DEPT. COMM. NO. 340

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STATE OF HAWAII
KA MOKU'ĀINA O HAWAI'I
DEPARTMENT OF HUMAN SERVICES
KA 'OIHANA MĀLAMA LAWELAWE KANAKA
Office of the Director
P. O. Box 339
Honolulu, Hawaii 96809-0339

January 27, 2026

The Honorable Ronald D. Kouchi, President
and Members of the Senate
Thirty-Third State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

The Honorable Nadine K. Nakamura, Speaker
and Members of the House of Representatives
Thirty-Third State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

Dear President Kouchi, Speaker Nakamura, and Members of the Legislature:

Enclosed is the Quarterly Report of the Expenditure of Funds Appropriated to Act 309, Session Laws of Hawaii 2025, and the Kauhale and 'Ohana Zones Programs to the Governor and Legislature, submitted per section 352D-11, Hawaii Revised Statutes (HRS).

Per section 93-16 HRS, this report will be available for electronic review on the Department's website at https://humanservices.hawaii.gov/reports/legislative-reports/. For questions regarding this report, contact Jun Yang, Coordinator on Homelessness, Statewide Office on Homelessness and Housing Solutions, at jun.d.yang@hawaii.gov.

Sincerely,

Ryan I. Yamane
Director

Enclosure

c: Governor's Office
Lieutenant Governor's Office
Department of Budget and Finance
Legislative Auditor
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REPORT TO THE THIRTY-THIRD HAWAII STATE LEGISLATURE 2026

IN ACCORDANCE WITH ACT 309, SESSION LAWS OF HAWAII 2025, ON THE EXPENDITURE OF FUNDS AND THE KAUHALE AND ʻOHANA ZONES PROGRAMS FOR OCTOBER – DECEMBER 2025

Statewide Office on Homelessness & Housing Solutions
Department Of Human Services
January 2026

Executive Summary

The Statewide Office on Homelessness and Housing Solutions (SOHHS) was established by Act 252, Session Laws of Hawai‘i (SLH) 2022. SOHHS is mandated to (1) work with State, county, and community agencies to develop solutions to prevent and end homelessness in the State and (2) develop and test innovative solutions to prevent and end homelessness. Additional functions of SOHHS include identifying and addressing gaps in the homeless services system, providing administrative support to the Hawai‘i Interagency Council on Homelessness (HICH), and establishing and maintaining a statewide homelessness data clearinghouse.

Act 309, SLH 2025 (Act 309), provides additional funding for the Kauhale Initiative and the ‘Ohana Zones programs administered by SOHHS and clarifies programmatic requirements for both programs. Act 309 also requires SOHHS to submit a report to the Legislature every four months detailing the expenditure of funds appropriated pursuant to Act 309, as well as any appropriations made toward the Kauhale or ‘Ohana Zones initiatives. Reports shall include:

(1) A list of all contracts executed during the preceding quarter;

(2) Supporting documentation detailing the use of funds; and

(3) A status update on all operations and buildings using any allocated funds made by the State for the preceding quarter.

Kauhale Initiative

The Kauhale Initiative is a housing approach that strives to demonstrate cost-effectiveness by blending personal and communal living spaces for residents exiting homelessness. Residents of Kauhale receive robust wrap-around services, including case management and medical care to help them remain housed long-term and prevent exits to homelessness. Several Kauhale specialize in providing low-barrier housing and supportive services for vulnerable populations of people experiencing homelessness, including medically fragile adults, seniors, people with behavioral health needs, and survivors of domestic violence.

Act 309 added the following definition of Kauhale to Chapter 346, Hawai‘i Revised Statutes (HRS):

(1) A program to address the basic needs of individuals experiencing houselessness; and

(2) Affordable housing spaces that are communal living spaces with individual household units and charge monthly rents no more than thirty per cent of the area median income level.

ʻOhana Zones

The ʻOhana Zones Pilot Program was established as a temporary pilot program in Act 209, SLH 2018, with the goal of creating additional services, shelter, and housing capacity for individuals experiencing homelessness who were not prioritized or who could not be served by existing homeless programs tied to federal funding. An ʻOhana Zone pilot was defined as a place:

(1) That has a program to address basic needs of individuals experiencing homelessness; and

(2) Where wrap-around services, social and health care services, transportation, and other services may be offered with the goals of alleviating poverty and transitioning individuals experiencing homelessness into affordable housing.

Act 128, SLH 2019, expanded the scope of the ʻOhana Zones Pilot Program to include locations on private lands and to allow for off-grid technologies. Act 235, SLH 2022, extended the pilot program through June 30, 2026, provided additional funding to SOHHS to continue administering ʻOhana Zones projects, and clarified programmatic requirements.

Act 309, SLH 2025, established the ʻOhana Zones as a permanent program within the SOHHS and incorporated the conditions of the ʻOhana Zones into Chapter 346, HRS.

List of Contracts Executed During the Reporting Period

See Table 1 below for the list of contracts executed during the reporting period.

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Table 1. List of Contracts Executed During the Reporting Period (October 1, 2025 – December 31, 2025)

Contract Number	Contractor	Amount	Contract Dates	Program	Description of Contracted Services
DHS-26-GOV-0018	The Leifman Group Consulting	$95,500.00*	11/7/25 – 6/30/26	Kauhale	Statewide consultation and planning services to address the needs of vulnerable adults, improve behavioral health outcomes, reduce recidivism, and enhance both individual and public safety. This contract will support the creation of Kauhale for vulnerable adults with criminal justice involvement. *Funds for this contract were encumbered in FY25.
DHS-26-GOV-0016	Catholic Charities Hawai‘i	$200,000.00*	11/26/25 - 10/31/26	Kauhale	Intensive and targeted outreach, focused on areas of high concentration on O‘ahu, with the goal of rapidly transitioning unsheltered individuals to Kauhale or other shelter resources. *Funds for this contract were encumbered in FY25.
DHS-24-GOV-0131-SC#2	Housing Providers of Hawai‘i, dba HomeAid Hawai‘i	$0.00	9/1/25 - 8/30/26	Kauhale	Time of performance extension only for the expansion of the Ho‘okahi Leo Kauhale.
DHS-26-GOV-0024	Kauhale Management Services, LLC	$2,243,783.00	12/6/25 - 12/31/26	Kauhale	Operations and management of the Kīpūola Kauhale.

Contract Number	Contractor	Amount	Contract Dates	Program	Description of Contracted Services
DHS-25-GOV-0074-SC#1	aio Foundation	$1,500,000.00	6/25/25 - 6/14/26	Kauhale	Supplemental funds for the construction and development of the Hui Mahiʻai ʻĀina Kauhale.
DHS-24-GOV-0052-SC#1	Housing Providers of Hawaiʻi, dba HomeAid Hawaiʻi	$0.00	8/1/23 - 6/30/26	Kauhale	Time of performance and scope amendment only.
DHS-25-GOV-0030-SC#1	Young Women's Christian Association of Kauaʻi	$63,856.40	2/1/25 - 6/30/26	Kauhale	Supplemental funds for the operation of the Wiwoʻole Bridge Kauhale project.
DHS-24-GOV-0028-SC#1	The Institute for Human Services	$39,160.00	2/1/24 - 1/1/26	Kauhale	Supplemental funds for the Return to Home program. Note: the new contract for this program will be administered by the Department of Transportation (DOT).
TOTAL		**$4,142,299.40**			

Supporting Documentation Detailing the Use of Funds

Contract expenditures are reported in the quarter that the invoice is received and approved by SOHHS. Expenditures may have been incurred in prior quarters. Reimbursement requests from contractors may include expenditures incurred over one or more months during the contract period, adjustments from prior payment requests, or requests for an upfront advance payment at the start of contract services. Reimbursements are made directly to the contracted provider. The contracted provider is responsible for reimbursing authorized subcontractors and vendors who performed work under the contract.

SOHHS reviews supporting documentation for contract expenses prior to authorizing reimbursements. Examples of supporting documentation include, amongst other things, payroll records or timesheets for program staff, receipts from vendors, receipts for program supplies, payments to landlords or utility providers, and payments to subcontractors. Supporting documentation for specific transactions is available upon request.

Contract expenditures may be recategorized by SOHHS for the purposes of this report. Definitions are included in the Glossary.

Operating and Service Contracts

SOHHS executed 3 new contracts for operating and service costs in the Kauhale program during the reporting period (see Table 1.) SOHHS also processed reimbursements for existing contracts in the Kauhale and ʻOhana Zones programs. Most expenses processed during this quarter were in the Personnel and Subcontracts categories. A breakdown of expenses by contract number and category is included in Table 2.

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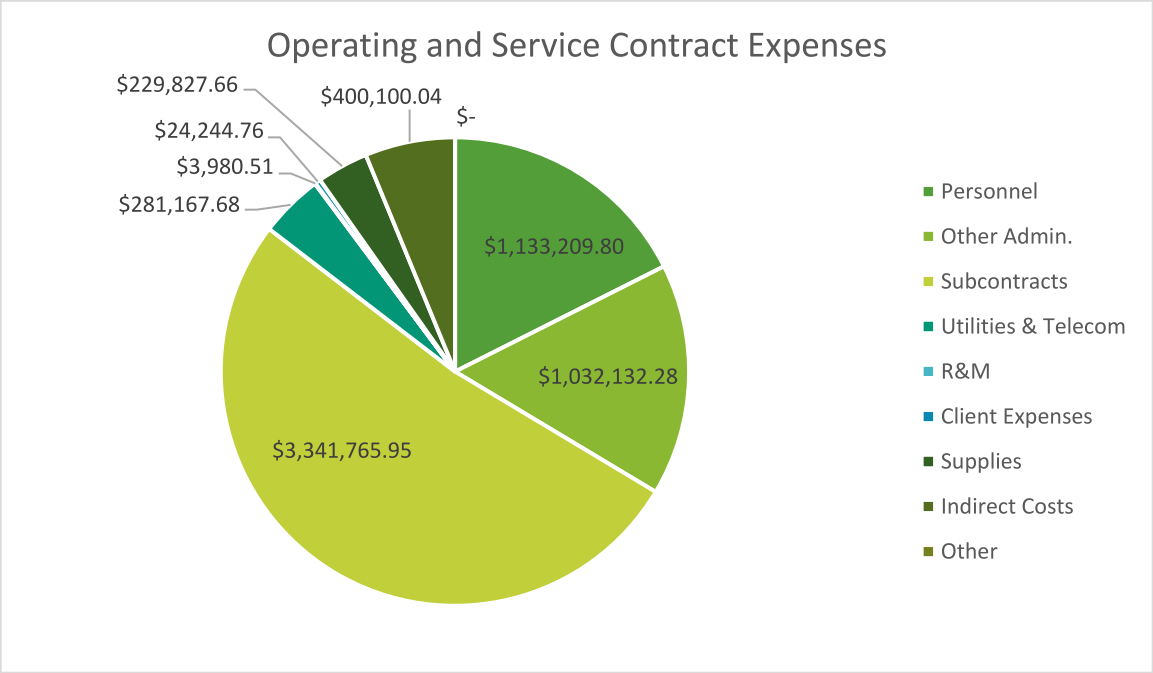


Figure 1 - Operating and Service Contract Expenses, FY26 Q2

The following payments were made to project operators and service providers during this reporting period:

- **DHS-23-GOV-0052 (Huliau)**: The payment of $195,509.51 covers contract administration and direct services costs for the Huliau supportive housing for homeless families units from the period of July 1, 2024 – November 30, 2025.

- **DHS-23-GOV-0054 (Honolulu Permanent Supportive Housing – Housing First IV)**: The payments totaling $338,991.68 cover housing subsidies, case management, and contract administration costs for the Housing First IV program from the period of July 1, 2025 – August 31, 2025. SOHHS contracts the City & County of Honolulu to administer several subcontracts for this project. Direct services by City staff are also included.

- **DHS-23-GOV-0055 (Hawai‘i County Multi-Service Programs)**: The payments totaling $361,829.09 cover contract administration and direct services costs for various programs from the period of April 1, 2025 – September 30, 2025. SOHHS contracts the County of Hawai‘i to administer several subcontracts for this project. The subcontract active during this time is the HOPE Services Hawai‘i Integrated Care Hub at Wilder, a medical respite facility for people experiencing homelessness.

- **DHS-23-GOV-0077 (Hale ‘Imi Ola)**: The payment of $146,401.28 covers operating costs and direct services for the Hale ‘Imi Ola program at Waikīkī Vista. Expenses include

facility rent and utilization from the period of August 1, 2025 – August 31, 2025, and case management and operating costs from the period of July 1, 2024 – August 31, 2024. SOHHS contracts the City & County of Honolulu for this project. Services for the Hale Imi Ola program are subcontracted to Catholic Charities Hawai‘i.

- **DHS-24-GOV-0052 (Statewide Kauhale Pre-Development and Planning)**: The payments totaling $3,034,103.42 cover activities associated with the planning and assessment of potential Kauhale sites statewide from the period of January 1, 2024 – September 30, 2025. Examples of activities include traveling to survey and assess potential sites, consultation with engineering and development partners, and administrative expenses.

- **DHS-24-GOV-0053 (Pae Pae Hou)**: The payment of $14,521.65 covers operating costs and direct services for the Pae Pae Hou program for September 2025.

- **DHS-24-GOV-0074 (Ka Malu Ko‘olau)**: The payments totaling $209,752.51 cover operating costs and direct services for the Ka Malu Ko‘olau Kauhale from the period of September 1, 2025 – October 31, 2025.

- **DHS-24-GOV-0110 (Hilo Overnight Cot Sleeping Initiative)**: The payment totaling $1,000,000.00 covers operating costs for the Hilo Overnight Cot Sleeping Initiative from the period of June 21, 2024 – May 31, 2025. SOHHS contracts the County of Hawai‘i to administer a subcontract to The Salvation Army for this project.

- **DHS-24-GOV-0111 (Village of Redemption 1 & 2)**: The payments totaling $64,597.91 cover operating costs and direct services for the Village of Redemption 1 & 2 program from the period of September 1, 2025 – October 31, 2025.

- **DHS-24-GOV-0112 (Kūlia I Ka Nu‘u)**: The payment of $94,376.77 covers operating costs and direct services for the Kūlia I Ka Nu‘u program for April 2025.

- **DHS-25-GOV-0006 (Fernhurst)**: The payments totaling $174,429.49 cover operating costs and direct services for the Fernhurst program for from the period of October 1 2025 – November 30, 2025.

- **DHS-25-GOV-0031 (Kumu Ola Hou)**: The payments totaling $477,695.01 cover operating costs and direct services for the Kumu Ola Hou program from the period of March 1, 2025 – September 30, 2025.

- **DHS-25-GOV-0032 (Kauhale ʻŌpio)**: The payments totaling $88,146.06 cover operating costs and direct services for the Kauhale ʻŌpio program from the period of August 1, 2025 – September 30, 2025.

- **DHS-25-GOV-0042 (Alana Ola Pono)**: The payments totaling $410,864.25 cover operating costs and direct services for the Alana Ola Pono program from the period of December 1, 2024 – September 30, 2025.

- **DHS-26-GOV-0018 (Mental Health and Justice System Transformation Initiative)**: The payment of $27,830.00 was for initial startup costs of the consultation services under this contract.

Construction and Development Contracts

No new construction and development contracts were executed in FY26 Q2. SOHHS processed a contract amendment to an existing contract to add funds from Act 309, SLH 2025. Other construction and development contracts from previous fiscal years remain active. The majority of expenses reimbursed this quarter were for Site Work/Horizontal Construction and Structures, which typically precedes Vertical Construction. Expenses classified as "Other" included indirect costs to the contractor.

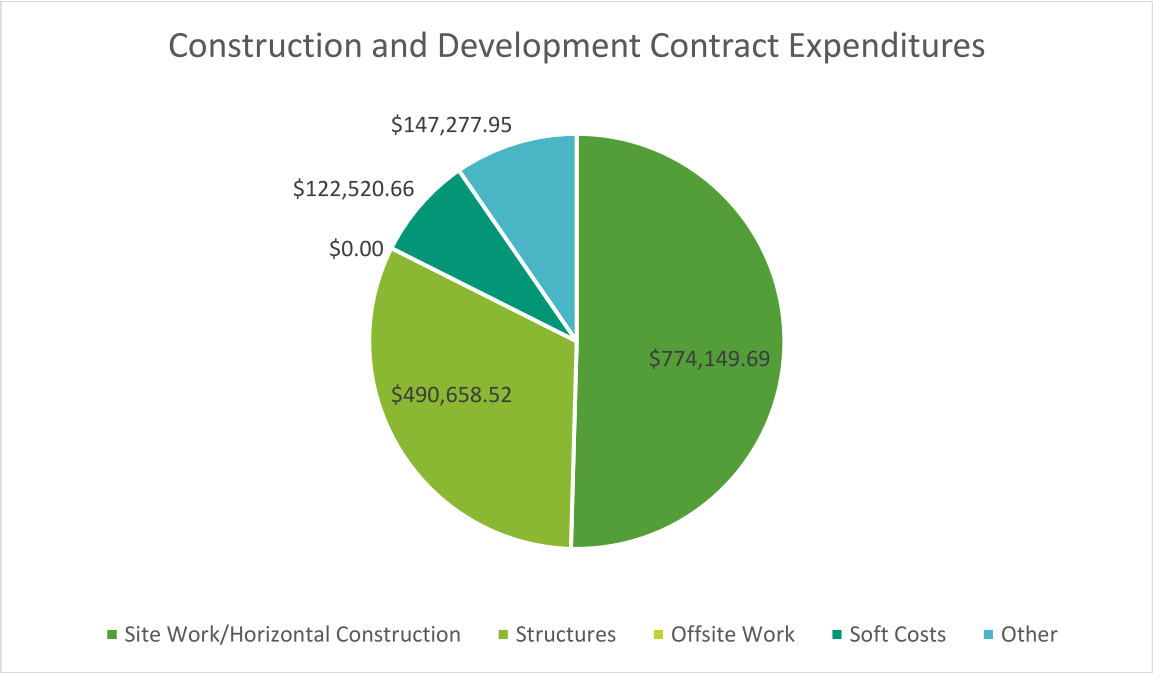


Figure 2 - Construction and Development Contract Expenditures, FY26 Q2

The following payments were made to construction contractors during this reporting period:

- **DHS-24-GOV-0123 (Kīpūola)**: One payment, totaling $1,620,057.46, was approved for construction services, including site work/pre-development work, vertical construction, purchase of structures, and soft costs. The expenses were incurred during the period of May – September 2025. This payment also reflects an adjustment of $52,484.10 in prior payments that were credited back to this contract.

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Table 2. Classification of Operating Expenditures Reimbursed to Contractors During Reporting Period

Contract Number	Project Name	Personnel	Other Admin. Expenses	Other Subcontracts	Utilities & Telecom	Repair & Maintenance	Client Expenses and Services	Supplies	Indirect Costs	Other	TOTAL
DHS-23-GOV-0052	Huliau	$0.00	$0.00	$195,509.51	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	**$195,509.51**
DHS-23-GOV-0054	PSH Housing First IV*	$32,897.80	$0.00	$141,308.93	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	**$174,206.73**
DHS-23-GOV-0055	Hawai'i County Multi-Service Programs	$3,684.39	$112.57	$357,984.81	$42.32	$0.00	$0.00	$0.00	$0.00	$0.00	**$361,824.09**
DHS-23-GOV-0077	Hale 'Imi Ola Statewide Kauhale Pre-Development and Planning	$0.00	$56,275.83	$90,125.45	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	**$146,401.28**
DHS-24-GOV-0052	Pae Pae Hou	$513,322.27	$885,362.17	$1,130,068.86	$221,079.39	$0.00	$0.00	$8,443.15	$275,827.58	$0.00	**$3,034,103.42**
DHS-24-GOV-0053	Ka Malu Ko'olau	$5,944.07	$5,439.24	$0.00	$1,605.72	$130.89	$0.00	$81.58	$1,320.15	$0.00	**$14,521.65**
DHS-24-GOV-0074	Hilo Overnight Cot Sleeping Initiative	$65,448.19	$2,500.00	$89,715.38	$4,909.56	$1,046.24	$0.00	$18,774.12	$27,359.02	$0.00	**$209,752.51**
DHS-24-GOV-0110	Village of Redemption 1&2	$0.00	$0.00	$1,000,000.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	**$1,000,000.00**
DHS-24-GOV-0111	Kūlia I Ka Nu'u	$12,100.00	$41,600.00	$0.00	$9,732.30	$0.00	$289.00	$876.61	$0.00	$0.00	**$64,597.91**
DHS-24-GOV-0112	Fernhurst	$41,679.11	$10,615.38	$0.00	$15,418.12	$495.26	$6,203.75	$7,594.38	$12,370.77	$0.00	**$94,376.77**
DHS-25-GOV-0006	Kumu Ola Hou	$122,732.40	$6,334.58	$4,109.12	$19,209.48	$0.00	$16,436.85	$5,607.06	$0.00	$0.00	**$174,429.49**
DHS-25-GOV-0031	Kauhale 'Ōpio	$149,197.70	$0.00	$216,000.00	$1,013.89	$1,080.74	$215.11	$76,053.57	$31,134.00	$0.00	**$477,695.01**
DHS-25-GOV-0032	Alana Ola Pono	$45,933.80	$23,892.51	$1,743.89	$2,803.78	$628.27	$1,100.05	$1,520.14	$10,523.62	$0.00	**$88,146.06**
DHS-25-GOV-0042	Mental Health and Justice System Transformation	$140,270.07	$0.00	$115,200.00	$5,353.12	$599.11	$0.00	$110,877.05	$38,564.90	$0.00	**$410,864.25**
DHS-26-GOV-0018	Initiative	$0.00	$0.00	$27,830.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	**$27,830.00**
TOTAL		**$1,133,209.80**	**$1,032,132.28**	**$3,369,595.95**	**$281,167.68**	**$3,980.51**	**$24,244.76**	**$229,827.66**	**$400,100.04**	**$0.00**	**$6,474,258.68**

*DHS-23-GOV-0054 consists of five projects under a master contract with the City & County of Honolulu, including funding for Kama'okū as a subcontract.

Table 3. Classification of Construction and Development Expenditures Reimbursed to Contractors During Reporting Period

Contract Number	Project Name	Construction - Hard Costs (A+B+C+D)	*(A) Vertical Construction*	*(B) Site Work/Horizontal Construction*	*(C) Structures*	*(D) Offsite Work*	Construction - Soft Costs	Other	TOTAL
DHS-24-GOV-0123	Kīpūola	$1,350,258.85	*$85,450.64*	*$774,149.69*	*$490,658.52*	*$0.00*	$122,520.66	$147,277.95	$1,620,057.46
TOTAL		**$1,350,258.85**	***$85,450.64***	***$774,149.69***	***$490,658.52***	***$0.00***	**$122,520.66**	**$147,277.95**	**$1,620,057.46**

Status Update on Operations and Buildings

A status update on Kauhale and ʻOhana Zones operations and buildings using any allocated funds made by the State for the preceding quarter is provided below.

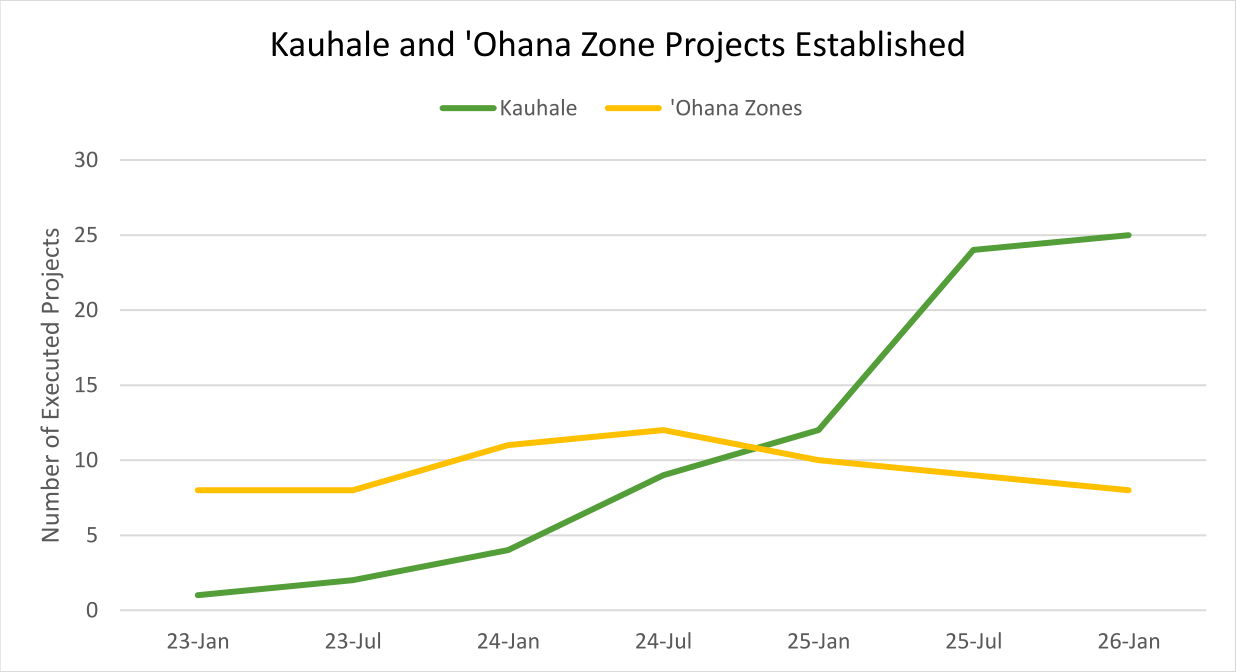


Figure 3 - Number of Executed Projects from January 2023-January 2026

As of January 2026, there are 24 active Kauhale projects statewide. One project is in active development.

- The Puʻuhonua O Nēnē disaster recovery project has completed decommissioning as of December 2025 and is no longer an active project.
- The Kīpūola Kauhale began accepting residents in December 2025 and is currently active.
- The Hale o Kumumamo transitional living project for Native Hawaiian beneficiaries hosted a blessing ceremony in December 2025 and is expected to begin resident move-ins in January 2026.

The ʻOhana Zones program consists of five master contracts with each of the four major counties (two contracts with the City & County of Honolulu). Each master contract may support one or more subcontracted projects that are consistent with the objectives of the ʻOhana Zones program. All five master contracts are currently active.

SOHHS will continue to pursue the expansion of the Kauhale program by creating additional sites through Act 250, SLH 2025, and Act 309. At this time, SOHHS is planning to develop up to 8 additional projects, including expansions of existing projects and new sites developed with Capital Improvement Project (CIP) funds.

Status updates for current projects are included in Table 4. This list includes projects that are currently under contract or have completed a contract and remain active.

Status updates for planned projects are included in Table 5. This list includes projects that are actively being considered for development and funding but are not currently under contract.

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Table 4. Status Update on Kauhale and ʻOhana Zones Operations and Buildings

Project Name	Contractor/Operator	Total Beds/Units	Target Population	Current Quarter Status Update	Planned Activities
Homeless Outreach and Navigation for Unsheltered persons (HONU)	City & County of Honolulu	40	Adults; families	The project is currently active, with 42 people enrolled as of the last day of the reporting period. Occupancy fluctuates daily due to the short-term nature of this mobile triage shelter program, but it can serve approximately 40 people, including singles, couples, and families, at any time. During this reporting period, the HONU was located in Kapolei.	The project is co-funded by SOHHS and the City & County of Honolulu through 6/30/26. SOHHS intends to work with the City and the Legislature to explore the opportunities for continued funding under the ʻOhana Zones program.
Honolulu PSH – Housing First Increment IV	City & County of Honolulu	60	Adults; older adults; survivors of domestic violence	The project is currently active, with 50 of 60 vouchers/assisted units filled as of the last day of the reporting period. This master contract supports four smaller projects: Kumuwai (20 subsidized housing units for homeless seniors); Hale Maluhia (20 subsidized housing units for survivors of domestic violence); Hale Kipa (10 scattered-site housing vouchers); and Catholic Charities Hawaiʻi (10 scattered-site housing vouchers). Kamaʻokū Kauhale is reported separately for the purposes of this report.	SOHHS is working with the City & County of Honolulu to process a contract amendment allowing the use of ʻOhana Zones vouchers at scattered-site units that are not also owned by the City. This modification will increase access to housing units for participants in this program.
Supportive Housing – Kealaula and Lima Ola	County of Kauaʻi	60	Families	The project is currently active, with 55 of 60 assisted units filled as of the last day of the reporting period. The project includes 28 units for homeless families at Kealaula and 32 studio and 1BR units at Lima Ola. Seventy-five individuals are residing at Kealaula, and 56 individuals are residing at Lima Ola.	SOHHS is working with the County of Kauaʻi to renew the existing contract for services and housing subsidies for the families assisted under this ʻOhana Zones contract. Phase 2 of the Kealaula project will add 24 studio and 1BR units. The contract renewal and extension were initiated in FY26 Q2 and are expected to be completed in FY26 Q3.

Project Name	Contractor/Operator	Total Beds/Units	Target Population	Current Quarter Status Update	Planned Activities
Permanent Housing – Huliau	County of Maui	12	Families	The project is currently active, with 10 of 12 assisted units filled as of the last day of the reporting period. Forty-five individuals are residing at Huliau, including 21 adults and 24 children.	SOHHS will be working with the County of Maui to process a time of performance extension to continue the project using existing funds.
Hawai‘i County Multi-Service Programs	County of Hawai‘i	TBD	Adults; medically fragile adults	The project is currently active. This master contract has supported several smaller projects through subcontracts, including Hawaiian Community Assets Financial Empowerment Services; Neighborhood Place of Puna Homeless Engagement Team; HOPE Services Keolahou Assessment Center and Emergency Shelter; HOPE Services Hale Kulike; HOPE Services Integrated Care Hub. These projects are consistent with the purpose and objectives of the ‘Ohana Zones program. These subcontracted projects have transitioned to other sources of funding and do not have any contractual reporting obligations during this reporting period.	The County of Hawai‘i has identified a new project that will utilize the remaining funds in this master contract. The proposed project is an emergency shelter program in West Hawai‘i, modeled on the Hilo Overnight Cot Sleeping Initiative operated by The Salvation Army. SOHHS and the County of Hawai‘i will continue to work together to implement homelessness solutions consistent with the objectives of the ‘Ohana Zones program.
Kama‘okū Kauhale	U.S. Veterans Initiative	36	Adults	The project is currently active, with 28 of 36 units filled as of the last day of the reporting period. One unit is offline pending repairs. Only 35 units are suitable for occupancy at this time.	SOHHS is continuing to evaluate the site’s electrical capacity limitations and is working with Hawaiian Electric Company (HECO) to identify potential solutions.
Ka Malu Ko‘olau	Project Vision Hawai‘i	34	Adults	The project is currently active, with 31 of 34 units filled as of the last day of the reporting period. One unit is used for security.	None.
Ho‘okahi Leo	Hawai‘i Health & Harm Reduction Center	50	Adults	The project is currently active, with 20 of 20 units in Phase 1 filled as of the last day of the reporting period. Twenty-three individuals are currently residing at the project.	Phase 2 of the project is nearing completion, which will allow for the occupancy of the additional 30 units in the project. Phase 2 will also add more communal units to improve residents' quality of life. SOHHS is

Project Name	Contractor/Operator	Total Beds/Units	Target Population	Current Quarter Status Update	Planned Activities
				There is a waitlist for the 30 units in Phase 2, which will be filled when the utility connections are completed.	working with HECO to navigate the installation of necessary electrical infrastructure upgrades as quickly as possible.
Pae Pae Hou	The Institute for Human Services	12	Adults in substance abuse recovery	The project is currently active, with 12 of 12 beds filled as of the last day of the reporting period.	None.
Hale ʻImi Ola (Waikīkī Vista)	City & County of Honolulu, Catholic Charities Hawaiʻi	120	Families	The project is currently active, with 121 of 120 beds filled as of the last day of the reporting period. The number of beds available fluctuates due to household sizes.	None.
Village of Redemption 1 and 2	The Institute for Human Services	47	Formerly incarcerated adults	The project is currently active, with 40 of 47 beds filled as of the last day of the reporting period.	None.
Fernhurst	Young Women's Christian Association	32	Women with criminal justice involvement	The project is currently active, with 24 of 32 beds filled as of the last day of the reporting period.	None.
Aʻala Medical Respite	City & County of Honolulu, Premier Medical Group	62	Medically fragile adults	The project is currently active, with 51 of 62 beds filled as of the last day of the reporting period.	SOHHS is in the process of renewing the existing service contract with the City & County of Honolulu. The City is temporarily funding operations of this project to ensure continuity of services. SOHHS will explore adjustments that may be made when Medicaid reimbursement for certain medical respite services is approved, which is expected to take place as early as January 2026. The project may continue to

Project Name	Contractor/Operator	Total Beds/Units	Target Population	Current Quarter Status Update	Planned Activities
					require a baseline level of funding to account for ineligible participants, time required to seek Medicaid reimbursement, and costs not covered by Medicaid.
Hilo Overnight Cot Sleeping Program	County of Hawai‘i, The Salvation Army	50	Adults	The project is currently active, with 36 of 50 beds filled as of the last day of the reporting period. The project has served 573 unduplicated individuals since opening. The project is co-funded by SOHHS and the County of Hawai‘i.	None.
Alana Ola Pono	The Institute for Human Services	45	Adults	The project is currently active, with 45 of 45 beds filled as of the last day of the reporting period. Forty-seven individuals are currently residing at the project. There is a waitlist of approximately 400 interested people.	None.
Kūlia I Ka Nu‘u	U.S. Veterans Initiative	31	Adults	The project is currently active, with 16 of 19 beds filled as of the last day of the reporting period. An additional 12 permanent supportive housing units are connected to the project.	None.
Wiwo‘ole Bridge Program	Young Women’s Christian Association	18	Survivors of domestic violence	The project is currently active, with 18 of 18 beds filled as of the last day of the reporting period. The project consists of 6 units that house approximately 18 individuals, though the actual number may fluctuate depending on family size.	The project operator is seeking additional donor support to repurpose a semi-enclosed space within the site for after-school activities and other communal purposes.
Kumu Ola Hou	The Institute for Human Services	50	Adults with mental health needs; employed adults	The project is currently active, with 36 of 50 beds filled as of the last day of the reporting period. The project employed a phased approach to opening, with the first phase focused on brain health and neuroscience to help homeless individuals heal and recover from the trauma of living on the streets. The second phase of the project	None.

Project Name	Contractor/Operator	Total Beds/Units	Target Population	Current Quarter Status Update	Planned Activities
				added approximately 40 beds targeted at homeless individuals who are working and building financial self-sufficiency.	
Maui Central – Kupuna	Mental Health Kokua	10	Older adults with serious mental illness	The project is currently active, with 9 of 10 beds filled as of the last day of the reporting period.	None.
Maui Vineyard	Mental Health Kokua	16	Adults with serious mental illness	The project is currently active, with 11 of 16 beds filled as of the last day of the reporting period.	None.
Kauhale ʻŌpio	Hale Kipa	16	Young adults	The project is currently active, with 4 of 16 beds filled as of the last day of the reporting period. The facility consists of 8 bedrooms that may house up to 2 persons. The project operator continues to solicit referrals of eligible young adults and will continue to partner with community colleges and other non-traditional referral sources to identify homeless young adults who may not be accessing other homeless services.	None.
Hui Mahiʻai ʻĀina	Hui Mahiʻai ʻĀina	57	Adults; families	The project is currently active, with an occupancy of 106 persons as of the last day of the reporting period. The project serves singles, couples, and families, and its spaces are adapted to meet residents' needs. Funds are supporting the project's renovation and site improvements. No funds are being used to support the operations or services at this site.	The aio Foundation is working with the City & County of Honolulu and SOHHS to facilitate the construction of new housing units at the project site. The developer expects to begin construction in the spring of 2026.

Project Name	Contractor/Operator	Total Beds/Units	Target Population	Current Quarter Status Update	Planned Activities
Kinoʻole Youth Kauhale	HOPE Services Hawaiʻi	22	Young adults	The project is currently active, with 13 of 22 beds filled as of the last day of the reporting period.	None.
Hale Ulu Lehua	HOPE Services Hawaiʻi	10	Older adults	The project began accepting residents in January 2026.	The project operator will continue to enroll clients until the project reaches capacity.
MHK Iwilei Kauhale	Mental Health Kokua	50	Adults with serious mental illness	The project is currently active, with 20 of 50 beds filled as of the last day of the reporting period. The project's occupancy date was postponed to 9/25/25 due to facility issues. The project is located at the Iwilei Center, which is owned by the City & County of Honolulu.	The project operator will continue to enroll clients until the project reaches capacity.
Kīpūola Kauhale	Kauhale Management Services, LLC	64	Employed adults; adults interested in economic mobility	The project is currently active, with 3 of 64 beds filled as of the last day of the reporting period. The project officially opened in December 2025 and is continuing to accept residents. The focus of this project is on creating economic mobility, supporting workforce development, and helping residents achieve self-sufficiency based on their skills and strengths.	The project operator will continue to enroll clients until the project reaches capacity.
Pūnāwai Medical Respite	Kalihi-Palama Health Center/H4	20	Medically fragile adults	The project is not currently funded by SOHHS and has no contractual reporting obligations during this reporting period.	The project uses facility space that is owned by the City & County of Honolulu. The City is in the process of reprocuring a lessee, which may impact future project operations. However, the space will continue to be used for purposes consistent with the City's mission to serve special needs populations within the building. If the space remains designated for medical respite, the Medicaid waiver amendment is expected to allow for Medicaid reimbursements for qualified beneficiaries as early as January 2026. It is possible that the project can seek Medicaid funds to cover some of the costs of

Project Name	Contractor/Operator	Total Beds/Units	Target Population	Current Quarter Status Update	Planned Activities
					medical respite services for qualified Medicaid beneficiaries.
Lēʻahi Behavioral Health	North Shore Mental Health	19	Adults with mental health needs	The project is not currently funded by SOHHS and has no contractual reporting obligations during this reporting period. The City & County of Honolulu and its partners intend to continue operating the project with City funds at this time.	None.
Puʻuhonua O Nēnē	Kauhale Management Services, LLC	60	Adults; Maui Wildfire survivors	The project was funded through DHS as part of Maui Wildfire Disaster Recovery efforts for individuals who were not eligible for Federal Emergency Management Agency shelter assistance. While not a planned Kauhale project, Puʻuhonua O Nēnē has provided shelter to over 400 unique individuals who would otherwise be without stable housing. The project was operated by Project Vision Hawaiʻi until 9/7/25. Kauhale Management Services, LLC, is providing operating services with housing navigation support from the Family Life Center. The project was fully decommissioned in December 2025, and all residents have been provided with housing navigation assistance and opportunities for alternative placements, if desired.	None.

Table 5. Status Update on Upcoming Projects

Project Name*	Contractor/Operator	Total Beds/Units	Target Population	Current Quarter Status Update	Planned Activities
Kīpūola Kauhale	Kauhale Management Services, LLC	64	Employed adults	The project was completed, and occupancy began in December 2025.	The project operator will continue to enroll clients until the project reaches capacity. The contract for construction services will be closed out upon payment of the final invoice.
Halekauwila Kauhale	TBD	TBD	Adults	SOHHS completed the execution of a multi-year lease for the facility during this reporting period. SOHHS is working with other State stakeholders to conceptualize the program model for this new Kauhale while the scope of renovations is being finalized. SOHHS's pre-development partner recently completed a baseline survey of the site, which will form the basis for the planned conceptual layout and estimated budget. An electrical capacity survey is also being conducted.	SOHHS will share additional information about the planned project during SFY26 Q3, which will be shared with the community. After the scope of renovations is finalized, a contract will be awarded following the conditions stipulated by Act 309, SLH 2025. SOHHS expects to award a renovation contract during SFY26 Q3.
Weinberg Village Waimānalo Expansion	TBD	20	Adults	SOHHS and HomeAid Hawai'i hosted a community meeting to provide updates and the opportunity to comment on this project on November 5, 2025. SOHHS is working with HECO to finalize a schedule for the installation of electrical upgrades to the site, which will be required for the additional Kauhale units to be energized.	Tiny home units have been transported to the project site, and pre-construction preparation is ongoing. Site work is expected to begin in early 2026.
Samuel Mahelona Memorial Hospital Kauhale	TBD	32	Families	The project was included in SOHHS's CIP allocation in Act 250, SLH 2025. The parcel is located on the Samuel Mahelona Memorial Hospital campus and is part of the master planned redevelopment of the premises. SOHHS currently participates in planning meetings with the master planning work group to coordinate the planned supportive housing Kauhale development. The Hawai'i	CIP funding for the development of this project was originally allocated for SFY27. If the project is ready to proceed with development earlier, SOHHS will work with the Department of Budget and Finance (BUF) to request the release of lump sum Kauhale CIP funds for this project in SFY26. The construction and development solicitation will follow the conditions

Project Name*	Contractor/Operator	Total Beds/Units	Target Population	Current Quarter Status Update	Planned Activities
				Health Systems Corporation (HHSC) is the designated landholding agency. HHSC is in the process of confirming approval from the Board of Land and Natural Resources (BLNR) to support housing activities under the current set-aside for the parcel.	stipulated by Act 309, SLH 2025. HHSC will notify SOHHS when the BLNR approves the planned housing activities on the parcel.
34 Rainbow Drive	TBD	32	Adults	The project was included in SOHHS's CIP allocation in Act 250, SLH 2025. SOHHS is continuing to work with the County of Hawai'i and other stakeholders to determine the best course of action for a Kauhale in Hilo, given the planned renovation activities that will be occurring on this site with federal funds.	SOHHS will work with BUF to request the release of lump sum Kauhale CIP funds for this project when ready. The construction and development solicitation will follow the conditions stipulated by Act 309, SLH 2025.
Kama'okū Kauhale Expansion	TBD	TBD	TBD	The project was included in SOHHS's CIP allocation in Act 250, SLH 2025. The parcel is currently under the jurisdiction of the Hawai'i Public Housing Authority (HPHA) and is leased to U.S. VETS for the operation of the existing Kama'okū Kauhale. The proposed project would provide infrastructure upgrades and an expansion of additional units on the parcel. At this time, SOHHS is working with U.S. VETS to stabilize existing operations and assess the site's electrical load capacity and distribution.	SOHHS will continue to evaluate the site's capacity needs before finalizing a plan for the site.
Kalaeloa Weigh Station	TBD	TBD	TBD	The project was included in SOHHS's CIP allocation in Act 250, SLH 2025. Additional updates will be available after the parcel is transferred to the jurisdiction of the Hawai'i Department of Transportation (HDOT).	

*Project names are subject to change throughout the development process.

Glossary

The following terms are defined for the purposes of this report.

CLIENT EXPENSES AND SERVICES: Client expenses and services refer to purchases and expenditures made for the benefit of program participants, such as meals, bus passes and transportation assistance, hygiene supplies, etc.

CONTRACTOR: For the purposes of this report, a contractor is the entity that is directly contracted by SOHHS to perform specific services or activities.

HARD COSTS: Hard costs are construction-related activities, including labor, materials, and equipment during the construction phase of a project. For the purposes of this report, hard costs include vertical construction (buildings, in general), horizontal construction/site work, offsite work, furniture, fixtures, and equipment (FF&E), and costs associated with modular structures.

HORIZONTAL CONSTRUCTION: Horizontal construction activities are associated with "on- and below-ground" work to prepare the site for vertical construction and may include grading, electrical and civil infrastructure (water, sewer), roadways, and other related activities.

INDIRECT COSTS: Indirect costs refer to administrative and overhead costs incurred by the provider that are not specifically allocable to the project.

OFFSITE WORK: Offsite work refers to the specific construction and development activities that take place outside of the project location that are required for the project. For example, this may include line extensions and connections to the county water or sewer system that extend outside of the project's boundaries.

OTHER: For the purposes of this report, expenses categorized as "other" are not specifically associated with any other category. This may also include upfront advance payments that have not yet been allocated to specific expense categories.

OTHER ADMINISTRATIVE EXPENSES: Other administrative expenses include non-personnel costs related to the administration of contract services, such as accounting/fiscal services, contract-related travel, staff training, legal services, audit fees, postage, printing, etc., that are allocable to the project.

PERSONNEL: Personnel costs include salaries and wages, fringe benefits, and payroll taxes paid to staff.

REPAIR AND MAINTENANCE: Repair and maintenance expenses include the costs of minor, non-capital repairs to project facilities and structures that are necessary to ensure ongoing operations of the project.

SOFT COSTS: Soft costs are non-construction activities that are essential to the construction or development of a project, including planning costs, surveys, studies, design and engineering, and insurance premiums.

STRUCTURES: Structures include modular sleeping units or other amenity units used at a project, including costs associated with acquiring and shipping the structures.

SUBCONTRACTS: Subcontracts refer to subawards made to other entities to administer components of a provider's contracted services. For example, a project operator may subcontract specialty services to another service provider.

SUPPLIES: Supplies refer to purchases of items and materials necessary for the day-to-day operations of the project, such as cleaning supplies, office supplies, and furniture.

UTILITIES AND TELECOMMUNICATIONS: Utilities and telecommunications include electricity, water, sewer or other wastewater disposal, phone service, Internet service, and waste disposal for the project.

VERTICAL CONSTRUCTION: Vertical construction activities are associated with "above-ground" work that may include general contracting, plumbing, painting, flooring, roofing, electrical, signage, and furnishings.