development Corporation

BUDGET CATEGORIES	Total State Funds Requested (a)	Total Federal Funds Requested (b)	Total County Funds Requested (c)	Total Private/Other Funds Requested (d)
A. PERSONNEL COST				
1. Salaries				
2. Payroll Taxes & Assessments				
3. Fringe Benefits				
TOTAL PERSONNEL COST				
B. OTHER CURRENT EXPENSES				
1. Airfare, Inter-Island				
2. Insurance				
3. Lease/Rental of Equipment				
4. Lease/Rental of Space				
5. Staff Training				
6. Supplies				
7. Telecommunication				
8. Utilities				
9.				
10.				
11.				
12.				
13.				
14.				
15.				
16.				
17.				
18.				
19.				
20.				
TOTAL OTHER CURRENT EXPENSES				
C. EQUIPMENT PURCHASES				
D. MOTOR VEHICLE PURCHASES				
E. CAPITAL	<b>300,000</b>			<b>2,197,975</b>
<b>TOTAL (A+B+C+D+E)</b>				
<b>SOURCES OF FUNDING</b>		Budget Prepared By:		
(a) Total State Funds Requested	300,000	Moana Waipa	808-634-4328	
(b) Total Federal Funds Requested		Name (Please type or print)	Phone	
(c) Total County Funds Requested			1/20/26	
(d) Total Private/Other Funds Requested	2,197,975	Signature of Authorized Official	Date	
<b>TOTAL BUDGET</b>	<b>2,497,975</b>	Moana Waipa, Financial Controller		
		Name and Title (Please type or print)		

## BUDGET JUSTIFICATION - CAPITAL PROJECT DETAILS

Period: July 1, 2026 to June 30, 2027

Applicant: Neighborhood Housing Community Development Corporation

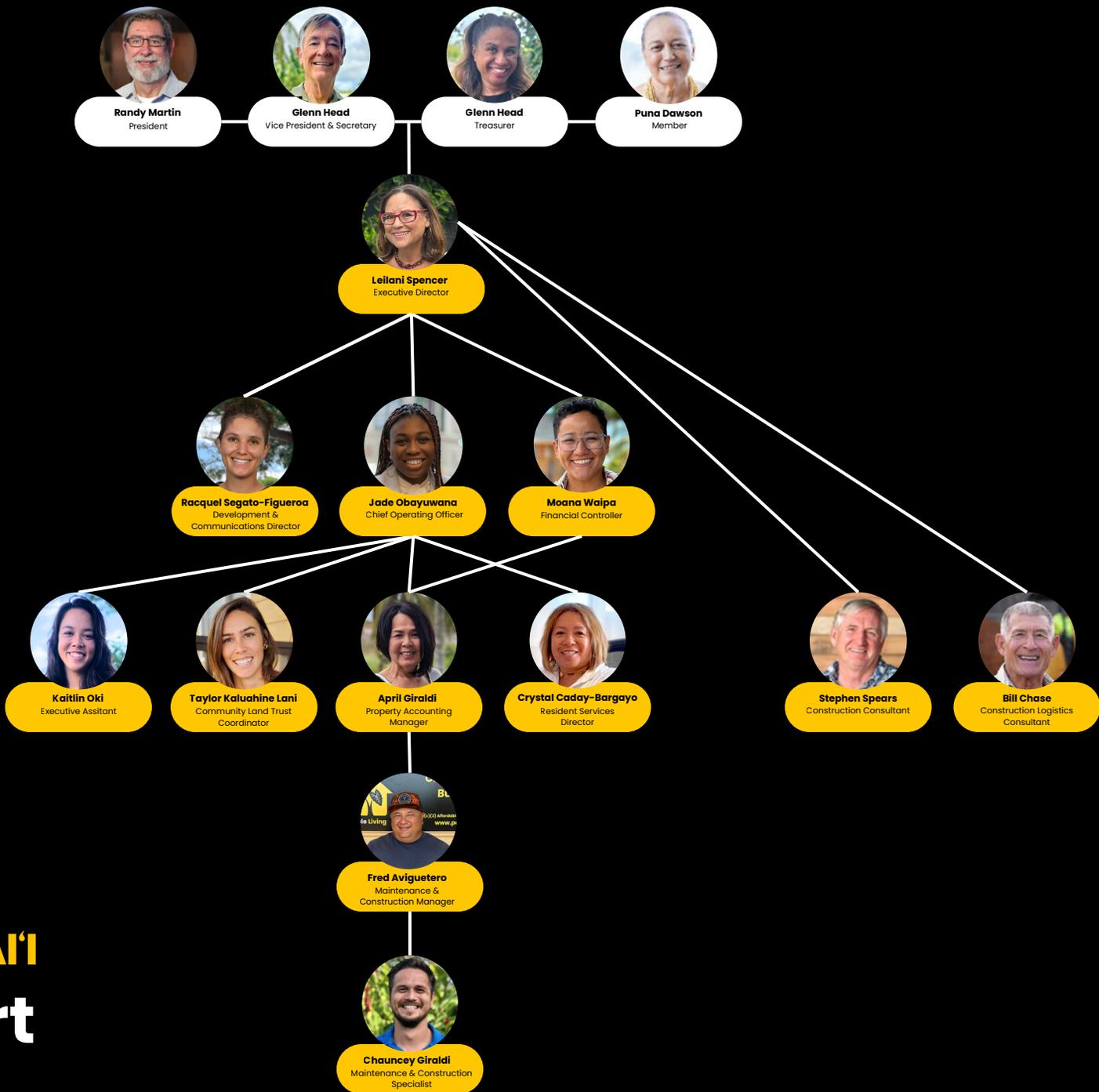
FUNDING AMOUNT REQUESTED						
TOTAL PROJECT COST	ALL SOURCES OF FUNDS RECEIVED IN PRIOR YEARS		STATE FUNDS REQUESTED	OTHER SOURCES OF FUNDS REQUESTED	FUNDING REQUIRED IN SUCCEEDING YEARS	
	FY:2024-2025	FY:2025-2026	FY:2026-2027	FY:2026-2027	FY:2027-2028	FY:2028-2029
PLANS						
LAND ACQUISITION						
DESIGN						
CONSTRUCTION			300000	2197975		
EQUIPMENT						
<b>TOTAL:</b>			300,000	2,197,975		
<b>JUSTIFICATION/COMMENTS:</b>						
Funds will only be used for the construction of the homes.						

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

Applicant: Neighborhood Housing Community Development Corporation

Contracts Total: 500,000

	<b>CONTRACT DESCRIPTION</b>	<b>EFFECTIVE DATES</b>	<b>AGENCY</b>	<b>GOVERNMENT ENTITY (U.S./State/Hawaii/ Honolulu/ Kauai/ Maui County)</b>	<b>CONTRACT VALUE</b>
1	Grant-In-Aid Operating	07/01/2023-06/30/2024	SOHHS	State	100,000
2	Grant-In-Aid CIP	07/01/2023-06/30/2024	DLIR	State	200,000
3	Grant-In-Aid CIP	07/01/2024-06/30/2025	DLIR	State	200,000
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30		10			Application for Grants




**PAL HAWAII**  
**Org Chart**