

### <u>Pi'ilani Subdivision Phase II - Residential Vacant Lots</u> <u>Frequently Asked Questions</u>

#### 1. What type of lot awards are being offered?

This offer consists of fifty-one (51) residential vacant lots for owner builder homes. A vacant lot option offers the applicant the ability to select the type, size and price of a home. It provides flexibility and affordability to the lessee/applicant.

# 2. What are the requirements for the vacant lot offer?

First, the applicant <u>must</u> submit an interested form by or postmarked on <u>April 8, 2022</u>. If an applicant is contacted to select a vacant lot, the applicant will be <u>required</u> to attend the DHHL vacant lot workshop to review the vacant lot process prior to signing the Vacant Lot Reservation form.

## 3. For the owner builder option, can I build the home myself or do I need to hire a contractor?

It is your decision who you choose to build your home, however you must fulfill the building requirements set by the City & County of Kauai. While a general contractor is not required, all electrical and plumbing must be done by a licensed professional. *Bonding is also required.* 

#### 4. Are there other requirements for the owner builder option?

After lot selection, you will be solely responsible for managing the entire owner builder process from contracting the builder, obtaining building permits, connecting water lines, etc. to final loan approval. In an owner builder situation, the department will not provide any assistance to you and your selected vendors as the contract is between yourself and your vendors. For example, if you encounter a problem with your contractor, plumber, electrician, etc., you will need to resolve those issues directly with your vendor. The department will not get involved. However, the department will provide an Awards Case Management Specialist who will monitor the progress of your buildout to ensure you are on track to meet the terms and conditions of the lease and within the provided timeline.

#### 5. How soon do I need to occupy my lot?

Pursuant to Section 208 of the Hawaiian Homes Commission Act, "The lessee may be required to occupy...within one year after the commencement of the term of the lease."

## 6. What are the financing options for vacant lots?

The vacant lot/owner builder program requires a construction loan, so you will need to explore construction loan options with the lender of your choice.

#### 7. What if I have cash available and am ready to build?

If you have cash funds and you are ready to proceed as an owner builder you may do so, however the department will require proof of available cash funds. The terms and conditions of Question 4 still apply to cash transactions. **Bonding is also a requirement in cash transactions.** 

#### 8. What happens if I cannot meet the terms and conditions of the Lot Reservation Form?

If you are unable to meet the terms and conditions of the Lot Reservation Form, it will be considered a default of the agreement and the Department can take steps toward cancellation of the Lot Reservation Form. You will remain on the application waitlist and may be eligible for future offers.

## 9. Can I transfer the lease once I receive the award?

Upon receipt of a lease, you may request a lease transfer after your home is completed because a vacant lot cannot be transferred. The transfer request can be made through the DHHL Kauai District Office, provided all parties meet the conditions of a transfer.

All information provided is subject to change.

#### **Orientation Meeting "LIVE" Virtual Event Instructions**

## 1. What is a "LIVE" Virtual event via Zoom?

A "Live" virtual event is done over the internet using the Zoom application rather than attending a meeting in person.

## 2. What do I need to view this "Live" Virtual Event?

A desktop computer, laptop, smart phone, or tablet with the ability to connect to the internet.

#### 3. How do I access the "Live" Virtual Orientation meeting?

On the designated date and time, using your electronic device, go to <a href="http://dhhl.hawaii.gov/awards/">http://dhhl.hawaii.gov/awards/</a> and click on the "PMKK Orientation Meeting" link. This will take you directly to the "Live" event.

#### 4. How do I ask questions during the "Live" Virtual Event?

Audience microphones will be muted. Select the Q&A panel on the right of the screen to message the presenters and producers. Before sending your questions in the chat box, users have the option to select "ask anonymously."

#### 5. What if I miss the Orientation meeting?

Visit <a href="http://dhhl.hawaii.gov/awards/">http://dhhl.hawaii.gov/awards/</a> after the Orientation meeting to view a recording of the meeting.

If you have any questions after reviewing, you may call the Contact Center at (808) 620-9500.

Project Team Members: Michelle Hitzeman and Moana Freitas

All information provided is subject to change.