



DEPARTMENT OF HAWAIIAN HOME LANDS

News Release

LINDA LINGLE
GOVERNOR

Kaulana H.R. Park, Chairman
Anita S. Wong, Deputy to the Chairman
Phone: 808-620-9500
Fax: 808-620-9529

November 4, 2009

First Family Moving into Kaua'i Subdivision

First keys handed over in the affordable and “green” Pi'ilani Mai Ke Kai subdivision

ANAHOLA, KAUA'I – The Department of Hawaiian Home Lands (DHHL) turned over the first home today, in the 172-unit Pi'ilani Mai Ke Kai affordable residential subdivision in Anahola, Kaua'i.

“This project provides affordable homes at a time when housing is out of reach for so many of Hawai'i's people,” said Kaulana H.R. Park, chair of the Hawaiian Homes Commission. “Almost three years ago, we awarded this subdivision under our Undivided Interest homestead lease program or *Ho'ohiki*, which means 'a promise or commitment.' At that time we asked the people who took these leases to use that time to financially prepare to qualify for a mortgage. We have fulfilled our promise to build and the family moving in today has fulfilled their promise to get ready. Today, they are new homeowners.”

The first homes are part of the first increment of 36 homes that were awarded earlier of this year. The project is being developed in three phases under the department's Undivided Interest Awards program which provides a homestead lease without the need to financially qualify for a mortgage until the homes are ready for construction, usually in two to three years. That time is used by the lessees to financially qualify for a mortgage and by the department to build the infrastructure for the subdivision.

In the past, many lessees were offered homestead leases, but stayed on the wait list because they could not financially qualify for a home loan. Some families could not qualify for an adequate loan three years ago, but are working through the department's Home Ownership Assistance Program (HOAP) to improve their credit, create savings, pay down debt or improve their earning capacity to qualify for a mortgage.

“The HOAP program is really the bridge that helps an Undivided Interest lessee become a homeowner,” said Governor Linda Lingle. “DHHL's HOAP program is making a difference in many lives by ensuring future generations have the opportunity to grow up in a home they own, instead of a house they rent.”

—more—

“It is great to see these homes being completed and even better to see families move in,” said Mayor Bernard P. Carvalho, Jr. “This project provides much needed jobs and affordable homes, and those families who will be moving in soon, deserve credit for working hard to become new homeowners.”

“Our applicants on the wait list need to get into the HOAP program,” said Park. “There are too many people on the waitlist who declined to accept an award, mostly because they are not able to or do not think they can qualify for a mortgage. The HOAP program will help them.”

Park said the last person to be offered and accept one of the homestead leases in Pi'ilani Mai Ke Kai applied in 2002. That means everyone who applied prior to 2002 was offered and if they are still on the wait list, that means they declined a homestead lease award. The 2002 Kaua'i wait list had 1,467 applicants.

“Approximately 1,300 people on the Kaua'i wait list turned down an offer of a homestead lease,” he said. “That is too many and if the reason is financial, they need to contact HOAP as soon as possible.”

The department continues to “build green” as all homes will come equipped with solar water heating systems, low flow plumbing fixtures, energy efficient compact fluorescent light bulbs, energy star appliances, and double E-rated windows and sliding doors for added insulation.

“Our Hawaiian Homes Commission recently adopted an energy policy that recognizes the importance of energy efficiency and using renewable/clean energy, as well as respecting our environment,” said Park. “Moving away from imported foreign oil and increasing Hawai'i's energy independence is the priority focus of the Lingle-Aiona Administration's Hawai'i Clean Energy Initiative. Providing our beneficiaries with energy efficient homes will reduce the cost of living and make this project not only affordable to own, but more affordable to live in too.”

Coastal Construction is the home building contractor for the first phase. Four models, ranging from three-bedroom, two bath Aheaha model with 1,056 sq. ft. at \$199,000 to the four-bedroom, two bath Mālua model with 1,539 sq. ft. of living space at \$260,000 are being offered.

The Pi'ilani Mai Ke Kai subdivision is approximately 71 acres. Although the subdivision has 172 lots with a minimum size of 10,000 square feet, two lots are part of previously undeveloped awards included in the 1985-1986 Acceleration of Awards program.

Cost of on-site improvements for Phase 1 is \$9.03 million which was funded from two sources-- \$5.83 million is from the Hawaiian Home Land Trust Fund and \$3.20 million is from the Native Hawaiian Housing Block Grant. Delta Construction was the contractor for the on-site improvements.

—30—

Media Contact:
Lloyd Yonenaka, Administrator
Information and Community Relations Office
Department of Hawaiian Home Lands
Phone: 808-754-0078
E-mail: Lloyd.Yonenaka@hawaii.gov
Web Site: www.dhhl.hawaii.gov