

**STATE OF HAWAII**

**ROUND 1 AWARD: \$6,631,950**



**Overview:** To expand housing supply and lower housing costs, HUD's Office of Community Planning and Development awarded **\$6.6 million to the State of Hawaii**. This grant funding will be used to identify and remove barriers to affordable housing production and preservation.

**The State of Hawaii has the highest housing costs in the nation and will need 50,156 new units by 2025 to address the housing demand.** The State has taken considerable actions to advance housing supply through land use reform, development financing, and assistance to low-income homebuyers.

**PRO Housing funding will enable Hawaii to establish a statewide infrastructure bank, increase staff capacity, and address local regulations.**

**Inadequate Infrastructure**

- Hawaii faces challenges in keeping up with needed investments in infrastructure to support new housing development. Constructing new infrastructure is costly, timely, and complicated by environmental concerns.

**Local Regulations**

- The median permitting process across the State is nearly 161 days and 458 days in Hawaii County.

**Housing Policies**

- The State notes that there is a need to evaluate county housing policies to streamline affordable housing development.

**LOCAL BARRIERS TO HOUSING IDENTIFIED BY HAWAII**

**RECENT ACTIONS TO BOOST HOUSING SUPPLY LOCALLY**

**The State of Hawaii**

- Governor Josh Green, M.D. signed three Emergency Proclamations which addressed critical barriers to expanding affordable housing — providing flexibility for housing development, expediting processes, and building local capacity.
- In 2023, secured more than \$600 million for affordable housing and homelessness services for Fiscal Year 2024 - 2025.
- In 2023, announced the Ka Lei Momi Redevelopment Project, to build over 10,000 additional units of which 90% will serve households making at or below 120% Area Median Income.
- Formed a preliminary plan to use \$600 million in appropriations in 2022 to build an estimated 2,700 homestead lots.
- Established a Transit-Oriented Development Council.



# ANTICIPATED IMPACT OF PRO HOUSING FUNDING

as contemplated in grant application

## Invest in Housing Enabling Infrastructure

- The State will establish a Statewide Infrastructure Bank to fill existing financing gaps. Through PRO Housing, Hawaii will fund housing enabling infrastructure to boost supply.
- The Infrastructure Bank can issue bonds, originate loans, make grants, and mobilize sources of public and private capital to finance projects including: water and wastewater, roads and bridges, energy efficiency and renewable energy, and brownfield remediation.

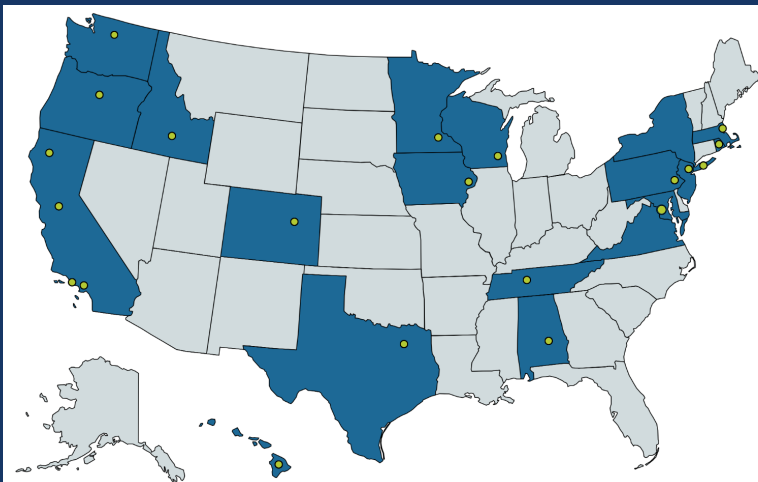
## Support Transit-Oriented Development

- Based on recommendations from the State Transit-Oriented Council, specific infrastructure and infrastructure financing mechanisms to increase affordable housing supply across the State's four main counties.
- Investments will include wastewater improvements, building an infrastructure financing mechanism, designing infrastructure improvements for the Hawaii Public Housing Authority's Kahekili Terrace project, and designing wells, reservoir, sewer, and roads.

## Build Local Capacity

- The State will expand capacity to work with counties that are updating their local housing regulations for housing production, identify effective land use policies, and preserve affordable housing stock.
- To build local capacity, the State intends to enhance staffing to address much needed administrative needs and the implementation of proposed activities.

# HUD AWARDED \$85 MILLION TO 21 APPLICANTS THROUGH ROUND 1 OF THE PRO HOUSING COMPETITION



- PRO Housing provides first-of-its-kind funding to identify and remove barriers to housing production and preservation.
- The competition prioritizes communities that demonstrate an acute need for affordable housing.
- Successful applications demonstrated local actions — such as updates to land use policies, developer incentives, financing, and innovative strategies — to address barriers and boost housing supply.