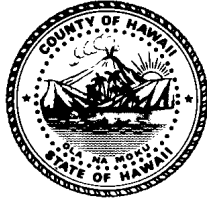


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NEWS RELEASE

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COUNTY OF HAWAII'S VOLUNTARY HOUSING BUYOUT PROGRAM ANNOUNCES NECESSARY ADJUSTMENTS FOR PHASE 2 BUYOUTS

The County of Hawai'i's Voluntary Housing Buyout Program has announced it will be making necessary changes to Phase 2 of the Voluntary Housing Buyout Program to ensure a more equitable distribution of remaining grant funds.

After a comprehensive review and consultation with County administrators and the U.S. Department of Housing and Urban Development (HUD), the program has decided to update its approach due to increased demand and limited funds.

After serving the bulk of Phase 1 applicants, the program has approximately \$38 million left for property acquisition, which is insufficient to accommodate the needs of the slightly over 500 remaining applicants in the program.

The strong interest in the program has prompted a reassessment of the buyout offer amount for Phase 2 applicants with second homes and long-term rentals to \$142,000. This will also allow the program to reserve funds to fulfill the HUD required national objective of serving Low- to Moderate-Income (LMI) applicants for undeveloped properties in Phase 3.

Mayor Mitch Roth commented, "The primary goal with these changes is to remain focused on serving as many eligible applicants as possible, especially those in the Low- to Moderate-Income category as mandated by HUD. Our duty is to adapt to the remaining funds while ensuring a fair and efficient distribution of grant resources."

To maintain program integrity and adhere to existing policies, the program first prioritized completing the processing of Phase 1 (primary home) applications before proceeding with buyouts for Phase 2 and 3. This has provided the clearest picture of the remaining grant funds available for subsequent phases.

Disaster Recovery Officer Douglas Nam Le stated, "These changes are necessary to address the significant demand for buyout assistance we've experienced through the program."

Applicants who would like more information or who have questions about these changes can attend a virtual meeting on January 30, 2024, at 11:00 AM HST via Zoom. Meeting details will be released on our [website](#) and [social media channels](#).

To comply with HUD requirements for fund distribution, the program will prioritize serving LMI applicants for Second Homes and Undeveloped Properties. Within the maximum grant award for the program, Second Homes will be offered not more than \$142,000. Undeveloped Properties will maintain a maximum grant award of \$22,000, to serve LMI applicants first and foremost. If any funds remain after serving primary homes, second homes, and LMI undeveloped properties, then any remaining funds will be used to buyout non-LMI undeveloped properties in Phase 3.

"These changes ensure that all eligible Phase 2 applicants will receive assistance, and even give us a chance at serving a portion of our Phase 3 applicants with undeveloped properties," added Mayor Roth. "Without adjusting the buyout offer now, a significant portion of Phase 2 and none of Phase 3 would receive aide, and the whole point of this program is to help as many folks as possible that were impacted by the eruption."

The program is also actively working with contractors to evaluate the demolition expenses for properties requiring the removal of structures according to HUD regulations. While \$10 million has been allocated from the grant funds for this purpose, the unique challenges associated with demolishing structures isolated by lava introduce uncertainties that require ongoing evaluation.

For the most up-to-date information on the program's progress and the status of the nearly 800 applications received, participants are encouraged to visit the regularly updated website at recovery.hawaiicounty.gov/resources/housing-buyout-program. It's important to note that payout isn't guaranteed until the process is completed.

If applicants have questions or need further assistance, they can reach out to the Voluntary Housing Buyout Program via email at kilaueabuyout@hawaiicounty.gov or by calling (808) 961-8996.



Voluntary Housing Buyout Program



Total CDBG-DR Funding of \$107,561,000



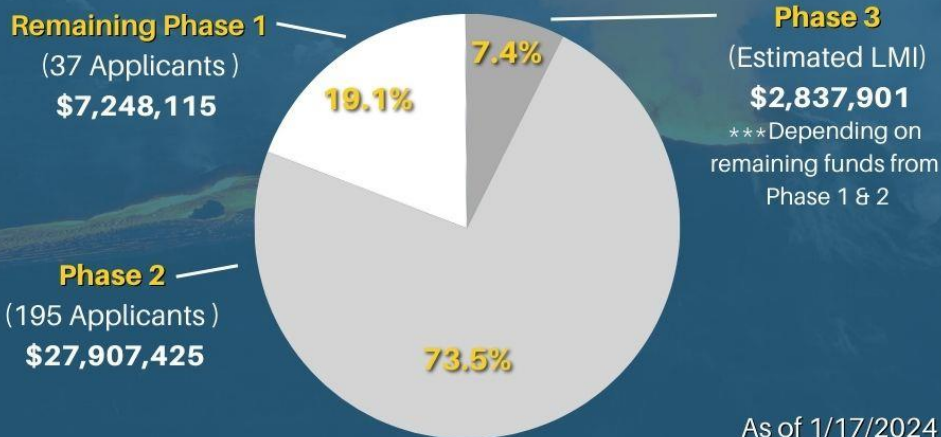
As of 1/17/2024



Remaining CDBG-DR Estimated Funding Breakdown



Total Remaining Funds: \$37,993,441



As of 1/17/2024