

**THE THIRTIETH LEGISLATURE  
APPLICATION FOR GRANTS  
CHAPTER 42F, HAWAII REVISED STATUTES**

Type of Grant Request:

Operating                       Capital

Legal Name of Requesting Organization or Individual: Db:

HHOC Housing and Land Trust

Amount of State Funds Requested: \$ 975,000

Brief Description of Request (Please attach word document to back of page if extra space is needed):

HHLT's goal is to positively impact Hawaii's affordable housing inventory where there is an acute shortage. HHLT requests a grant to initiate the Affordable Home Loan Program, a zero-interest second mortgage product without monthly repayments for low-moderate income households. This would be a vehicle for a family to have a stable and affordable housing payment & enjoy the benefits of homeownership at a higher purchase price than they could normally qualify for. The home purchased would remain affordable through future resales via deed restrictions that has HHLT repurchase the property based on a calculated formula versus the housing market. (continued)

Amount of Other Funds Available:

State: \$ 0

Federal: \$ 0

County: \$ 0

Private/Other: \$ 248,348

Total amount of State Grants Received in the Past 5 Fiscal Years:

\$ 600,000

Unrestricted Assets:

\$ 248,348

New Service (Presently Does Not Exist):  Existing Service (Presently in Operation):

Type of Business Entity:

- 501(C)(3) Non Profit Corporation  
 Other Non Profit  
 Other

Mailing Address:

1259 Aala Street, #201

City: Honolulu State: HI Zip: 96817

Contact Person for Matters Involving this Application

Name:  
Reina Miyamoto

Email:  
reina@hihomeownership.org

Title:  
Executive Director

Phone:  
808-523-8116

Federal Tax ID#:

[REDACTED]

State Tax ID#

[REDACTED]



Authorized Signature

Reina Miyamoto, Executive Director

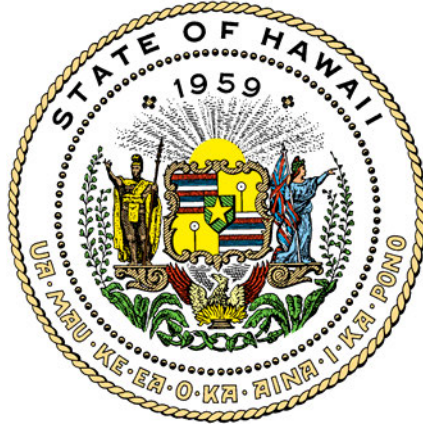
Name and Title

1/20/23

Date Signed

Brief Description of Request (continued):

A Grant in Aid would also support HHLT's existing Home Stability Purchase Program. HHLT can then purchase homes under government deed restriction at below-market cost. If the government does not exercise its option to repurchase an affordable home under deed restriction, HHLT may be able to buy the property at the established below-market formula. HHLT would then renovate the home and resell it at a below market price, and ensure the home will remain affordable through subsequent resales via deed restrictions.



## 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

HHOC HOUSING AND LAND TRUST

was incorporated under the laws of Hawaii on 12/07/2015 ; 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: December 22, 2022

Director of Commerce and Consumer Affairs

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


The undersigned authorized representative of the applicant certifies the following:

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

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

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

\_\_\_\_\_  
(Typed Name of Individual or Organization)

  
\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Date)


\_\_\_\_\_  
(Typed Name)

\_\_\_\_\_  
(Title)

## 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) Certificate of Good Standing (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 (     )
  - b) Personnel salaries and wages (     )
  - c) Equipment and motor vehicles (     )
  - d) Capital project details (     )
  - e) Government contracts, grants, and grants in aid (     )
- 7) Experience and Capability
- 8) Personnel: Project Organization and Staffing

 \_\_\_\_\_  
AUTHORIZED SIGNATURE                      REINA MIYAMOTO, EXECUTIVE DIRECTOR                      1/20/23  
PRINT NAME AND TITLE                      DATE

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

If the applicant is an organization, the applicant shall submit one (1) copy of a certificate of good standing from the Director of Commerce and Consumer Affairs that is dated no earlier than December 1, 2022.

#### **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](#).

*This grant will be used by HHOC Housing and Land Trust for the public purpose of increasing the supply of affordable homes for purchase by low- and moderate-income families.*

### **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;**

*The applicant, HHOC Housing Land Trust (HHLT) is affiliated with the Hawaii HomeOwnership Center (HHOC), a non-profit established in 2003 with the support of the Hawaii State Legislature (SCR 96). HHOC was formed by a partnership of businesses, non-profit, community, and government leaders to prepare first time homebuyers for sustainable homeownership. HHOC has successfully served 6,009 mostly low and moderate income households with homebuyer education classes, coaching, and post-purchase services and helped 2,998 households to successfully purchase their first home.*

*HHOC is affiliated with NeighborWorks America, a congressionally chartered non-profit organization focused on affordable housing and community development (including homeownership promotion and preservation). HHOC is the only NeighborWorks affiliate providing homeownership promotion services in Hawaii. HHOC is also a U.S. Department of Housing and Urban Development (HUD) Approved Housing Counseling Agency.*

*The mission of HHOC's affiliate -- the HHOC Housing and Land Trust (HHLT) -- is to positively impact Hawaii's affordable housing inventory where there is an acute shortage. HHLT was incorporated in 2016 and has been acquiring residential properties and keeping them affordable long-term through a variety of deed restrictions on re-sales to income-qualified home buyers. Upon conclusion of the re-sale, the new home buyers' financing pays back HHLT's revolving equity fund and line of credit.*

*HHLT's Home Stability Purchase Program was launched in late 2019. Since then, HHLT has successfully sold 7 fully renovated homes at below-market prices to individuals and families with an average Area Median Income (AMI) of 82%. (Households at 80% of AMI or lower are considered low-income, according to federal standards). An eighth home is currently in escrow. A deed restriction ensures these homes will remain affordable through future resales. HHLT is committed to providing renovated homes because the typical low-income buyer has limited funds to address maintenance issues, and sustainable ownership is the goal of the HHLT program. During the 2022 calendar year, home prices were still high relative to typical wages; however, the frenzied time when buyers were submitting purchase offers over the asking price, had passed, falling to 73% and 68% of sales for single-family homes and condos, respectively. However, even though the bidding frenzy eased in 2022, the steep interest rate rise made it challenging for first-time buyers to qualify for enough financing needed to buy a home. The Federal Reserve increased interest rates 7 times in 2022 and inflation was above 7% as of November 2022. Moreover, cost of living increases due to inflation created additional burdens. Homeowners would not have been able to purchase a renovated property like those provided by HHLT at a similar price on the open market.*

*HHLT requests a State Grant in Aid to help more Hawaii families achieve the goal of homeownership. HHLT proposes to offer Affordable Home Loan Program, a zero-interest second mortgage product without monthly repayments. The Affordable Home Loan Program loan would be repaid when the home is sold. A minimum 3% down payment will be required of the borrower. The home purchased would have the same deed restrictions as the current HHLT program that resells properties at below market prices. This deed restriction will provide HHLT the first right to purchase the property from the owner based on a calculated formula instead of a price calculation that is based on the housing market. The new affordable HHLT product will mean that low and moderate income families can qualify for mortgages with lower monthly payments. After HHLT repurchases the property, HHLT will renovate and resell the home at a below market price, extending the home's affordability to benefit another income-qualified family.*

*A State Grant in Aid would also support HHLT's Home Stability Purchase Program. HHLT can then purchase homes under government deed restriction at below-market cost. If the government does not exercise its option to repurchase an affordable home under deed restriction, HHLT may be able to buy the property at the established below-market formula. HHLT would then renovate the home and resell it at a below market price.*

2. The goals and objectives related to the request;

*HHLT is seeking a \$975,000 GIA to establish Affordable Home Loan Program and repurchase HHLT homes under deed restriction if the opportunity arises.*

*The objective of Affordable Home Loan Program is to assist at least 7 households within the first twelve months of fund availability. The housing and finance market at the time of fund availability will impact the parameters of Affordable Home Loan Program, however these are the general objectives of the new product: The loan amount would be up to \$150,000. HHLT's most recent subsidy for a buyer in the Home Stability Purchase Program was \$95,000 and the average subsidy in 2019-2021 was \$50,000. It is predicted that interest rates will rise again in 2023, directly impacting affordability for the target buyer. If that is the case, HHLT may need to increase the amount of the subsidy beyond \$95,000 to create a truly affordable home. HHLT expects that most buyers will require subsidies close to \$100,000. The maximum loan amount of \$150,000 allows HHLT the flexibility to respond to market conditions. As previously noted, the Affordable Home Loan Program loan would be 0% interest with no monthly payment required. The loan would be due at resale of the property.*

*HHOC Mortgage (HHOCM) is another non-profit affiliate created by Hawaii HomeOwnership Center. HHOCM is a non-profit mortgage broker and lender, specializing in first-time buyers and offering down payment and closing cost assistance loans. As an experienced lender in down payment products to the target market, HHOCM will be HHLT's lending partner to deploy our funds for Affordable Home Loan Program.*

*HHLT may have opportunities to repurchase HHLT units purchased in prior years, or homes under government deed restriction priced below market. After any necessary repairs, HHLT intends to resell these units within six months to new income-qualified home buyers with deed constraints which will ensure affordability for subsequent purchasers. GIA funds will be used for expenses associated with repurchasing, renovation, and carrying costs for the home (e.g., insurance, accounting, acquisition, renovation, and resale expenses).*

3. The public purpose and need to be served;

*HHLT provides long-term affordable homeownership opportunities to low-moderate income families in a challenging housing market. Working families can attain home*



*stability. HHLT can also unburden the State with some of its housing program responsibilities through its Home Stability Purchase Program. Currently, the State is tasked with responding to homeowners who want to sell their property before the State's deed restriction expires. This includes calculating the repurchase price and buying the property. If the owner is instead required to sell the property to an income qualified buyer, the government needs to verify the next buyer of the property as income & program eligible and continue the deed restriction for the remaining affordability period. If the state is unable to fulfill this role the homeowner may be allowed to sell the home on the open market and that affordable unit is lost and unavailable for another low-moderate income buyer. HHLT's Home Stability Purchase Program is positioned to repurchase the home in lieu of the government and implement its long-term deed restriction to keep the home affordable through subsequent resales.*

*Homeownership is the cornerstone of a stable and prosperous economy. Per CFED (the Corporation For Economic Development), Hawaii has the fourth lowest rate of homeownership in the nation, ranking 47<sup>th</sup> (including the District of Columbia). 63.9% of U.S. housing units were owner-occupied, while only 58.3% were owner-occupied in Hawaii. Hawaii has an extremely low rate of homeownership because of high housing costs and low inventory. Wage increases also do not keep pace with the housing costs.*

*According to rentdata.org, Hawaii has the highest rent in the country out of 56 states and territories. The Fair Market Rent in the state varies from \$1,656 for a 2-bedroom apartment. According to CFED, 52.9% of Hawaii renters spend more than 30% of their income for housing expenses and are at risk of homelessness if they suffer a financial setback. Homeownership provides stable housing as well as payments to create a platform for success. Families who own their own homes, don't have to relocate as often as renters, and suffer the disruptions that come with transferring their children to a different school, finding new social networks, and paying moving costs.*

*Research by Aloha United Way has determined that 48% of Hawaii's population is in the ALICE category - Asset Limited, Income Constrained, Employed. ALICE are working families who have a difficult time making ends meet. As almost half of Hawaii households is considered as ALICE, affordable housing opportunities are needed. HHLT's programs can be part of that solution.*

*The legislative, rule changes, and approvals for a qualified non-profit organization to partner with State government to buy-back their deed restriction has occurred. The next step is for the relevant agencies to post a request for qualifications (RFQ) to verify their partner options to buy-back their deed restricted properties when they will not be doing this themselves. Based on conversations with those agencies, HHLT is confident it will be qualified to respond and be selected in the RFQ process. When the agreements with government agencies are established to allow HHLT to repurchase their deed restricted affordable homes, some of the burden of repurchasing and re-selling units to income qualified buyers will shift from the State of Hawaii to HHLT. HILT requires homeownership education and counseling for home buyers from a HUD-approved*

*housing counseling agency so that families have the knowledge and skills to sustain homeownership and avoid foreclosure. Homeownership sustainability has impacts beyond the individual homeowner and extends into the community. Foreclosure negatively affects the surrounding neighborhood as well. HHLT's programs to make homeownership affordable directly and positively impact the State's financial resources. HHLT releases state resources – taxpayer revenue that the state would have used to repurchase homes can be used to fund other state initiatives.*

4. Describe the target population to be served; and

*The target population is low to moderate income prospective first-time home buyers. HHLT will focus on serving the most financially vulnerable residents who will benefit from the program. Affordable Home Loan Program will allow low to moderate income families to purchase a home at a price of up to \$150,000 more than they could qualify for with their current income and monthly debt.*

*HHLT benefits the community at large because it maintains home affordability for multiple buyers. HHLT purchases homes with government buy-back restrictions or through its Home Stability Purchase Program. With Hawaii's high priced housing market, preserving affordability is critical to home stability for working families. Our economy and communities depend on a thriving workforce and affordable housing options are needed to ensure this.*

5. Describe the geographic coverage.

*Affordable Home Loan Program will be offered throughout the State of Hawaii. The Home Stability Purchase Program will be focused on Oahu with plans for expansion to other Counties in future years.*

### **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;

*HHLT lending partner HHOC Mortgage is already experienced in down payment assistance lending, so minimal staff training will be necessary before funds are deployed to qualified borrowers.*

*HHLT will promote this new program to the real estate community in this priority order: REALTORS, buyers, and loan officers. REALTORS are of the highest priority because prospective home buyers typically contact REALTORS first. As described earlier, HHLT*

*was created by HHOC, a provider of education & information primarily to first-time buyers. HHLT program information can be deployed through HHOC's channels as an option to interested REALTORS & buyers. Through HHOC, HHLT has relationships with individual realty companies, and local board of REALTOR associations. Twice a year, HHOC participates as a vendor in the Honolulu Board of REALTORS' (largest local trade association) General Membership Meeting. HHOC also offers REALTOR workshops about first-time buyer programs and Affordable Home Loan Program would be among the programs presented. During one-on-one counseling sessions HHOC staff would share information about the program with prospective buyers along with other available options.*

*HHLT keeps a list of buyers interested in its Home Stability Purchase Program. HHLT will inform these buyers of the availability of Affordable Home Loan Program which allows a buyer to select the home of their choosing and include the Affordable Home Loan Program program as part of their financing. Qualified buyers can utilize the first mortgage lender of their choice, so informing loan officers of this product is another channel to connect the appropriate buyer to the Affordable Home Loan Program program.*

*HHLT affiliate HHOC or another HUD-approved homeownership counseling agency will provide the required homebuyer education course. A counseling session with a HHOC counselor will also be required. The intent of this requirement is to prevent mortgage delinquency and ensure the buyer understands the deed restriction associated with Affordable Home Loan Program or the Home Stability Purchase Program.*

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

Objectives and Major Tasks	MONTH											
	1	2	3	4	5	6	7	8	9	10	11	12
Development of loan guidelines, policies & procedures	X											
Promote the program with REALTORS		X	X	X	X	X	X	X	X	X	X	X
Promote the program with prospective buyers, lenders			X	X	X	X	X	X	X	X	X	X
Draw of State GIA funds. Due to the loan amounts and the time sensitivity of fund availability for a purchase transaction HHLT must have access to GIA funds once buyers start applying for the program. HHLT will request funds based on submitted contracts that will close in the following 1-2 months. Other HHLT funds are limited and a reimbursement is infeasible.			X	X	X	X	X	X	X	X	X	X

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

*Program success will be measured through creation or preservation of at least 7 affordable homes through Affordable Home Loan Program or the HHLT Home Stability Purchase Program. HHLT will increase promotion of the program after the first quarter if there are not enough applications for Affordable Home Loan Program submitted within the first 3 months, to ensure full deployment of funds by the close of the 12-month grant period.*

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.

*Accomplishment of the outcomes and objectives outlined in #II.2 is a measure of the effectiveness of this project's progress. The objective standard by which effectiveness will be measured is achieving the goal of 7 new first-time homebuyers through Affordable Home Loan Program or Home Stability Purchase Program.*

**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 - attached
  - b. Personnel salaries and wages - N/A
  - c. Equipment and motor vehicles - N/A
  - d. Capital project details - N/A
  - e. Government contracts, grants, and grants in aid - N/A
  
2. The applicant shall provide its anticipated quarterly funding requests for the fiscal year 2024.

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
\$100,000	\$300,000	\$300,000	\$275,000	\$975,000

3. The applicant shall provide a listing of all other sources of funding that they are seeking for fiscal year 2024.

*Alexander & Baldwin Company Foundation  
Weinberg Foundation*

4. The applicant shall provide a listing of all state and federal tax credits it has been granted within the prior three years. Additionally, the applicant shall provide a listing of all state and federal tax credits they have applied for or anticipate applying for pertaining to any capital project, if applicable.

N/A

5. The applicant shall provide a listing of all federal, state, and county government contracts, grants, and grants in aid it has been granted within the prior three years and will be receiving for fiscal year 2024 for program funding.

*HHLT was approved for a State Grant in Aid in 2018 for its Home Stability Purchase Program and received a grant extension. The award was fully expended by June 2021.*

6. The applicant shall provide the balance of its unrestricted current assets as of December 31, 2022.

\$248,348

**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.

*See Attachment B for a list of affiliated staff and volunteers who devote their time to ensure HHLT will successfully create a revolving equity capital fund and an inventory of affordable homes in the State of Hawaii. A State Grant-in-Aid that was extended through June 2021 funded the start of the HHLT program and supported acquisition and resale of 6 homes under the leadership of the people listed in Attachment B. Two (2) additional properties were purchased in 2022 and one of them has sold. This group of volunteers has created and continues to implement the Home Stability Purchase Program including updating the deed restriction as relevant to recent purchases.*

*HHLT has intentionally withheld hiring any dedicated staff until it has fully established its line of business and have sufficient program volume to support the position.*

*Attachment B also details the experience of HHOC Mortgage, HHLT's affiliate that will deploy Affordable Home Loan Program funds should this proposal be funded. HHOC Mortgage staff are experts in working with first-time buyers and layering different financing programs. They fully understand residential financing, qualifying buyers for purchase programs, and working with different parties to coordinate funding a loan.*

## **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.

*HHLT does not yet have any dedicated staff and is being operated by staff and volunteers of the Hawaii HomeOwnership Center (HHOC). HHOC is located in the HawaiiUSA Federal Credit Union building at 1259 Aala Street, #201, Honolulu, HI 96817. The building is ADA compliant with accessible parking, elevators, and bathrooms. All program activity occurs outside of the office aside from administrative functions like bill payment. The current facilities are adequate for the proposed activities.*

## **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.

*See Attachment B for list of HHLT affiliated staff and volunteers who are currently implementing the program or will be joining the team. As this is an established program, the volunteer and staff team have a proven track record of addressing the program and administrative tasks. As the Real Estate Acquisition and Resale Committee has added a member, the overall capacity of the program has increased and supports accommodation of simultaneous transactions.*

## **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.

*See Attachments C for the HHLT & HHOCM organizational charts.*

## **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.

*At present, HHLT has no paid staff members. HHOC staff members and HHLT volunteers are successfully doing the work for this project. We are building our volunteer team overseeing the purchase, renovation, and resale of units to be able to address more units in a year.*

## **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.

*None.*

### **2. Licensure or Accreditation**

The applicant shall specify any special qualifications, including but not limited to licensure or accreditation that the applicant possesses relevant to this request.

*Qualifications of the property review committee are provided in Attachment B.*

### **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.

*Not applicable.*

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

The applicant shall provide a plan for sustaining after fiscal year 2023-24 the activity funded by the grant if the grant of this application is:

- (a) Received by the applicant for fiscal year 2023-24, but
- (b) Not received by the applicant thereafter.

*State GIA funds are primarily intended to provide capital to initiate the Affordable Home Loan Program. The greatest challenge in establishing a new program is to find start-up funding. A State GIA award would allow HHLT to leverage additional philanthropic support.*

*The secondary purpose State GIA funds is to allow HHLT to repurchase homes under HHLT deed restriction or government deed restriction. HILT will establish partnerships with government agencies to purchase their deed restricted units, then HHLT will purchase homes at below-market value. This presents an opportunity for HHLT to earn a margin on resales and support program sustainability - the purchase price of government deed restricted properties will be calculated from a formula based on the initial purchase price (allowing HHLT to purchase a home at a below-market price and possibly earn a margin when reselling at a below-market price). Therefore, HHLT expects it will have sufficient funds through the resale to recover renovation and carrying costs as well as a small margin to reinvest in the revolving fund to build program revenue.*



**Attachment B**  
**HHOC Housing and Land Trust (HHLT)**  
**&**  
**HHOC Mortgage (HHOCM)**

HHLT STAFFING AND GOVERNANCE

Reina Miyamoto is the Executive Director for 3 affiliated non-profit organizations: HHOC, HHLT, and HHOC Mortgage (mortgage broker and funder of down payment & closing cost assistance loans). Ms. Miyamoto has 26 years in non-profit management including 16 years with HHOC. The HHLT program started operating under her leadership with volunteers experienced in development, real estate, lending, and government. Her contacts in the lending and the real estate community has helped advance the programs delivered by the three affiliates. The three Boards for all organizations have significant expertise for each mission area and provides statewide representation.

HHLT 2023 Board of Directors:

The HHLT Board Officers include HHOC Directors to ensure consistent oversight. Directors are volunteers with experience with County Housing Agencies, lending, real estate, property management, and housing development. Detailed descriptions of the board members’ experience is provided below the list of directors.

OFFICER & DIRECTOR LIST			Employment	City	State
President	Keith	Kato	HI Island Comm. Development Corp	Papaikou	HI
Vice President	Debra	Luning	Gentry Homes Hawaii	Hon	HI
Treasurer	Karl	Yoneshige	Retired - HawaiiUSA Federal Credit Union	Hon	HI
Secretary	Jun	Yang	State Dept of Transportation	Hon	HI
Director	Gary	Mackler	Retired - Kauai County	Lihue	HI
Director	Jason	Martinson	Academy Mortgage	Pearl City	HI
Director	Jack	Legal	Legal Realty	Kapolei	HI
Director	Earl	Mente	Earl S. Mentel Realtors	Hon	HI

Hawaii Island Community Development Corporation is a non-profit developer and Gentry Homes Hawaii is a for-profit developer - Keith Kato is the Executive Director and Debra Luning is the Director of Governmental Affairs and Community Relations at their respective organizations. Ms. Luning also has experience working for government housing agencies. Academy Mortgage and HawaiiUSA Federal Credit Union provides residential financing. Jun Yang and Gary Mackler have experience working in the Honolulu and Kauai County’s Housing Agencies respectively. Jack Legal is a REALTOR that represents buyers and sellers. He also works directly with Fannie Mae to sell their housing inventory and is the former

President of the Honolulu Board of REALTORS and Hawaii Association of REALTORS. Earl Mente is a REALTOR focused on property management and experienced in home renovation related to his business.

HHLT Committee for Real Estate Acquisitions and Resale:

This Committee is responsible for review of properties that will be considered for purchase, projecting renovation costs, and recommending opportunities to the Board of Directors. Representation of HHLT as the buyer and seller, coordination and oversight of renovation work, and recommendation on purchase offer acceptance during resale is also done by this committee. The Executive Director works with this committee to implement the HHLT program and addresses coordination of financing.

Jack	Legal	Self-employed: Real Estate Broker/Attorney
Earl	Mente	Self-employed: Real Estate Broker
Michael	Lum	Self-employed: Real Estate Broker / Attorney / Background in Development
Jenny	Brady	Self-Employed: Real Estate Broker (new member)

The experience of Jack Legal and Earl Mente are provided above under the Board of Directors list. Michael Lum of ML Pacific Inc. purchases, renovates, and resells properties as his current business, utilizing his background with small to large developers. Jenny Brady is a full-time Real Estate Broker with 27+ years of experience. She has served as the 2019 Honolulu Board of REALTORS President, and on the Boards of the National Association of REALTORS (3 years) and Hawaii Association of REALTORS (2 years). She has also served on many other committees related to the real estate industry.

HHOCM STAFFING, GOVERNANCE, & EXPERIENCE

Executive Director, Reina Miyamoto has been leading HHOC Mortgage since 2019. She has developed and expanded partnerships with other lending companies, making selected loan programs available to the community through these relationships. This experience will be utilized to make the Affordable Home Loan Program available if funding is made available. Information about her is already provided above in the HHLT Staffing and Governance Section.

Dennis Oshiro has been on the HHOCM staff for 15 years and has 43 years of experience in Hawaii’s mortgage lending industry. He is responsible for compliance reporting to funders and regulators; communicating HHOCM’s mission, vision, and purpose to community stakeholders; assisting with development of new programs and products. Mr. Oshiro has led local thrifts, United Mortgage, and the University of Hawaii Federal Credit Union.

Catherine Lee has worked for HHOCM as a loan officer for 4 years and has 21 years of experience. Ms. Lee meets with potential borrowers and connects them with the right lenders and loan programs; assisting them throughout the loan process, working with lenders, and

helping clients to meet deadlines through loan closing. As HHOCM's target market is first-time home buyers, Ms. Lee has deep experience in layering assistance programs to arrive at the most affordable housing payment.

Kayla Ardoin has been with HHOCM for 1 year as the Community Lending Manager and has 8 years of related experience. She assists potential borrowers and is tasked with overseeing daily operations, highest quality customer service, and compliance with lending regulations.

#### HHOCM 2023 Board of Directors

Board Position	Board Member	Company Affiliation	Experience
President	Dawn Robinson Naya	Loan Depot, Branch Manager	26 years of experience in the lending industry including as former VP & Area Sales Manager at HomeStreet Bank.
Vice President	Mike Miller	Bank of Hawaii, SVP & Operations Manager	14 years of experience including 12 years at Bank of Hawaii managing loan officers & other lending staff.
Secretary	Tricia Fujikawa Lee	First Hawaiian Bank, SVP & Division Manager	13 years of experience including as Deputy Compliance & Community Reinvestment Act Officer. Juris Doctorate from the University of Hawaii.
Director	Bobby Chow	B&B Mortgage, Co-Owner	18 years of experience in the lending industry including as loan officer with West Funding Group & co-founding B&B Mortgage.
Director	Grant Chun	Hale Mahaolu, Executive Director	Executive Director of a non-profit housing corporation that owns/manages low-moderate income rental projects. Former partner in

			Maui’s Carlsmith Ball location & VP of A&B Properties.
Director	Mark Kimoto	American Savings Bank, SVP & Residential Loan Manager	20+ years in residential lending including as loan officer at Mellon Mortgage/US Bankcorp Mortgage, Hammond Co.
Director	Daniel Costigan	First Hawaiian Bank, Sales Manager & VP	20 years of experience including as loan officer and sales manager overseeing loan officers, new project lending with developers, compliance with regulations.

Dawn Robinson Naya, Mike Miller, Tricia Fujikawa Lee, Bobby Chow, and Daniel Costigan comprise the lending committee that approves HHOCM’s niche Down Payment Assistance Loans (DPAL - amortizing second mortgage loans) funded by HHOCM and held it in its portfolio. DPAL was created to provide a more affordable option to mortgage insurance for first-time buyers with less than 20% down payment. The committee ensures loans meet lending guidelines and are low credit risks to the organization. The committee also updates the lending guidelines to accommodate market changes.

Experience with Layering Programs to support Affordable Financing for First-Time Buyers

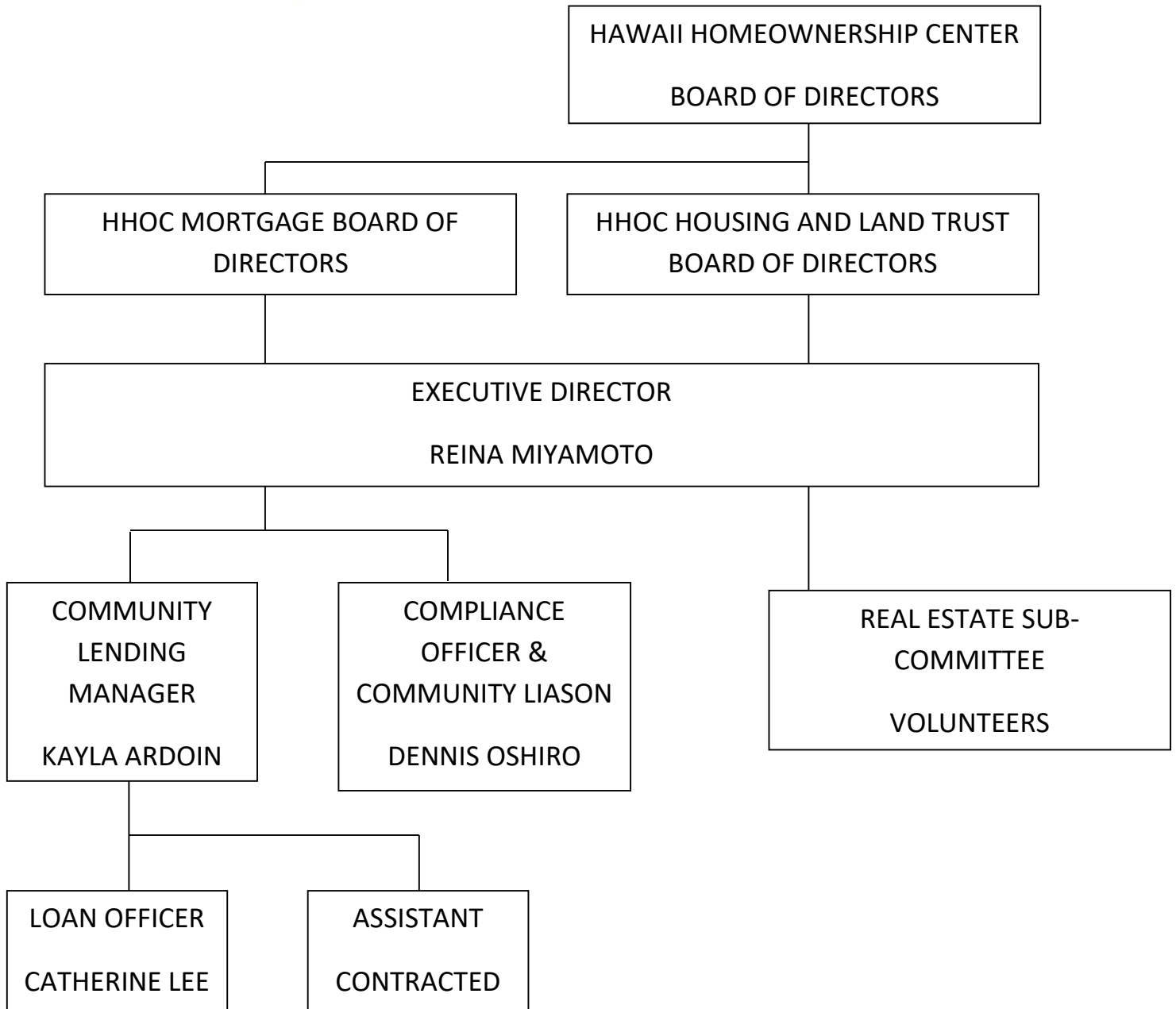
In addition to DPAL, HHOCM has another niche product called the Deferred Closing Cost Assistance Loan - it is a loan deferred for 15 years with 0% interest and no monthly payment. The loan is due after the 15 years (with an option to pay in a lump sum or over 5 years) unless equity is taken out of the property, the borrower no longer occupies the property, or sells it. The loan amount is up to \$15,000 depending on the Area Median Income based on the household size and income of the borrower(s). It is meant to assist with closing costs including buying down the interest rate and ensure buyers have reserves to address unexpected expenses - setting them up to be more sustainable homeowners.

HHOCM is also able to make other programs offered by other funders available like the Mortgage Credit Certificate and the City and County of Honolulu’s Down Payment Loan programs.

Attachment C



# HHOC HOUSING AND LAND TRUST & HHOC MORTGAGE ORGANIZATIONAL CHART




## BUDGET REQUEST BY SOURCE OF FUNDS

Period: July 1, 2023 to June 30, 2024

App

HHOC Housing and Land Trust

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 Loan Funds or home repurchase expense	975,000	0	0	0
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
TOTAL OTHER CURRENT EXPENSES	975,000			
C. EQUIPMENT PURCHASES				
D. MOTOR VEHICLE PURCHASES				
E. CAPITAL				
<b>TOTAL (A+B+C+D+E)</b>	<b>975,000</b>			
<b>SOURCES OF FUNDING</b>		Budget Prepared By:		
(a) Total State Funds Requested	975,000	Reina Miyamoto	808-523-8116	
(b) Total Federal Funds Requested	0	Name (Please type or print) Phone		
(c) Total County Funds Requested	0		1/20/2023	
(d) Total Private/Other Funds Requested	0	Signature of Authorized Official Date		
<b>TOTAL BUDGET</b>	<b>975,000</b>	Reina Miyamoto, Executive Director Name and Title (Please type or print)		