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A participant in a Native Hawaiian youth financial education workshop

Investing in Our Next Generation: *A Native Hawaiian Model for Economic Self-Sufficiency*

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In 1999, Blossom Feiteira and Kehaulani Filimoeatu met after both waiting for years to claim their lease awards on Hawaiian Home Lands, only to be denied. Feiteira had been fighting homelessness with her family, living on the beach and out of her car, while Filimoeatu was working with the Maui Police Department and, in her free time, organizing her community to help get Hawaiians back to the land. With no credit, no savings, and too much debt, the mortgage lending institutions involved told the two women they were not financially qualified to secure their awards.

That same year, the U.S. Department of Housing and Urban Development produced its first Housing Problems and Needs of Native Hawaiians Study analyzing the housing and economic disparities experienced by Native Hawaiian¹ families residing in Hawaii. The study

found that 49 percent of Native Hawaiians had housing problems, the highest percentage of any group in the United States. Per capita income for Native Hawaiians was \$10,600, relative to \$16,000 for non-Natives, and the unemployment rate for Native Hawaiians was twice that of non-Natives in the state. Already limited homeownership opportunities for Native Hawaiians decreased even further due to rapid increases in housing costs, and 2,300 Native Hawaiians were homeless, constituting 30 percent of the state's total homeless population.

Feiteira and Filimoeatu were living, breathing examples of these numbers.

The difficulties native Hawaiians face in securing leases in their own communities persist despite efforts to establish dedicated lease opportunities. The Hawaiian Home Lands include 203,000 acres of land across Hawaii spe-

cifically designated for the social, economic, and cultural rehabilitation of the Native Hawaiian people. The Home Lands were set aside for Native Hawaiian residential and community development uses in 1920 as a result of the Hawaiian Homes Commission Act, sponsored by Prince Jonah Kuhio Kalanianaʻole, Hawaii's first U.S. Representative. Eighty years later, though, only 3,689 residential leases had been awarded to native Hawaiian Beneficiaries, while approximately 15,000 native Hawaiians were on the waiting list for their leases.

Given their experience being denied Hawaiian Home Lands leases due to their financial standing, Feiteira and Filimoeatu understood first-hand the need to build financial skills among the native Hawaiian community. In 2000, they founded Hawaiian Community Assets (HCA), a Native housing counseling agency and lending institution. Implementing a holistic approach to helping native families achieve and sustain affordable housing, HCA's comprehensive service delivery model included outreach and client intake, homebuyer education workshops, pre-purchase counseling, referral to down payment assistance programs, and community mortgage lending services – all in the context of Native Hawaiian culture.

The service delivery model roots itself in a philosophy shared by the founders called Kahua Waiwai, which espouses the basic philosophy of "A Sense of Place." In this philosophy, the home is viewed as a foundation (Kahua). Upon this foundation is built the family's spiritual values and teachings (Waiwai). It is the spiritual value of the home and its surroundings that provides stability and the opportunity for families to build a secure future. Opportunities that help stabilize family life help to create a more stable community. A strong foundation, if built properly, will serve generations to come.

"At the beginning it seemed simple. You have our Trust lands. You have the Beneficiaries of the Trust," said Filimoeatu.

"And HCA was created to bring the two together," finished Feiteira.

Feiteira and Filimoeatu conducted group workshops using the organization's Kahua Waiwai Homebuyer Edition[®], a curriculum co-authored by the two women that bridged the natural and social resource management practices of traditional Hawaii and the modern financial world to help Native Hawaiians become qualified to purchase homes. Individualized counseling and case management for savings, debt reduction, and credit allowed families to address their specific financial issues. Hawaii Community Lending, the organization's nonprofit mortgage brokerage, completed the service continuum by helping families identify affordable mortgage financing options. Revenue generated through lending supported free delivery of HCA's financial education and housing

counseling services statewide.

In the first seven months of the program, HCA originated five construction and fifteen mortgage loans totaling \$3.2 million. By 2003, these key outcomes resulted in HCA serving as the lead lender and partner in the development of Waiehu Kou Phase III, a 113-home Hawaiian Home Lands development.

The success of the Kahua Waiwai model became nationally recognized and Feiteira and Filimoeatu were honored with the Ford Foundation's Leadership for a Changing World Award. The award included a significant grant to seed fund the program. Ten years later, Ford has realized a return on their investment.

Youth Financial Education

In 2008, the Federal Administration for Native Americans and State Office of Hawaiian Affairs invested in HCA to engage community leaders, teachers, service providers, parents, and youth in statewide focus groups and test workshops to develop the Kahua Waiwai Opio Edition[®], a culturally-relevant, place-based financial education curriculum to address the economic and financial needs of Hawaii youth, ages 13 and older. HCA's vision was to expand its founders' philosophy of Kahua Waiwai beyond a homeownership service delivery model to one that aligned with the blueprint for economic self-sufficiency practiced by our ancestors. In particular, the youth program was to carry forward the practice of sharing knowledge, a practice that was established by ordinance during the reign of legendary Oahu alii (chief) Mailikukahi, in which the first-born male child of every family was taught by the Oahu alii of their community. The goal of this traditional teaching model was to instill the values and skills necessary to manage resources wisely in order to ensure Hawaiian communities prospered for generations.

A primary example of this model was the teaching of the kapu system. The system functioned as a traditional Native Hawaiian resource conservation system in which a konohiki (land manager) would have the responsibility of surveying the land within a watershed, stretching from mountain to ocean, in order to inventory the available natural resources. Before a resource began to show depletion, the konohiki would place a kapu, or taboo, on the resource to inform the community that it should not be harvested, gathered, or hunted to allow for its natural regeneration. If community members did not adhere to the kapu, they would be punished by the alii. It was through the passing of knowledge of the kapu system that rising generations of Native Hawaiians were able to masterfully manage the natural resources and establish sustainable, self-sufficient communities that prospered for generations.

In bringing these best practices into our modern communities, the organization engaged over 100 youth in

shaping the Kahua Waiwai Opio Edition[®] during the focus groups and test workshops. Seven teenagers from a youth leadership development nonprofit, YouthVision Hawaii, were then contracted to design, illustrate and layout the curriculum.

The hard work of the youth was rewarded on March 9, 2009, when HCA unveiled the curriculum and conducted statewide train-the-trainer sessions applying a service delivery model that included community outreach, training, technical assistance, group workshops, and asset building products to prepare future generations of homeowners, college graduates, and small business owners. With this model in place, 40 trainers from 25 community-based organizations joined HCA in April 2009 to launch the Kahua Waiwai Opio Collaborative to support the free delivery of culturally-relevant, place-based financial education to Hawaii youth across the state. In the first two weeks, the collaboration provided educational trainings for 70 youth on Oahu, Hawaii Island, and Molokai.

Sixteen weeks later the first class—a group of eight Native Hawaiian youth from the Hawaiian Homestead of Panaewa on Hawaii Island—completed the program. Chevlyn Wooley, one of the graduates, shared her excitement during the opening invocation, “I am proud to say I have a job! I started the class clueless and jobless. Now I have the knowledge to make better decisions about money.”

Together, the students had completed the eight lessons of Kahua Waiwai Opio Edition[®] covering the traditional and modern economics of Hawaii, employment and paychecks, budgeting, saving, banking, managing credit, credit cards and cars, planning for a financial emergency, post-secondary education, micro-business development, and buying versus renting a home. With family, friends, and local service providers present at the graduation, the Panaewa youth celebrated their collective successes: all eight had identified long-term savings goals and opened savings accounts, three had secured jobs during enrollment in the program, and one obtained a Minor’s Work Permit to pursue employment.

On the opposite side of the island chain, on Kauai, Ho’omana Inc. reported results from their program launched at the same time as Panaewa’s pilot. The nonprofit youth development organization had provided financial and life skills education to fifteen Native Hawaiian youth with special needs. Highlighting the importance of hands-on experiential learning, all fifteen youth built job skills as employees at the organization’s Kapaa thrift store. They also learned how to open and maintain bank accounts through “role playing” activities, and applied wise financial decision making skills during an end-of-year field trip to the mall, where they had to develop and follow a budget. In actions that revealed the impact that hands-on

experiential learning can have on the independent living skills of Native Hawaiian youth, two participants signed up for Hawaii Public Housing and one signed up as a Beneficiary of Hawaiian Home Lands during enrollment in the program.

With this groundswell of support from community stakeholders like the Panaewa Hawaiian Home Lands Community Association and Ho’omana Inc., HCA successfully trained 138 trainers over the next three years. By 2012, HCA staff and trained trainers had delivered free youth financial education workshops in their own communities, using the Kahua Waiwai[®] curriculum, collectively serving 930 native Hawaiian teenagers. Key investments from Hawaii County and First Nations Development Institute expanded the program by supporting a county pilot and statewide demonstration project, respectively. The pilot and demonstration projects reported the following results:

- 423 youth, ages 13+, were served with at least 4 hours of Kahua Waiwai Financial Education;
- 233 youth participants reported a feeling of increased career readiness after developing resumes and/or participating in job/career training programs;
- 181 youth participants reported an increase in positive financial habits by identifying savings goals and actively saving while enrolled in the program; and
- 121 youth participants accessed asset building programs.

The Kahua Waiwai Youth Financial Education Program went on to achieve surprising results. Eight families of Kahua Waiwai youth participants reached out to HCA to file their taxes through the organization’s Volunteers in Tax Assistance Program. An additional twenty families participated with their children to enroll in HCA’s Youth MATCH (Managing Assets to Change Hawaii) Savings Account, which provides a 3:1 match on savings up to \$100 to help secure goals related to housing, education, micro-business development or career training.

Culturally Relevant Financial Education Makes a Difference

HCA collected data from 121 youth participants on the impacts of the program on their cultural knowledge. Analysis showed that the 113 participants who completed at least four hours of Kahua Waiwai Financial Education were able to identify practices and values families utilized in traditional Hawaii (pre-Western contact) to ensure economic sustainability for future generations. When asked to share the key practices and values of traditional Native Hawaiian community that can be used today to build the economic sustainability of families, youth participants identified land and natural resource

management, responsibility to family and community, and sharing of resources and knowledge as integral to the prosperity of future generations.

Moving Forward

As HCA celebrated the successes of the county pilot and statewide demonstration projects for its youth program, the organization continued to collect data on Native Hawaiian and low-income Hawaii families assisted by a housing counseling program to secure rental housing, purchase homes, or prevent foreclosure. Unfortunately, trends in the data pointed to the reality that native Hawaiian people were still experiencing housing and economic disparities similar to those reported by HUD in the 1990s, and felt by the community since before the passing of the Hawaiian Homes Commission Act of 1920.

Data collected through the 2012 Hawaii State Homeless Utilization Report, the Department of Hawaiian Home Lands Fiscal Year 2012 Financial Audit, and HCA's housing counseling programs from January 2011 through December 2012, showed the following ongoing issues:

- Over 12 percent of native Hawaiian Beneficiaries and 9.7 percent of Native Hawaiians overall were identified as unemployed at intake into HCA programs;
- Native Hawaiians represented 28 percent of the state's total homeless population;
- The average mortgage qualification of Native Hawaiian households enrolled in HCA's homebuyer education program was \$185,631;
- Yet the median market sales price for all single-family homes in Hawaii stood at \$416,792 in 2010, while homes on Hawaiian Home Lands – the primary affordable housing option for native Hawaiian Beneficiaries – had a median sales price of \$238,958; and
- An estimated 26,000 native Hawaiian Beneficiaries are still waiting to secure their lease awards on Hawaiian Home Lands.

To address the underlying causes of these issues within native Hawaiian communities, HCA piloted a family financial education program starting October 2010 with homeless families living in transitional shelters on the Waianae Coast of Oahu. The pilot utilized the Kahua Waiwai Opio Edition[®] to teach basic financial skills to the entire family as a way to encourage broader participation in the economic self-sufficiency of Native Hawaiian households, while also connecting the families to HCA's housing counseling, asset building products, and community lending services. During a specific pilot workshop,

children and their parents were brought together to learn about savings goals and financial decision making. Then they were separated to cover topics related to employment, gross versus net pay, budgeting, credit and qualifying for a loan. Post-workshop evaluations reflected a 27 percent increase among participants in knowledge of budgeting and spending plans as well as a 72 percent increase in money management capabilities. Overall, the pilot family financial education model has resulted in 64 homeless families successfully securing rental housing from October 2010 through June 2013.

Expanding the family financial education program model beyond homeless families living in transitional shelters, HCA established a partnership with Keiki O Ka Aina Family Learning Center, a Native Hawaiian early childhood education and family strengthening nonprofit organization, to provide Kahua Waiwai Financial Education to parents enrolled in financial assistance and marriage strengthening classes. After completing four hours of family financial education featuring the Kahua Waiwai Opio Edition[®], families have reported increases in financial and cultural knowledge. In a random sampling of eighteen Keiki O Ka Aina participants, 61 percent agreed or strongly agreed that they gained knowledge of Hawaiian culture, traditions, history, or language, while 100 percent agreed or strongly agreed that the knowledge gained from the workshop was relevant to their daily life and would be used by their family.

These promising results have led to a discovery. It is through investing in the teaching of the community's children that families can find the key to building community-wide economic self-sufficiency. Kahua Waiwai was established as a service delivery philosophy. Today, it has transformed into a holistic approach to achieving community economic self-sufficiency in Hawaii and based in the Native Hawaiian culture. This approach starts, as demonstrated by our ancestors during the time of alii Mailikukahi, with our next generation.

"Our Kahua Waiwai Youth Financial Education Program has become an entry point for broader family and community well-being," shared Lahela Williams, Program Coordinator and Native Hawaiian youth leader. "By seeing our next generation as the cornerstone of the Kahua Waiwai philosophy, we are recognizing the important role our children will play in helping our families and communities achieve and sustain economic self-sufficiency. It is through the next generation, and their sharing of knowledge with the family, that we will re-establish our connection to the land and reignite our Native Hawaiian model for economic self-sufficiency as created and perfected by our ancestors." **CI**