

LEGISLATIVE FEDERAL ECONOMIC STIMULUS PROGRAM OVERSIGHT COMMISSION
ACT 150, SESSION LAWS OF HAWAII 2009

DEPARTMENT/AGENCY QUESTIONNAIRE

Instructions: Please use this MS Word document as a template, entering your answers below the corresponding number/letter. The commission is cognizant of the numerous reporting requirements of ARRA and does not wish to burden your Department or agency with duplicative requests for information where possible. Please use information that you have all ready reported to the Federal government, as applicable.

If a question is not applicable please indicate N/A. The information requested under question 1 should be answered under each item for each group/category or program/project. However, Questions 2 and 3 need not be answered for each group/category or program/project.

1. For each group/category or program/project for which ARRA funds have been obtained, please provide the following information:
 - (a) A brief summary of the program/project, including goals;

Pursuant to the 2008 Native Hawaiian Housing Plan (NHHP);

Goal Number 1: Increase the affordable housing inventory on Hawaiian home lands to meet the increasing or unmet demand for housing by low-income native Hawaiian families.

Objective 1A: Increase the supply of affordable housing units through the construction of infrastructure improvements for single-family housing.

Tasks and Activities:

- i. Construct infrastructure improvements for at least one single-family residential subdivision on the island of O'ahu to serve at least 20 eligible families and one on an outer island to serve at least 20 eligible families.

This goal, objective and task will not change as the ARRA funding will be focused on infrastructure development, specifically hard costs as per the ARRA regulations, in two different single-family residential subdivisions on O'ahu. The two projects targeted for the ARRA funding are Kaupuni Village, an 18 unit development on the Leeward coast of O'ahu of which all 18 units will be reserved for NAHASDA eligible households, and East Kapolei II, a 1,000 unit master planned community located in the Ewa Plains of O'ahu. Approximately 20% of the 1,000 East Kapolei II units, or 200 units, will be reserved for NAHASDA eligible households. East Kapolei II is a multi-year, multi-increment development project and the ARRA funds will be focused on infrastructure improvements for East Kapolei II, increments B & C. House construction for East Kapolei II is expected to begin in 2011 and should run through 2017.

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The intended outcomes are :

- 1) To assist renters to become owners of energy efficient homes.
- 2) To begin site improvements for affordable homeownership housing.

To preserve and create jobs and promote economic recovery.

Tasks and Activities:

- i. Construct infrastructure improvements for one single-family residential subdivision on the island of O’ahu to serve at least 18 eligible families, when home construction is completed.
- ii. Begin infrastructure improvements for one single-family residential subdivision on the island of O’ahu to serve at least 47 eligible families, when home construction is completed.
- iii.

<u>Program Activity</u>	<u>Output for 36-month period</u>
Development – Homeownership	
Infrastructure Development (Kaupuni Village)	Site Improvements for 18 lots
Infrastructure Development (East Kapolei II B & C)	Site Improvements for 47 lots
Number of jobs created and/or retained (14 jobs per million \$ spent)	140

- (b) Whether funds were appropriated for expenditure by a federal agency, were awarded as a formula/block grant to a State or county agency, or were awarded on a competitive grant basis;

Funds were awarded through the Native Hawaiian Housing Block Grant (NHHBG) as authorized by the Native American Housing Assistance and Self Determination Act (NAHASDA) and as administered by the U.S. Department of Housing and Urban Development (HUD).

- (c) Whether matching funds are required, and, if so: N/A
- (i) Are they available;
 - (ii) Have they been secured;
 - (iii) If they have not been secured, why not; and

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(iv) Will the State be required to continue that match or provide increased/full funding in the future;

(d) If there are additional requirements to receive funds, what are they;

[Submission and approval of an amended 2008 Native Hawaiian Housing Plan.](#)

(e) The amount of funds involved and the state/federal fiscal year within which the funds must be expended (e.g. SFY 2009-2010 or FFY 2009-2010);

[Awarded \\$10,200,000.00 of which 100% must be expended by May 6, 2012.](#)

(f) What criteria were used to identify the program/project as a priority and how does the program/project meet them;

[Projects were selected based on level of readiness, i.e. Environmental Review process complete.](#)

(g) Efforts undertaken to coordinate application for funds and administration of the program/project, including expenditure of funds, with other federal, state, and county agencies;

[N/A](#)

(h) The criteria used to select activities for the program/project;

[Activities must be in accordance with the 2008 NHHP, as amended.](#)

(i) Efforts made to provide public notice and seek public comment/input or, if public comment/input was not sought, why;

[Public comment was originally sought in the development of the 2008 NHHP via the following:](#)

- i. [Informational survey was distributed the leadership of the Hawaiian home communities and the Hui Kāko’o ‘Āina Ho’opulapula \(Hui Kāko’o\), which represents the applicants on the DHHL waiting lists. Sixty surveys were distributed and 30 surveys/responses were received.](#)
- ii. [Meetings were held with DHHL administrators and staff to discuss and prioritize the housing and community development needs of the native Hawaiian communities served by DHHL.](#)

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iii. A draft of the 2008 NHHP was provided to the Housing Directors in the State, listed below:

1. Hawai'i's local HUD office
2. United States, Department of Agriculture, Rural Development (RD)
3. Hawai'i Housing Finance and Development Corporation of Hawai'i (HHFDC) A letter of support, dated May 15, 2008, was received from the HHFDC.
4. Counties of Hawai'i, Kaua'i, Maui and City and County of Honolulu
5. Office of Hawaiian Affairs (OHA).

iv. A draft of the 2008 NHHP was sent to the Hawaiian Service Institutions and Agencies (HSIA). Members of the organization are:

1. [Lunalilo Home](#)
2. [Queen Emma](#)
3. [ALU LIKE, Inc.](#)
4. [Kamehameha Schools](#)
5. [Office of Hawaiian Affairs \(OHA\)](#)
6. [Bernice Pauahi Bishop Museum](#)
7. [Papa Ola Lōkahi](#)
8. [Queen Lili'uokalani Children's Center](#)

v. Additionally, the 2008 NHHP was posted on the DHHL website for the public to view and comment.

(j) Efforts made during the bidding/award process to ensure that it was transparent and that the funds were awarded based on merit and in a prompt, fair, and reasonable manner;

All contracts awarded to date followed State of Hawaii Procurement Guidelines.

(k) Measures employed to: (1) reduce duplication of efforts, (2) ensure that funds were used for authorized purposes, and (3) prevent cost overruns, fraud, waste, error, and abuse;

The following excerpt from the *American Recover and Reinvestment Act of 2009, Department of Housing and Urban Development Program-Level Plan, Native Hawaiian Housing Block Grant* gives DHHL the authority to expend ARRA funds for the 2 infrastructure projects.

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“Kinds and scope of projects and activities to be performed: Under the Recovery Act, funds may be used for new construction, acquisition, rehabilitation, including energy efficiency and conservation, and infrastructure development. Funds can be also be used to leverage private-sector financing for new construction, renovation and energy retrofit investments. Funds will be obligated within 30 days of the enactment of the Recovery Act. In selecting projects to be funded with Recovery Act Funds, the recipient shall give priority to projects for which contracts can be awarded within 180 days from the date that such funds are available to the recipient.”

Project/Activity: Develop, acquire or rehabilitate affordable housing units, and include elements that lead to greater energy efficiency, and develop or improve infrastructure to support affordable housing.”

All ARRA funded projects are also reviewed by Claudine Allen, Native Hawaiian Housing Specialist, at HUD’s Honolulu Field Office and authorized under the Recovery Act.

In order to reduce duplication of effort Land Development Division (LDD), on an annual basis, establishes a Development Budget for expending DHHL’s Trust Funds and NHHBG funds on Capital Improvement Projects. Additionally, LDD project managers are assigned to oversee and monitor each specific project that is funded.

With regard to the ARRA funded projects the LDD project managers are:

- Royden Ishii: Kaupuni Village infrastructure development
- Darrell Ing: East Kapolei infrastructure development

1. Kaupuni Village infrastructure development control measures

In order to prevent cost overruns, waste, and abuse, Alcon & Associates was selected as the construction site manager for the Kaupuni Village infrastructure project. The construction site manager represents DHHL and provides oversight for all activities relating to the construction operations to ensure that the project is built in accordance with the plans and specifications prepared by Alcon and Associates and will oversee and administer the construction contract with Royal Contracting Co. This includes interaction with Royal Contracting Co. during the ongoing construction phase to ensure that the project meets the approved schedule and expected quality with minimal impact to the surrounding community.

The specific duties of Alcon & Associates include:

- a. Meeting with the contractor, Royal Contracting Co., at least once a week on construction progress, safety program, quality issues, etc.
- b. Reviewing the contractor’s three-week schedule on a weekly basis.

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- c. Reviewing the contractor's safety program.
- d. Reviewing all contractor's request for change orders.
- e. Reviewing contractor's monthly request for payment to ensure that amount requested is reasonable and verifiable.
- f. Meeting with the STATE on a regular basis to inform the STATE of the construction progress, significant design issues, safety issues, quality issues. If action is required of the STATE, then notify the STATE of such.

* Note: More detailed and specific duties can be found in the Alcon and Associates contract with DHHL under "Background and Scope of Work", contract #58260.

2. East Kapolei infrastructure development control measures

This project was recently sent out for bid and a construction manager will be selected to oversee the project for DHHL.

- (l) Current status of the program/project, including percentage of awarded funds that have been obtained, percentage of awarded funds encumbered and/or expended, and what part(s) of program/project have been completed; and

As of December 31, 2009, Royal Contracting Co., contract #58010, \$2,565,943 (25% of \$10.2 million awarded ARRA funds) was encumbered. Payments totaling \$1,643,313 were made to Royal Contracting Co. under this contract and the balance remaining on contract #58010 is \$922,630.

The unencumbered ARRA balance of \$7,634,057 (75% of \$10.2 million awarded ARRA funds) is reserved for infrastructure development of East Kapolei II, Phase B & C.

- (m) Actual or anticipated economic impact to the State of the program/project, including the number of jobs saved/created and the long-term public benefits of the program/project.

Anticipated creation/retention of 140 jobs.

- 2. For other programs/projects, if ARRA funds, such as competitive grants, were available for a program/project but were not sought or were denied, please briefly describe why the funds were not sought or why they were denied.

N/A

- 3. Please describe:

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- (a) Any legal/operational barriers/constraints encountered in the award, receipt, encumbrance, or expenditure of funds, including procurement, late/delayed federal guidance, and reporting requirements;

None

- (b) The effect of those barriers/constraints; and

N/A

- (c) If and how they were mitigated.

N/A