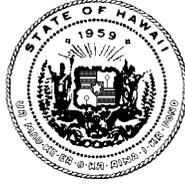


JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



RYAN I. YAMANE
DIRECTOR
KA LUNA HO'OKELE

JOSEPH CAMPOS II
DEPUTY DIRECTOR
KA HOPE LUNA HO'OKELE

STATE OF HAWAII
KA MOKU'ĀINA O HAWAI'I
DEPARTMENT OF HUMAN SERVICES
KA 'OIHANA MĀLAMA LAWELAWE KANAKA
Office of the Director
P. O. Box 339
Honolulu, Hawaii 96809-0339

TRISTA SPEER
DEPUTY DIRECTOR
KA HOPE LUNA HO'OKELE

October 27, 2025

The Honorable Ronald D. Kouchi, President
and Members of the Senate
Thirty-Third State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

The Honorable Nadine K. Nakamura, Speaker
and Members of the House of Representatives
Thirty-Third State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

Dear President Kouchi, Speaker Nakamura, and Members of the Legislature:

Enclosed is the Quarterly Report of the Expenditure of Funds Appropriated to Act 309, Session Laws of Hawaii 2025, and the Kauhale and 'Ohana Zones Programs to the Governor and Legislature, submitted per section 352D-11, Hawaii Revised Statutes (HRS).

Per section 93-16 HRS, this report will be available for electronic review on the Department's website at <https://humanservices.hawaii.gov/reports/legislative-reports/>. For questions regarding this report, contact Jun Yang, Coordinator on Homelessness, Statewide Office on Homelessness and Housing Solutions, at jun.d.yang@hawaii.gov.

Sincerely,

Ryan I. Yamane
Director

Enclosure

c: Governor's Office
Lieutenant Governor's Office
Department of Budget and Finance
Legislative Auditor
Legislative Reference Bureau Library (1 hard copy)
Hawaii State Public Library, System State Publications Distribution Center (2 hard copies, 1 electronic copy)
Hamilton Library, Serials Department, University of Hawaii (1 hard copy)

REPORT TO THE THIRTY-THIRD HAWAII STATE LEGISLATURE 2025

**IN ACCORDANCE WITH ACT 309, SESSION LAWS OF HAWAII 2025, ON
THE EXPENDITURE OF FUNDS AND THE KAUHALE AND 'OHANA ZONES
PROGRAMS FOR JULY – SEPTEMBER 2025**

**Statewide Office on Homelessness & Housing Solutions
Department Of Human Services
October 2025**

Executive Summary

The Statewide Office on Homelessness and Housing Solutions (SOHHS) was established by Act 252, Session Laws of Hawai'i (SLH) 2022. SOHHS is mandated to (1) work with State, county, and community agencies to develop solutions to prevent and end homelessness in the State and (2) develop and test innovative solutions to prevent and end homelessness. Additional functions of SOHHS include identifying and addressing gaps in the homeless services system, providing administrative support to the Hawai'i Interagency Council on Homelessness (HICH), and establishing and maintaining a statewide homelessness data clearinghouse.

Act 309, SLH 2025 (Act 309), provides additional funding for the Kauhale Initiative and the 'Ohana Zones programs administered by SOHHS and clarifies programmatic requirements for both programs. Act 309 also requires SOHHS to submit a report to the Hawai'i State Legislature every four months detailing the expenditure of funds appropriated pursuant to Act 309, as well as any appropriations made toward the Kauhale or 'Ohana Zones initiatives. Reports shall include:

- (1) A list of all contracts executed during the preceding quarter;
- (2) Supporting documentation detailing the use of funds; and
- (3) A status update on all operations and buildings using any allocated funds made by the State for the preceding quarter.

Kauhale Initiative

The Kauhale Initiative is a housing approach that strives to demonstrate cost-effectiveness by blending personal and communal living spaces for residents exiting homelessness. Residents of Kauhale receive robust wrap-around services, including case management and medical care to help them remain housed long-term and prevent exits to homelessness. Several Kauhale specialize in providing low-barrier housing and supportive services for vulnerable populations of people experiencing homelessness, including medically fragile adults, seniors, people with behavioral health needs, and survivors of domestic violence.

Act 309 added the following definition of Kauhale to Chapter 346, Hawai'i Revised Statutes (HRS):

- (1) A program to address the basic needs of individuals experiencing houselessness; and

- (2) Affordable housing spaces that are communal living spaces with individual household units and charge monthly rents no more than thirty per cent of the area median income level.

‘Ohana Zones

The ‘Ohana Zones Pilot Program was established as a temporary pilot program in Act 209, SLH 2018, with the goal of creating additional services, shelter, and housing capacity for individuals experiencing homelessness who were not prioritized or who could not be served by existing homeless programs tied to federal funding. An ‘Ohana Zone pilot was defined as a place:

- (1) That has a program to address basic needs of individuals experiencing homelessness; and
- (2) Where wrap-around services, social and health care services, transportation, and other services may be offered with the goals of alleviating poverty and transitioning individuals experiencing homelessness into affordable housing.

Act 128, SLH 2019, expanded the scope of the ‘Ohana Zones Pilot Program to include locations on private lands and to allow for off-grid technologies. Act 235, SLH 2022, extended the pilot program through June 30, 2026, provided additional funding to SOHHS to continue administering ‘Ohana Zones projects, and clarified programmatic requirements.

Act 309, SLH 2025, established the ‘Ohana Zones as a permanent program within the SOHHS and incorporated the conditions of the ‘Ohana Zones into Chapter 346, HRS.

List of Contracts Executed During the Reporting Period

See Table 1 below for the list of contracts executed during the reporting period.

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Table 1. List of Contracts Executed During the Reporting Period (July 1, 2025 – September 30, 2025)

<u>Contract Number</u>	<u>Contractor</u>	<u>Amount</u>	<u>Contract Dates</u>	<u>Program</u>	<u>Description of Contracted Services</u>
Lease 001	Dao Thi Mai, LLC	\$1,449,117.50*	6/1/25 – 4/30/30	Kauhale	Lease of space at 550 Halekauwila Street for specialty Kauhale program *SOHHS will encumber/expend only \$235,210.00 in FY26.
DHS-24-GOV-0123-SC#1	Housing Providers of Hawai'i, dba HomeAid Hawai'i	\$0.00	12/9/24 – 6/30/26	Kauhale	Time of performance extension only
TOTAL		\$1,449,117.50			

Supporting Documentation Detailing the Use of Funds

Contract expenditures are reported in the quarter that the invoice is received and approved by SOHHS. Expenditures may have been incurred in prior quarters. Reimbursement requests from contractors may include expenditures incurred over one or more months during the contract period, adjustments from prior payment requests, or requests for an upfront advance payment at the start of contract services. Reimbursements are made directly to the contracted provider. The contracted provider is responsible for reimbursing authorized subcontractors and vendors who performed work under the contract.

SOHHS reviews supporting documentation for contract expenses prior to authorizing reimbursements. Examples of supporting documentation include, amongst other things, payroll records or timesheets for program staff, receipts from vendors, receipts for program supplies, payments to landlords or utility providers, and payments to subcontractors. Supporting documentation for specific transactions is available upon request.

Contract expenditures may be recategorized by SOHHS for the purposes of this report. Definitions are included in the Glossary.

Operating and Service Contracts

SOHHS processed reimbursements for existing contracts in the Kauhale and 'Ohana Zones programs. Most expenses processed during this quarter were in the Personnel and Subcontracts categories. A breakdown of expenses by contract number and category is included in Table 2.

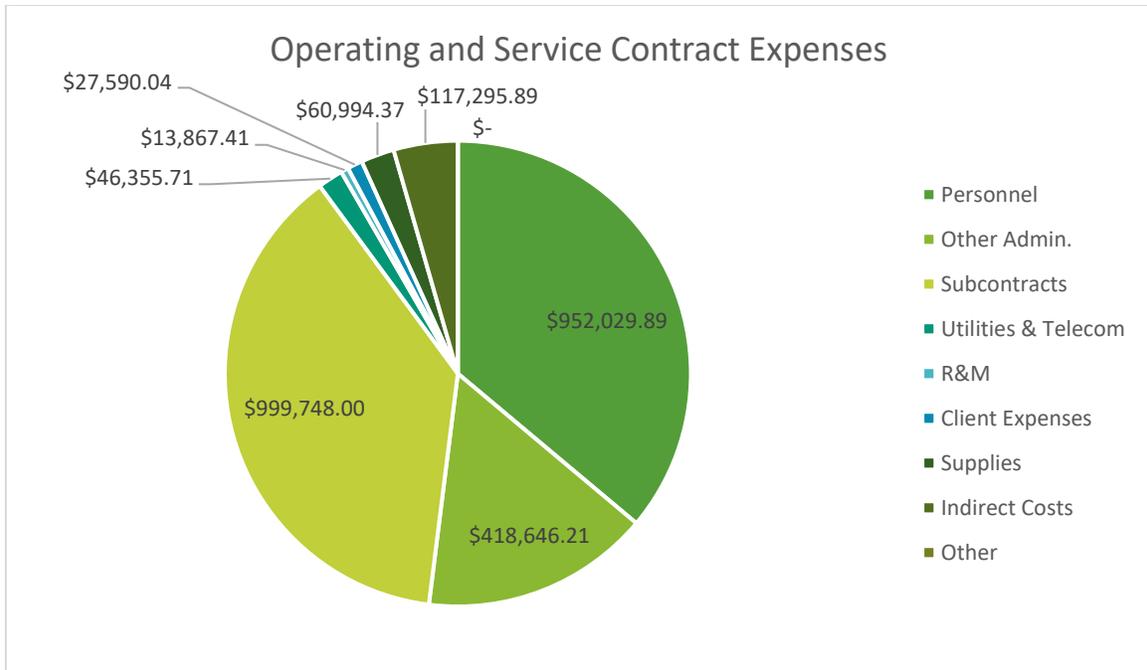


Figure 1 - Operating and Service Contract Expenses, FY26 Q1

The following payments were made to project operators and service providers during this reporting period:

- **DHS-23-GOV-0051 (Kealaula and Lima Ola):** The payment of \$288,473.61 covers contract administration and direct services costs for the Kealaula and Pua Loke units from the period of March 1, 2025 – September 17, 2025.
- **DHS-23-GOV-0053 (Homeless Outreach and Navigation for Unsheltered Persons):** The payments totaling \$544,718.24 cover operating costs for the HONU mobile shelter program for May and June 2025.
- **DHS-23-GOV-0054 (Honolulu Permanent Supportive Housing – Housing First IV):** The payments totaling \$338,991.68 cover housing subsidies, case management, and contract administration costs for the Housing First IV program from the period of March 1, 2025 – June 30, 2025. SOHHS contracts the City & County of Honolulu to administer several subcontracts for this project. Direct services by City staff are also included.
- **DHS-23-GOV-0077 (Hale ‘Imi Ola):** The payments totaling \$361,067.76 cover operating costs and direct services for the Hale ‘Imi Ola program at Waikīkī Vista. Expenses include facility rent and utilization from the period of March 1, 2025 – July 31, 2025, and case management and operating costs from the period of April 1, 2024 – June 30, 2024. SOHHS contracts the City & County of Honolulu for this project. Services for the Hale

Imi Ola program are subcontracted to Catholic Charities Hawai'i.

- **DHS-24-GOV-0053 (Pae Pae Hou):** The payments totaling \$84,877.52 cover operating costs and direct services for the Pae Pae Hou program from the period of April 1, 2025 – August 31, 2025.
- **DHS-24-GOV-0059 (Ho'okahi Leo):** The payments totaling \$345,619.67 cover operating costs and direct services for the Ho'okahi Leo Kauhale from the period of January 1, 2025 – March 31, 2025.
- **DHS-24-GOV-0074 (Ka Malu Ko'olau):** The payments totaling \$355,599.99 cover operating costs and direct services for the Ka Malu Ko'olau Kauhale from the period of June 1, 2025 – August 31, 2025.
- **DHS-24-GOV-0111 (Village of Redemption 1 & 2):** The payments totaling \$148,805.19 cover operating costs and direct services for the Village of Redemption 1 & 2 program from the period of April 1, 2025 – August 31, 2025.
- **DHS-25-GOV-0006 (Fernhurst):** The payment of \$84,245.62 covers operating costs and direct services for the Fernhurst program for June 2025.
- **DHS-25-GOV-0032 (Kauhale 'Ōpio):** The payments totaling \$84,125.24 cover operating costs and direct services for the Kauhale 'Ōpio program from June 1, 2025 – July 31, 2025.

Construction and Development Contracts

SOHHS executed two new construction and development contracts in FY25 Q4, which were eligible for advance payments that were made in FY26 Q1. Other construction and development contracts from previous fiscal years remain active. The majority of expenses reimbursed this quarter were for Site Work/Horizontal Construction, which typically precedes Vertical Construction. Expenses classified as "Other" included upfront advance payments that have not yet been allocated to specific contract expenses and indirect costs.

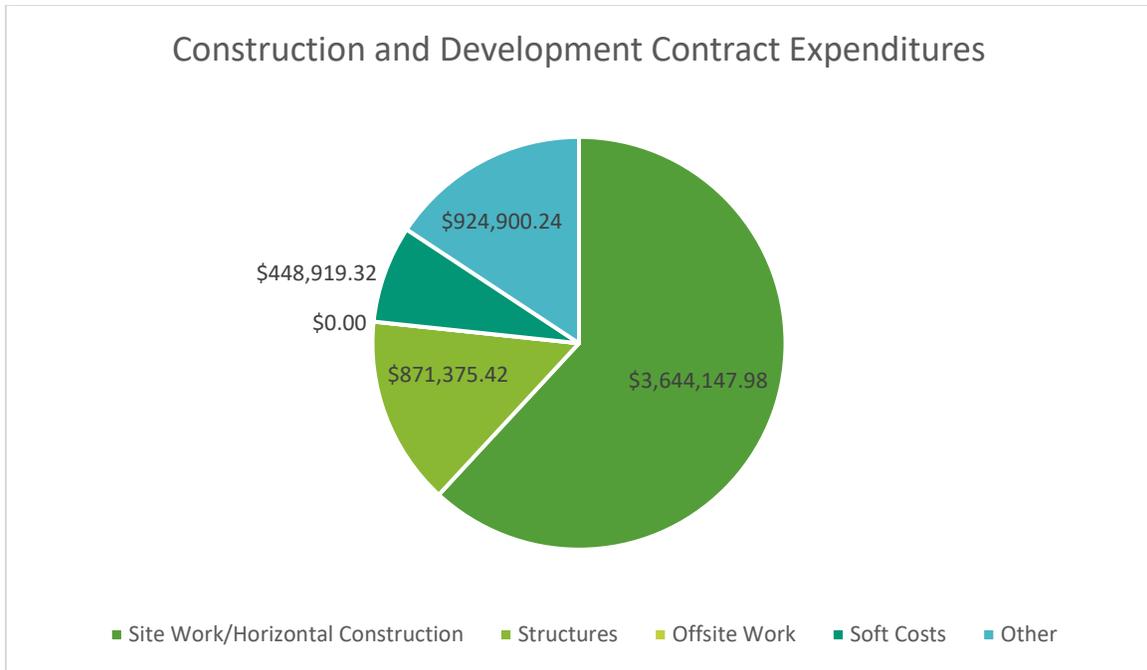


Figure 2 - Construction and Development Contract Expenditures, FY26 Q1

The following payments were made to construction contractors during this reporting period:

- **DHS-25-GOV-0044 (Ka Malu Ko’olau Site Enhancements):** An upfront payment of \$240,000.00 was approved to begin mobilization activities related to the planned construction activities, including purchasing materials, paying deposits with subcontractors, and finalizing site work and permitting. These funds will be allotted to other categories as needed.
- **DHS-25-GOV-0078 (Weinberg Village Waimānalo Expansion):** An upfront payment of \$200,000.00 was approved to begin mobilization activities related to the planned construction activities, including purchasing materials, paying deposits with subcontractors, and finalizing site work and permitting. These funds will be allotted to other categories as needed.
- **DHS-24-GOV-0123 (Kīpūola):** Two payments, totaling \$5,333,902.64, were approved for construction services, including planning, site work/pre-development work, vertical construction, purchase of structures, and soft costs. The expenses were incurred during the period of October 2024 – June 2025.
- **DHS-25-GOV-0074 (Hui Mahiai ‘Āina):** A payment of \$115,440.32 was approved for soft costs associated with planning, design, and preliminary site surveys.

Table 2. Classification of Operating Expenditures Reimbursed to Contractors During Reporting Period

Contract Number	Project Name	Personnel	Other Admin. Expenses	Other Subcontracts	Utilities & Telecom	Repair & Maintenance	Client Expenses and Services	Supplies	Indirect Costs	Other	TOTAL
DHS-23-GOV-0051	Kealaula & Lima Ola	\$0.00	\$1,993.48	\$286,480.13	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$288,473.61
DHS-23-GOV-0053	HONU	\$535,805.99	\$720.00	\$4,913.34	\$78.09	\$667.98	\$0.00	\$2,532.84	\$0.00	\$0.00	\$544,718.24
DHS-23-GOV-0054	PSH Housing First IV*	\$69,009.15	\$0.00	\$269,982.53	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$338,991.68
DHS-23-GOV-0077	Hale 'Imi Ola	\$0.00	\$241,379.15	\$119,688.61	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$361,067.76
DHS-24-GOV-0053	Pae Pae Hou	\$23,306.98	\$24,278.20	\$0.00	\$8,068.06	\$764.39	\$0.00	\$5,684.16	\$22,775.73	\$0.00	\$84,877.52
DHS-24-GOV-0059	Ho'okahi Leo	\$70,092.32	\$1,605.51	\$203,572.07	\$2,223.42	\$9,314.16	\$3,070.93	\$18,843.82	\$36,897.44	\$0.00	\$345,619.67
DHS-24-GOV-0074	Ka Malu Ko'olau	\$149,907.22	\$3,750.00	\$112,359.32	\$10,002.90	\$3,045.61	\$0.00	\$30,152.33	\$46,382.61	\$0.00	\$355,599.99
DHS-24-GOV-0111	Village of Redemption 1&2	\$20,471.69	\$102,400.00	\$0.00	\$23,104.30	\$75.27	\$182.03	\$2,571.90	\$0.00	\$0.00	\$148,805.19
DHS-25-GOV-0006	Fernhurst	\$41,551.30	\$19,126.25	\$0.00	\$0.00	\$0.00	\$23,568.07	\$0.00	\$0.00	\$0.00	\$84,245.62
DHS-25-GOV-0032	Kauhale 'Opio	\$41,885.24	\$23,393.62	\$2,749.00	\$2,878.94	\$0.00	\$769.01	\$1,209.32	\$11,240.11	\$0.00	\$84,125.24
TOTAL		\$952,029.89	\$418,646.21	\$999,745.00	\$46,355.71	\$13,867.41	\$27,590.04	\$60,994.37	\$117,295.89	\$0.00	\$2,636,524.52

*DHS-23-GOV-0054 consists of five projects under a master contract with the City & County of Honolulu, including funding for Kama'okū as a subcontract.

Table 3. Classification of Construction and Development Expenditures Reimbursed to Contractors During Reporting Period

Contract Number	Project Name	Construction - Hard Costs (A+B+C+D)	<i>(A) Vertical Construction</i>	<i>(B) Site Work/Horizontal Construction</i>	<i>(C) Structures</i>	<i>(D) Offsite Work</i>	Construction - Soft Costs	Other	TOTAL
DHS-25-GOV-0044	Ka Malu Ko'olau Site Enhancements	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$240,000.00	\$240,000.00
DHS-25-GOV-0078	Weinberg Village Waimānalo Expansion	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$200,000.00	\$200,000.00
DHS-24-GOV-0123	Kīpūola	\$4,515,523.40		\$3,644,147.98	\$871,375.42		\$333,479.00	\$484,900.24	\$5,333,902.64
DHS-25-GOV-0074	Hui Mahiai 'Āina	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$115,440.32	\$0.00	\$115,440.32
TOTAL		\$4,515,523.40	\$0.00	\$3,644,147.98	\$871,375.42	\$0.00	\$448,919.32	\$924,900.24	\$5,889,342.96

Status Update on Operations and Buildings

A status update on Kauhale and 'Ohana Zones operations and buildings using any allocated funds made by the State for the preceding quarter is provided below.

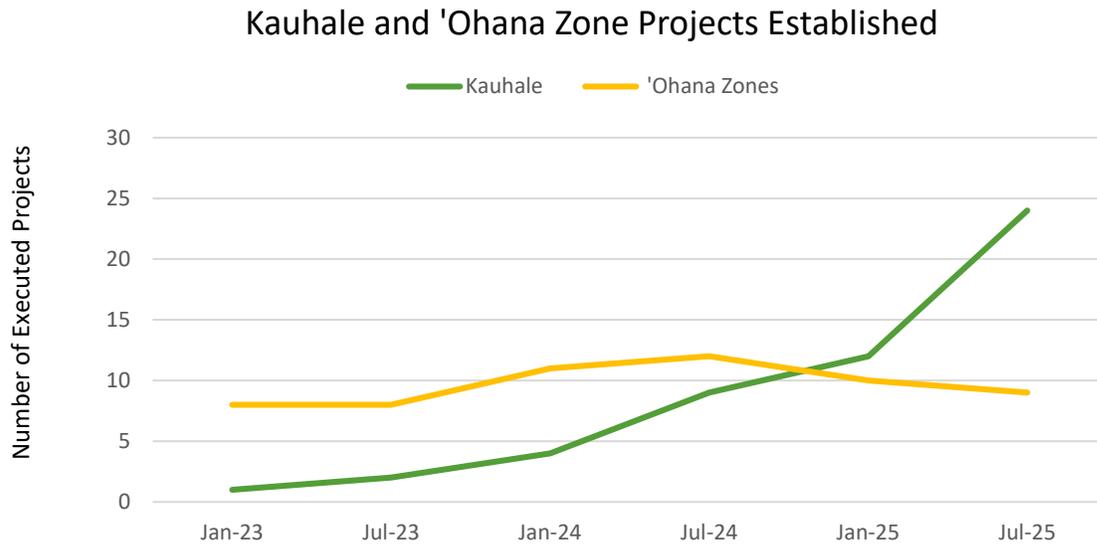


Figure 3 – Number of Executed Projects from January 2023-July 2025

As of September 30, 2025, SOHHS has contracted 24 Kauhale projects statewide. Twenty-three projects are active or preparing for occupancy. The 'Ohana Zones program consists of five master contracts with each of the four major counties (two contracts with the City & County of Honolulu). Each master contract may support one or more subcontracted projects that are consistent with the objectives of the 'Ohana Zones program. All five master contracts are currently active.

SOHHS will continue to pursue the expansion of the Kauhale program by creating additional sites through Act 250, SLH 2025, and Act 309. At this time, SOHHS is planning to develop up to 8 additional projects, including expansions of existing projects and new sites developed with Capital Improvement Project (CIP) funds.

Status updates for current projects are included in Table 4. This list includes projects that are currently under contract or have completed a contract and remain active.

Status updates for planned projects are included in Table 5. This list includes projects that are actively being considered for development and funding but are not currently under contract.

Table 4. Status Update on Kauhale and ‘Ohana Zones Operations and Buildings

<u>Project Name</u>	<u>Contractor/Operator</u>	<u>Total Beds/Units</u>	<u>Target Population</u>	<u>Current Quarter Status Update</u>	<u>Planned Activities</u>
Homeless Outreach and Navigation for Unsheltered persons (HONU)	City & County of Honolulu	40	Adults; families	The project is currently active, with 55 people enrolled as of the last day of the reporting period. Occupancy fluctuates daily due to the short-term nature of this mobile triage shelter program, but it can serve approximately 40 people, including singles, couples, and families, at any time. During this reporting period, the HONU was located at Old Stadium Park in Honolulu.	The project is co-funded by SOHHS and the City & County of Honolulu through 6/30/26. SOHHS intends to work with the City and the Legislature to explore the opportunities for continued funding under the ‘Ohana Zones program.
Honolulu PSH – Housing First Increment IV	City & County of Honolulu	60	Adults; older adults	The project is currently active, with 55 of 60 vouchers/assisted units filled as of the last day of the reporting period. This master contract supports four smaller projects: Kumuwai (20 subsidized housing units for homeless seniors); Hale Maluhia (20 subsidized housing units for survivors of domestic violence); Hale Kipa (10 scattered-site housing vouchers); and Catholic Charities Hawai‘i (10 scattered-site housing vouchers). Kama‘okū Kauhale is reported separately for the purposes of this report.	None.
Supportive Housing – Kealaula and Lima Ola	County of Kaua‘i	60	Families	The project is currently active, with 58 of 60 assisted units filled as of the last day of the reporting period. The project includes 28 units for homeless families at Kealaula and 32 studio and 1BR units at Lima Ola. Sixty-nine individuals are residing at Kealaula, and 48 individuals are residing at Pua Loke.	SOHHS is working with the County of Kaua‘i to renew the existing contract for services and housing subsidies for the families assisted under this ‘Ohana Zones contract. Phase 2 of the Kealaula project will add 24 studio and 1BR units. The contract renewal and extension are expected to be completed in FY26 Q2.
Permanent Housing – Huliau	County of Maui	12	Families	The project is currently active, with 10 of 12 assisted units filled as of the last day of the reporting period. Forty-five	None.

<u>Project Name</u>	<u>Contractor/Operator</u>	<u>Total Beds/Units</u>	<u>Target Population</u>	<u>Current Quarter Status Update</u>	<u>Planned Activities</u>
				individuals are residing at Huliau, including 21 adults and 24 children.	
Hawai'i County Multi-Service Programs	County of Hawai'i	TBD	Adults; medically fragile adults	The project is currently active. This master contract has supported several smaller projects through subcontracts, including Hawaiian Community Assets Financial Empowerment Services; Neighborhood Place of Puna Homeless Engagement Team; HOPE Services Keolahou Assessment Center and Emergency Shelter; HOPE Services Hale Kulike; HOPE Services Integrated Care Hub. These projects are consistent with the purpose and objectives of the 'Ohana Zones program. These subcontracted projects have transitioned to other sources of funding and do not have any contractual reporting obligations during this reporting period.	SOHHS will be working with the County of Hawai'i to refine the future scope of services for this 'Ohana Zones contract to best reflect the types of programs that best meet the needs of people experiencing homelessness on Hawai'i island.
Kama'okū Kauhale	U.S. Veterans Initiative	36	Adults	The project is currently active, with 27 of 36 units filled as of the last day of the reporting period. One unit is offline pending repairs. Only 35 units are suitable for occupancy at this time. The remaining 8 vacancies have been filled with applicants from the waitlist, and move-ins are expected in October.	SOHHS will work with the project operator, U.S. Veterans Initiative, to identify additional funding needs and potential capital improvements due to rising utility costs and the reliability of the current electrical grid. The project is located on State land in Kalaeloa that relies on purchasing electricity from the U.S. Navy. SOHHS is evaluating the possibility of expanding the footprint of the existing site.
Ka Malu Ko'olau	Project Vision Hawai'i	34	Adults	The project is currently active, with 32 of 34 units filled as of the last day of the reporting period. One unit is used for security.	SOHHS recently completed a facility upgrade to the project site, which included upgrades to the bathroom/shower and laundry trailers and the addition of a kitchen and community trailer. These

<u>Project Name</u>	<u>Contractor/Operator</u>	<u>Total Beds/Units</u>	<u>Target Population</u>	<u>Current Quarter Status Update</u>	<u>Planned Activities</u>
					facilities are connected to public utilities and will improve the overall site conditions for participants.
Ho'okahi Leo	Hawai'i Health & Harm Reduction Center	50	Adults	The project is currently active, with 20 of 20 units in Phase 1 filled as of the last day of the reporting period. 24 individuals are currently residing at the project. There is a waitlist for the 30 units in Phase 2, which will be filled when the utility connections are completed.	Phase 2 of the project is nearing completion, which will allow for the occupancy of the additional 30 units in the project. Phase 2 will also add more communal units to improve residents' quality of life. SOHHS expects that the remaining units will be able to be occupied before the end of 2025.
Pae Pae Hou	The Institute for Human Services	12	Adults in substance abuse recovery	The project is currently active, with 12 of 12 beds filled as of the last day of the reporting period.	None.
Hale 'Imi Ola (Waikiki Vista)	City & County of Honolulu, Catholic Charities Hawai'i	120	Families	The project is currently active, with 135 of 120 beds filled as of the last day of the reporting period. The number of beds available fluctuates due to household sizes.	None.
Village of Redemption 1 and 2	The Institute for Human Services	47	Formerly incarcerated adults	The project is currently active, with 36 of 47 beds filled as of the last day of the reporting period. A majority of exits from this project have been to other transitional or halfway house residential programs.	None.
Fernhurst	Young Women's Christian Association	32	Women with criminal justice involvement	The project is currently active, with 25 of 32 beds filled as of the last day of the reporting period.	SOHHS renewed the existing service contract at the beginning of the reporting period. In the process, an additional 12 beds were added to the contract, bringing the total from 20 to 32 beds available.

<u>Project Name</u>	<u>Contractor/Operator</u>	<u>Total Beds/Units</u>	<u>Target Population</u>	<u>Current Quarter Status Update</u>	<u>Planned Activities</u>
A'ala Medical Respite	City & County of Honolulu, Premier Medical Group	62	Medically fragile adults	The project is currently active, with 57 of 62 beds filled as of the last day of the reporting period.	SOHHS is in the process of renewing the existing service contract with the City & County of Honolulu. SOHHS will explore adjustments that may be made when Medicaid reimbursement for certain medical respite services is approved, which is expected to take place as early as January 2026. The project may continue to require a baseline level of funding to account for ineligible participants, delays in Medicaid reimbursement, and costs not covered by Medicaid.
Hilo Overnight Cot Sleeping Program	County of Hawai'i, The Salvation Army	50	Adults	The project is currently active, with 50 of 50 beds filled as of the last day of the reporting period. The project has served 466 unduplicated individuals since opening.	The project added 25 beds during the reporting period, bringing the total to 50. The project is co-funded by SOHHS and the County of Hawai'i.
Alana Ola Pono	The Institute for Human Services	45	Adults	The project is currently active, with 45 of 45 beds filled as of the last day of the reporting period. Forty-nine individuals are currently residing at the project. There is a waitlist of approximately 400 interested people.	The project is fully connected to public utilities and continues to successfully enable transitions to permanent housing.
Kūlia I Ka Nu'ū	U.S. Veterans Initiative	31	Adults	The project is currently active, with 17 of 19 beds filled as of the last day of the reporting period. An additional 12 permanent supportive housing units are connected to the project.	None.
Wiwo'ole Bridge Program	Young Women's Christian Association	18	Survivors of domestic violence	The project is currently active, with 18 of 18 beds filled as of the last day of the reporting period. The project consists of 6 units that house approximately 18 individuals, though the actual number may fluctuate depending on family size. Since the program began, 4 households have exited, all to permanent housing.	The project operator is seeking additional donor support to repurpose a semi-enclosed space within the site for after-school activities and other communal purposes.

<u>Project Name</u>	<u>Contractor/Operator</u>	<u>Total Beds/Units</u>	<u>Target Population</u>	<u>Current Quarter Status Update</u>	<u>Planned Activities</u>
Kumu Ola Hou	The Institute for Human Services	50	Adults with mental health needs; employed adults	The project is currently active, with 35 of 50 beds filled as of the last day of the reporting period. The project employed a phased approach to opening, with the first phase focused on brain health and neuroscience to help homeless individuals heal and recover from the trauma of living on the streets. The second phase of the project added approximately 40 beds targeted at homeless individuals who are working and building financial self-sufficiency.	None.
Maui Central – Kupuna	Mental Health Kokua	10	Older adults with serious mental illness	The project is currently active, with 7 of 10 beds filled as of the last day of the reporting period.	None.
Maui Vineyard	Mental Health Kokua	16	Adults with serious mental illness	The project is currently active, with 11 of 16 beds filled as of the last day of the reporting period.	None.
Kauhale ‘Ōpio	Hale Kipa	16	Young adults	The project is currently active, with 5 of 16 beds filled as of the last day of the reporting period. The facility consists of 8 bedrooms that may house up to 2 persons. The project operator continues to solicit referrals of eligible young adults and will continue to partner with community colleges and other non-traditional referral sources to identify homeless young adults who may not be accessing other homeless services.	None.
Hui Mahi‘ai ‘Āina	Hui Mahi‘ai ‘Āina	57	Adults; families	The project is currently active, with an occupancy of 106 persons as of the last day of the reporting period. The	SOHHS is in the process of executing a contract with the aio Foundation to continue site improvements,

<u>Project Name</u>	<u>Contractor/Operator</u>	<u>Total Beds/Units</u>	<u>Target Population</u>	<u>Current Quarter Status Update</u>	<u>Planned Activities</u>
				project serves singles, couples, and families, and its spaces are adapted to meet residents' needs. Funds are supporting the project's renovation and site improvements. No funds are being used to support the operations or services at this site.	including community accessory structures (kitchen, hygiene facilities) and additional tiny homes.
Kino'ole Youth Kauhale	HOPE Services Hawai'i	22	Young adults	The project is currently active, with 12 of 22 beds filled as of the last day of the reporting period.	None.
Hale Ula Lehua	HOPE Services Hawai'i	10	Older adults	The project is currently hiring staff and expects to begin operations soon.	Additional information will be provided when the project begins full operations.
MHK Iwilei Kauhale	Mental Health Kokua	50	Adults with serious mental illness	The project is currently active, with 11 of 50 beds filled as of the last day of the reporting period. The project's occupancy date was postponed to 9/25/25 due to facility issues. The project is located at the Iwilei Center, which is owned by the City & County of Honolulu.	The project operator will continue to enroll clients until the project reaches capacity.
Kīpūola Kauhale	Kauhale Management Services, LLC	64	Employed adults	The project is finalizing utility connections and will be ready for occupancy early in FY26 Q2. The project will add 64 units for people exiting homelessness and will focus on economic mobility through the use of workforce development, vocational training, and employment support.	
Pūnāwai Medical Respite	Kalihi-Palama Health Center/H4	20	Medically fragile adults	The project is not currently funded by SOHHS and has no contractual reporting obligations during this reporting period. The provider's intent was to contract with hospitals and Medicaid health plans to continue the ongoing funding for these beds. The provider is in the process of transitioning operations to another service provider with medical respite experience.	The project uses facility space that is owned by the City & County of Honolulu. The City is in the process of reprocurring a lessee, which may impact future project operations. However, the space will continue to be used for purposes consistent with the City's mission to serve special needs populations within the building. If the space remains designated for medical respite, the

<u>Project Name</u>	<u>Contractor/Operator</u>	<u>Total Beds/Units</u>	<u>Target Population</u>	<u>Current Quarter Status Update</u>	<u>Planned Activities</u>
					Medicaid waiver amendment is expected to allow for Medicaid reimbursements for qualified beneficiaries as early as January 2026. It is possible that Medicaid funds may cover the costs of medical respite services for qualified Medicaid beneficiaries at this project.
Lē'ahi Behavioral Health	North Shore Mental Health	19	Adults with mental health needs	The project is not currently funded by SOHHS and has no contractual reporting obligations during this reporting period. The City & County of Honolulu and its partners intend to continue operating the project with City funds at this time. The project has served 79 individuals since opening.	None.
Pu'uhonua O Nēnē	Kauhale Management Services, LLC	60	Adults; Maui Wildfire survivors	The project was funded by DHS as part of Maui Wildfire Disaster Recovery efforts for individuals who were not eligible for Federal Emergency Management Agency shelter assistance. While not a planned Kauhale project, Pu'uhonua O Nēnē has provided shelter to over 400 unique individuals who would otherwise be without stable housing. The project was operated by Project Vision Hawai'i until 9/7/25. Kauhale Management Services, LLC, is providing operating services with housing navigation support from the Family Life Center. SOHHS is engaged in the active decommissioning of the project and is working with other Maui service providers to prevent returns to homelessness for individuals exiting the project.	SOHHS expects this project to be decommissioned by the end of 2025 and is continuing to work toward placements for existing participants.

Table 5. Status Update on Upcoming Projects

<u>Project Name*</u>	<u>Contractor/Operator</u>	<u>Total Beds/Units</u>	<u>Target Population</u>	<u>Current Quarter Status Update</u>	<u>Planned Activities</u>
Kīpūola Kauhale	Kauhale Management Services, LLC	64	Employed adults	The project is finalizing utility connections and will be ready for occupancy in November 2025. The project will add 64 units for people exiting homelessness and will focus on economic mobility through the use of workforce development, vocational training, and employment support.	The project is expected to open in November 2025.
Halekauwila Kauhale	TBD	TBD	Adults	SOHHS completed the execution of a multi-year lease for the facility during this reporting period. SOHHS is working with other State stakeholders to conceptualize the program model for this new Kauhale while the scope of renovations is being finalized.	SOHHS will share additional information about the planned project during SFY26 Q2, which will be shared with the community. After the scope of renovations is finalized, a contract will be awarded following the conditions stipulated by Act 309, SLH 2025. SOHHS expects to award a renovation contract during SFY26 Q2. Renovation work is expected to begin by the end of 2025.
Weinberg Village Waimānalo Expansion	TBD	20	Adults	The development contract for this site is currently active and was executed in FY25 Q4. Site plans are being finalized and will be presented to the community in November 2025. The project will be situated on unused space within the existing Weinberg Village Waimānalo shelter property. The target population will be homeless adults in the Waimānalo area. Services will be coordinated with the existing family shelter program operator.	Site work will begin after construction plans are finalized.
Samuel Mahelona Memorial Hospital Kauhale	TBD	32	Families	The project was included in SOHHS's CIP allocation in Act 250, SLH 2025. The parcel is located on the Samuel Mahelona Memorial Hospital campus and is part of the master planned redevelopment of the premises. SOHHS	CIP funding for the development of this project was originally allocated for SFY27. If the project is ready to proceed with development earlier, SOHHS will work with the Department of Budget and Finance (BUF) to

<u>Project Name*</u>	<u>Contractor/Operator</u>	<u>Total Beds/Units</u>	<u>Target Population</u>	<u>Current Quarter Status Update</u>	<u>Planned Activities</u>
				currently participates in planning meetings with the master planning work group to coordinate the planned supportive housing Kauhale development.	request the release of lump sum Kauhale CIP funds for this project in SFY26. The construction and development solicitation will follow the conditions stipulated by Act 309, SLH 2025.
34 Rainbow Drive	TBD	32	Adults	The project was included in SOHHS's CIP allocation in Act 250, SLH 2025. The parcel is the site of the former Hilo Hospital and is part of the master planned redevelopment of the premises. SOHHS is working with the County of Hawai'i to incorporate feedback on the project's size and scope relative to other planned areas of the premises. The County will also be performing renovations to the existing structure, which will impact other areas of the parcel used for construction staging and storage.	Site work will begin after construction plans are finalized and when the area of the planned Kauhale is cleared. SOHHS will work with BUF to request the release of lump sum Kauhale CIP funds for this project when ready. The construction and development solicitation will follow the conditions stipulated by Act 309, SLH 2025.
Kama'okū Kauhale Expansion	TBD	TBD	TBD	The project was included in SOHHS's CIP allocation in Act 250, SLH 2025. The parcel is currently under the jurisdiction of the Hawai'i Public Housing Authority (HPHA) and is leased to U.S. VETS for the operation of the existing Kama'okū Kauhale. The proposed project would provide infrastructure upgrades and an expansion of additional units on the parcel. At this time, SOHHS is working with U.S. VETS to stabilize existing operations and assess the site's electrical load capacity and distribution.	SOHHS will continue to evaluate the site's capacity needs before finalizing a plan for the site.
Kalaeloa Weigh Station	TBD	TBD	TBD	The project was included in SOHHS's CIP allocation in Act 250, SLH 2025. Additional updates will be available after the parcel is transferred to the jurisdiction of the Hawai'i Department of Transportation (HDOT).	

*Project names are subject to change throughout the development process.

Glossary

The following terms are defined for the purposes of this report.

CLIENT EXPENSES AND SERVICES: Client expenses and services refer to purchases and expenditures made for the benefit of program participants, such as meals, bus passes and transportation assistance, hygiene supplies, etc.

CONTRACTOR: For the purposes of this report, a contractor is the entity that is directly contracted by SOHHS to perform specific services or activities.

HARD COSTS: Hard costs are construction-related activities, including labor, materials, and equipment during the construction phase of a project. For the purposes of this report, hard costs include vertical construction (buildings, in general), horizontal construction/site work, offsite work, furniture, fixtures, and equipment (FF&E), and costs associated with modular structures.

HORIZONTAL CONSTRUCTION: Horizontal construction activities are associated with “on- and below-ground” work to prepare the site for vertical construction and may include grading, electrical and civil infrastructure (water, sewer), roadways, and other related activities.

INDIRECT COSTS: Indirect costs refer to administrative and overhead costs incurred by the provider that are not specifically allocable to the project.

OFFSITE WORK: Offsite work refers to the specific construction and development activities that take place outside of the project location that are required for the project. For example, this may include line extensions and connections to the county water or sewer system that extend outside of the project’s boundaries.

OTHER: For the purposes of this report, expenses categorized as “other” are not specifically associated with any other category. This may also include upfront advance payments that have not yet been allocated to specific expense categories.

OTHER ADMINISTRATIVE EXPENSES: Other administrative expenses include non-personnel costs related to the administration of contract services, such as accounting/fiscal services, contract-related travel, staff training, legal services, audit fees, postage, printing, etc., that are allocable to the project.

PERSONNEL: Personnel costs include salaries and wages, fringe benefits, and payroll taxes paid to staff.

REPAIR AND MAINTENANCE: Repair and maintenance expenses include the costs of minor, non-capital repairs to project facilities and structures that are necessary to ensure ongoing operations of the project.

SOFT COSTS: Soft costs are non-construction activities that are essential to the construction or development of a project, including planning costs, surveys, studies, design and engineering, and insurance premiums.

STRUCTURES: Structures include modular sleeping units or other amenity units used at a project, including costs associated with acquiring and shipping the structures.

SUBCONTRACTS: Subcontracts refer to subawards made to other entities to administer components of a provider’s contracted services. For example, a project operator may subcontract specialty services to another service provider.

SUPPLIES: Supplies refer to purchases of items and materials necessary for the day-to-day operations of the project, such as cleaning supplies, office supplies, and furniture.

UTILITIES AND TELECOMMUNICATIONS: Utilities and telecommunications include electricity, water, sewer or other wastewater disposal, phone service, Internet service, and waste disposal for the project.

VERTICAL CONSTRUCTION: Vertical construction activities are associated with “above-ground” work that may include general contracting, plumbing, painting, flooring, roofing, electrical, signage, and furnishings.