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Real Estate Services
Section Chief



HHFDC AFFORDABLE HOUSING PROGRAM

HAWAII HOUSING FINANCE &
DEVELOPMENT CORPORATION

WHAT IS AFFORDABLE HOUSING?

WHAT DOES AFFORDABLE HOUSING MEAN?

- Terminology used to describe affordable housing:
 - Low-income housing
 - Affordable housing
 - Reserved housing
 - Workforce housing

Affordable housing is housing priced at below market prices for persons having a gross household income of 140% and below of the area median income (or “AMI”) for the respective county where the property is located.

HHFDC GROSS HOUSEHOLD INCOME LIMITS

INCOME CHARTS FOR THE RESPECTIVE COUNTIES ARE AVAILABLE ON THE HHFDC WEBSITE.

[HTTP://DBEDT.HAWAII.GOV/HHFDC/](http://dbedt.hawaii.gov/hhfdc/)

HONOLULU COUNTY INCOME SCHEDULE BY FAMILY SIZE 2018

THE FOLLOWING TABLE PRESENTS INCOME LIMITS BY FAMILY SIZE AND BY PERCENTAGES OF THE VERY LOW INCOME LEVELS ESTABLISHED BY HUD. THESE INCOME LIMITS SERVE AS GUIDELINES TO ESTABLISH SALES/RENTAL PREFERENCES.

| | | LIMITS BY FAMILY SIZE | | | | | | | |
|--|------|-----------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| MEDIAN \$96,000 Adjustments for family size | | 1 PERSON | 2 PERSON | 3 PERSON | 4 PERSON | 5 PERSON | 6 PERSON | 7 PERSON | 8 PERSON |
| | | 0.7000 | 0.8000 | 0.9000 | 1.0000 | 1.0800 | 1.1600 | 1.2400 | 1.3200 |
| % of Income | 10% | \$8,170 | \$8,330 | \$10,500 | \$11,660 | \$12,600 | \$13,530 | \$14,460 | \$15,400 |
| | 20% | \$16,340 | \$16,660 | \$21,000 | \$23,320 | \$25,200 | \$27,060 | \$28,920 | \$30,800 |
| | 30% | \$24,510 | \$27,990 | \$31,500 | \$34,960 | \$37,800 | \$40,590 | \$43,380 | \$46,200 |
| | 40% | \$32,680 | \$37,320 | \$42,000 | \$46,640 | \$50,400 | \$54,120 | \$57,840 | \$61,600 |
| | 50% | \$40,850 | \$46,650 | \$52,500 | \$58,300 | \$63,300 | \$67,650 | \$72,300 | \$77,000 |
| | 60% | \$49,020 | \$55,980 | \$63,000 | \$69,960 | \$75,600 | \$81,180 | \$86,760 | \$92,400 |
| | 70% | \$57,190 | \$65,310 | \$73,500 | \$81,620 | \$88,200 | \$94,710 | \$101,220 | \$107,800 |
| | 80% | \$65,360 | \$74,640 | \$84,000 | \$93,280 | \$100,800 | \$108,240 | \$115,680 | \$123,200 |
| | 90% | \$73,530 | \$83,970 | \$94,500 | \$104,940 | \$113,400 | \$121,770 | \$130,140 | \$138,600 |
| | 100% | \$81,700 | \$93,300 | \$105,000 | \$116,600 | \$126,000 | \$135,300 | \$144,600 | \$154,000 |
| | 110% | \$89,870 | \$102,630 | \$115,500 | \$128,260 | \$138,600 | \$148,530 | \$159,060 | \$169,400 |
| | 120% | \$98,040 | \$111,960 | \$126,000 | \$139,920 | \$151,200 | \$162,360 | \$173,520 | \$184,600 |
| | 130% | \$106,210 | \$121,290 | \$136,500 | \$151,580 | \$163,800 | \$175,980 | \$187,980 | \$200,200 |
| | 140% | \$114,380 | \$130,820 | \$147,000 | \$163,240 | \$176,400 | \$189,420 | \$202,440 | \$215,600 |

The U.S. Department of Housing and Urban Development (HUD) sets income limits that determine the eligibility of applicants for its assisted housing programs. HUD typically uses the Very Low-Income Limit (VLIL) as the basis for deriving other income limits. The VLIL is calculated by taking the 4-person income limit equal to 50% of the estimated median family income (based on the U.S. Census Bureau's ACS median family income estimates) and making adjustments if this income is outside formula constraints. For example, the VLIL is increased for areas where rental housing costs are unusually high in relation to the median income or if it is less than the relevant State non-metropolitan median family income level. See "FY2018 Briefing Materials" at <https://www.huduser.gov/portal/datasets/1/1118/incomeLimitsMethodology-FY18.pdf>

HHFDC uses the HUD income limits for households at the 50% and 60% income levels as calculated for the Multifamily Tax Subsidy Project (MTSP) charts. For HHFDC programs, the 60% income level is calculated as the Multifamily Tax Subsidy Project (MTSP) VLIL (for FY 2016, it is also the HUD Section 8 VLIL) multiplied by 1.6 (or 60/50). The limits for households at other income levels are calculated in the same way. For further information see "Multifamily Tax Subsidy Income Limits" at <https://www.huduser.gov/portal/datasets/mtsp.html>

NOTE: This chart is provided as a guide only. You are responsible to ensure the accuracy of the numbers.

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Department of Business, Economic Development & Tourism
Hawaii Housing Finance & Development Corporation

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Waialeale Valley UIPA Request

Meeting Schedule

\$ 2018 Income, Sales and Rent Guidelines

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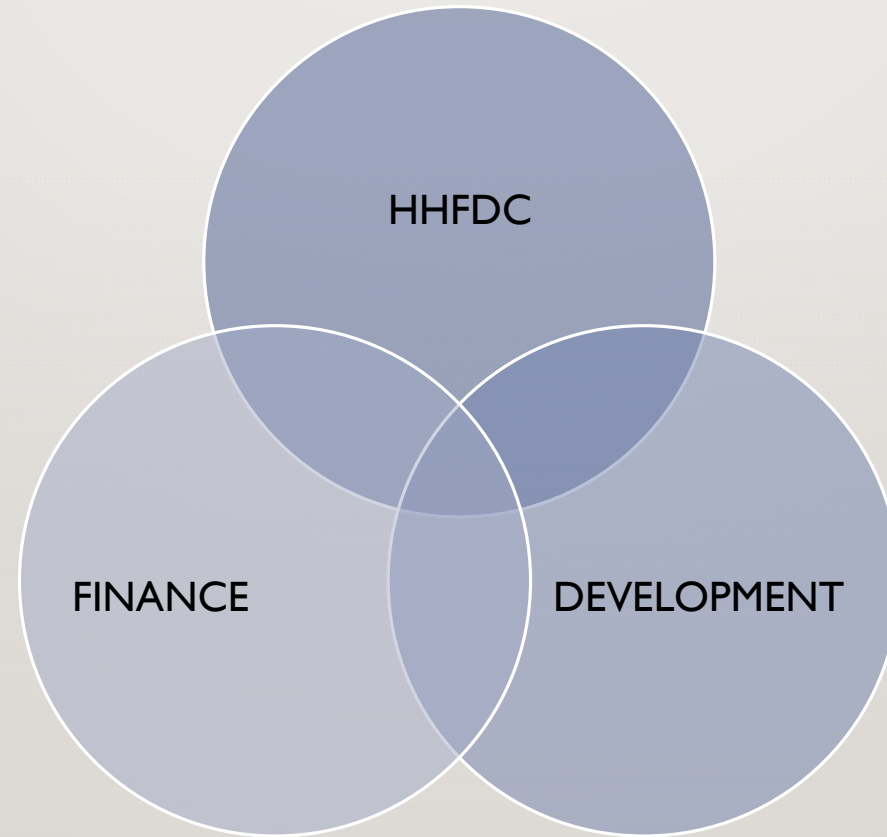
Affordable Housing Inventory

KAMAKANA AT KEAHUOLU
Read More

4.2019 Information Subject to Change without Notice

WHO IS RESPONSIBLE FOR AFFORDABLE HOUSING?

- Government? *HHFDC, HCDA, County Agencies*
- Private Sector?
 - *Private land owners: Castle & Cooke, Kamehameha Schools, Howard Hughes,*
 - *Non-profit organizations: Habitat for Humanity, Self Help Housing Corporation of Hawaii*
 - *Individuals: Stanford Carr, Marshall Hung, Chip & Joanna Gaines*
- Real Estate Professionals?
- Taxpayers?
- Millenials?



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graph LR; A[HOUSING FINANCE BRANCH] --> B["Innovative Financing Programs  
(i.e. Hula Mae Loan; Mortgage Credit Certificate (MCC) Program)  
Contact an approved mortgage lender"]; B --> C["Rental Housing for families at lower income levels  
Apply directly at the desired Rental Housing Project"]; style C stroke:#000,stroke-width:4px
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**HOUSING FINANCE
BRANCH**

**Innovative
Financing
Programs**

(i.e. Hula Mae
Loan; Mortgage
Credit Certificate
(MCC) Program)

*Contact an
approved mortgage
lender*

**Rental Housing for
families at lower
income levels**

*Apply directly at
the desired*

*Rental Housing
Project*

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**HOUSING
DEVELOPM
ENT
BRANCH**
"HDB"



**Toolbox of
Resources
to Assist
Developers**

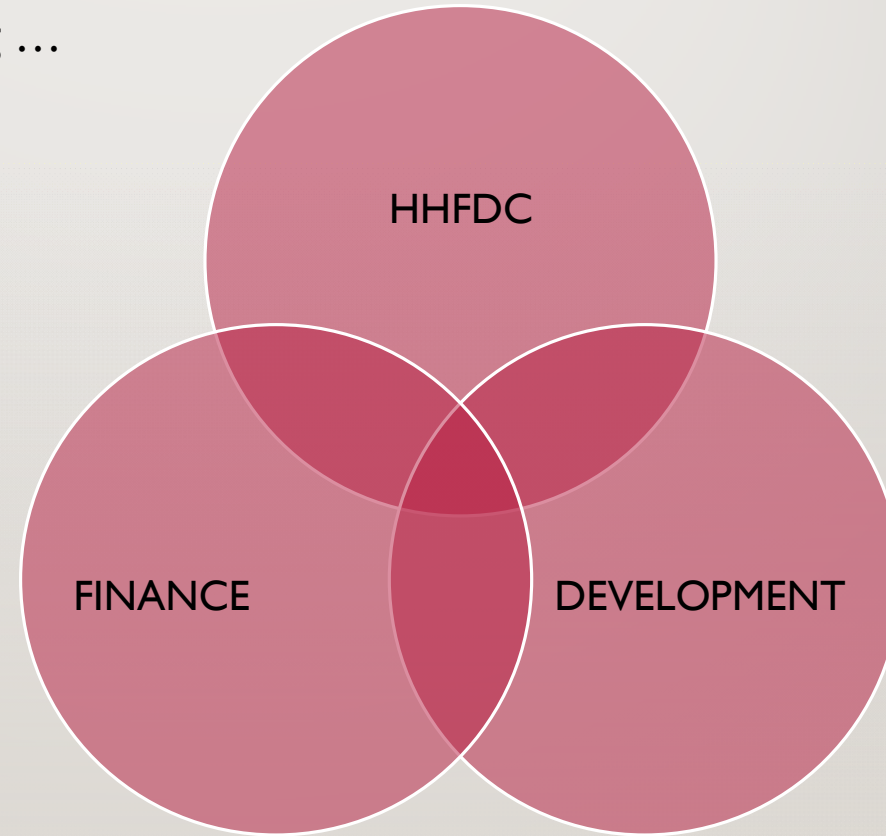
(i.e. financing,
expedited land
use approvals
under Chapter
201H, Hawaii
Revised
Statutes,
exemptions
from general
excise taxes,
among other
things)



**Facilitate
developme
nt of
affordable
rental and
for-sale
housing**
(i.e. HHFDC
assisted
housing;
private-public
partnerships)

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HHFDC does not do everything ...



THERE ARE A NUMBER OF AFFORDABLE DEVELOPMENTS OCCURRING THROUGHOUT THE STATE. **ARE YOU LOGGED IN?**

HHFDC's current affordable housing developments include:

- Pokai Bay Self Help Project by Self Help Housing Corporation of Hawaii, a non-profit entity
- The Block, 803 Waimanu by Eight Zero Three Waimanu, LLC
- 'Ohana Hale by Pumehana Hui LP
- The Central Ala Moana by Samkoo Hawaii LLC
- *Recently completed: Kapiolani Residence by Samkoo Pacific LLC*

For a list of developments built or sponsored by the HHFDC, refer to HHFDC's website:

<http://dbedt.hawaii.gov/hhfdc/faq/>

IMPORTANT

EACH PROJECT IS UNIQUE IN ITS OWN WAY. PROJECTS DIFFER BASED ON A DEVELOPER'S PROPOSAL AND HHFDC'S BOARD OF DIRECTOR'S APPROVAL.

- Unit Type
 - Price
 - Amenities
 - Finish Material
 - Affordable Housing Requirements
-

CONTACT THE PROJECT SALES BROKER FOR DETAILED INFORMATION. ANNOUNCEMENT OF THE PROJECT AVAILABILITY IS MADE BY NEWSPAPER PUBLICATION. ADVANCE DETAILED INFORMATION OF THE PROJECT IS NOT PERMITTED PRIOR TO INITIAL ADVERTISEMENT.

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WHO CAN PURCHASE AN HHFDC AFFORDABLE UNIT?

QUALIFIED RESIDENTS WHO DEMONSTRATE A NEED FOR AFFORDABLE HOUSING.

A Qualified Resident is a **person** who is:

- a US citizen or permanent resident alien;
- at least 18 years of age;
- a legal Hawaii resident residing in Hawaii and shall physically resident in the unit;
- Does not a majority interest (51% or more) in real estate anywhere in the world by himself or a member of the household; and
- Has sufficient gross income to qualify for the loan to purchase.

HHFDC CONSIDERS THE FOLLOWING FACTORS WHEN DETERMINING A NEED FOR AFFORDABLE HOUSING.

- Household income and no. of dependents;
 - Physical disabilities of the applicant or household members;
 - Whether or not the present housing is below standard;
 - Whether or not the need for housing was due to displacement by governmental action;
- Other factors include but is not limited to:
- Previous purchase/sale of a government sponsored development;
 - Signed contract to purchase in another government sponsored development
 - Approval to purchase in another government sponsored development and will enter into a contract within 6 months of filing an application

EXAMPLES

Qualified Purchaser

- Someone who is a first time buyer.
- Someone who was displaced due to condemnation of property or unsafe living conditions.

Not Qualified Purchaser

- Someone who currently owns a unit which they currently occupy as their principle resident.
- Someone who purchased in a City & County or HCDA sponsored development.

WHAT IS THE FUTURE OF AFFORDABLE HOUSING?



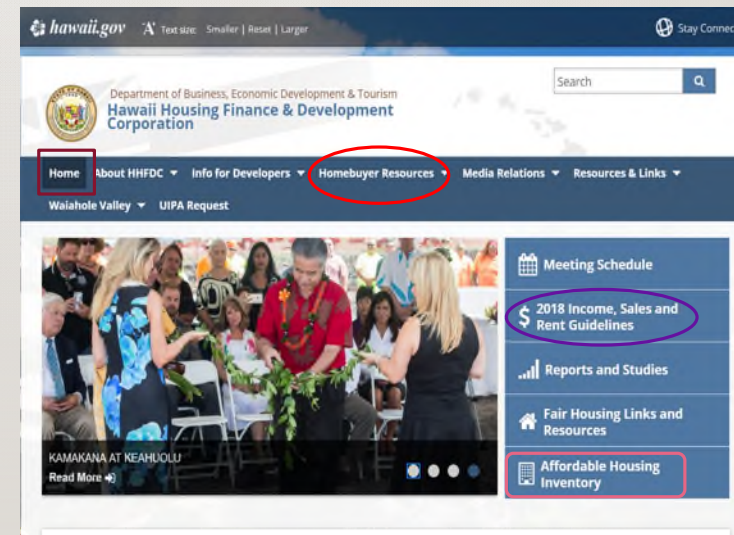
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- Impact of Rail – Transit Oriented Development
 - Impact of new legislation – Aloha Homes Bill
 - Governor Ige's Capital Connection, April 2019 issue



HHFDC RESOURCES

Visit our website: <http://dbedt.hawaii.gov/hhfdc/>

- Homebuyer Resources Tab/FAQs
- Current Income Limits
- Existing and New For Sale Projects
- Resale Program
- Affordable Rental Properties by island and type of housing (senior, family, etc.)



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WHO IS RESPONSIBLE FOR AFFORDABLE HOUSING?

WE ARE ALL RESPONSIBLE
FOR PROVIDING AFFORDABLE HOUSING
THANK YOU!!!,
FOR BEING AN INTEGRAL PART
OF THE PROCESS OF PROVIDING
AFFORDABLE HOUSING IN OUR COMMUNITY
TO THOSE WHO ARE MOST IN NEED OF IT.