

BFED Committee

From: Kate Griffiths
Sent: Tuesday, April 5, 2022 12:50 PM
To: BFED Committee
Cc: Gabe Johnson
Subject: CM Johnson's budget FY '23 priorities documents
Attachments: Grant to HCF breakdown.docx; Housing & Community Development Division proposal.pdf; Aloha House Proposal re Funding for New 12 bed Dorm.docx

Aloha,

Please find attached documents that accompany three of Councilmember Johnson's budget priorities. They provide more information and cost breakdowns for the Aloha House 12 bed dorm, creating a new Housing & Development division within DHHC, and a grant to Hawaii Community Foundation.

Mahalo,
Kate

Kate Griffiths

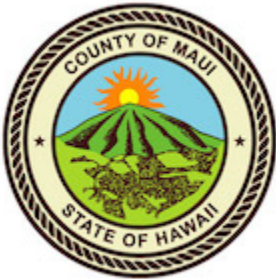
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Amount	Proviso language
\$250,000	Individual Development Accounts
\$250,000	<p data-bbox="621 302 899 365">Housing Affordability Initiatives</p> <p data-bbox="621 401 1019 695">Matching funds to support the Maui Financial Opportunity Center in their work to empower residents through education and access to financial tools, in order to become financially qualified to buy or rent a home in Maui County.</p>
\$2,000,000*	<p data-bbox="621 707 1003 806">Deferred Payment Mortgage program pilot to serve homebuyers up to 120% AMI</p> <p data-bbox="621 842 1013 1104">To assist income qualified homebuyers from the County Interest List purchase a home that will remain affordable in the long term according to a managed appreciation formula included in the home's deed rider.</p> <p data-bbox="621 1140 1013 1472">All deferred payment mortgage subsidies provided by the County will be a lien on the home. The County will require that any home with deferred payment mortgage subsidies, must be resold only to a qualified homebuyer below 120% AMI and on the County Interest List</p>

Grant to Hawaii Community Foundation for initiatives recommended by the Comprehensive Affordable Housing plan that support individual homebuyers and renters.

DEPARTMENT OF HOUSING

Pending Bifurcation

Initial Vision / Proposed Structure (pending a great deal of discussion)

Pending bifurcation (and a great deal of discussion that hasn't yet occurred), a suggested structure for the Department of Housing might include three divisions:

Housing Development Division

Housing Finance and Asset Management Division

Housing Programs Division

Housing Development Division would be responsible for partnering with outside developers on 201H and 2.97 projects, creating housing on County or state-owned land, and after bifurcation, might also include providing oversight and monitoring of housing projects. Further information on this proposed division is below for possible use with the 2023 budget planning process.

Housing Finance and Asset Management Division would include oversight of the Affordable Housing Fund, HOME, HTF and (hopefully) the CDBG program, as well as identifying other non-County funding opportunities. This division would also be charged with overseeing any County owned rental properties (Kulamalu Hale, Komohana Hale, Huliau), as well as any leasehold homeownership property inventory that may be created through the efforts of the development team, if the Department of Housing starts moving in that direction.

Housing Programs Division would include oversight of a continuum of housing programs for the residents of the County. This would include the First Time Home Buyer Down Payment (FTHB) Assistance Program, as well as any IDA, housing counseling or other similar programs. This division would also be responsible for the County funded rental assistance program and the HUD funded Housing Choice Voucher (HCV/Section 8) Program.

HOUSING DEVELOPMENT DIVISION

Program Description:

The Housing Development Division is responsible for supporting efforts to create affordable housing to meet the needs of the residents of Maui County. This includes partnering with entities in the development of affordable housing on public or private land, facilitating the construction of housing projects using County land, and assisting private developers seeking entitlements through the 201H or 2.97 process.

Responsibilities:

RFP/RFQ for County land/projects

201H and 2.97 project reviews, including facilitating project approvals by Council

EA and EIS reviews

Participation in cross agency/department initiatives such as:

- Affordable Housing Maui Nui (AHMN) project reviews

- Maui Metropolitan Planning Organization – Technical Advisory Committee

- Transit Oriented Corridor Projects

- Community Plan updates

Planning studies (ie Hawaii Housing Planning Study updates)

Support housing developers in resolving problems within the County system (not sure this is the right place for this task – this should probably be in the MD's office)

Development project tracking and projections

Initially, Responsibilities Do Not Include:

Until bifurcation, responsibilities do not include anything other than planning for projects and getting projects into construction.

To kick start this quickly, monitoring and oversight of 2.96 projects, workforce housing agreements, monitoring WFH units and the interest and wait list management would remain with the current Housing Division. After bifurcation, some of these roles and responsibilities may be shifted to the development division which might include 2 or possibly 3 positions moving from the current housing division to the new division. Planning for the personnel should occur in negotiating any long-term lease for office space beyond July 1, 2023 when the current Housing Division lease ends, and July 1, 2024 when bifurcation is anticipated.

Minimum Staff:

Division Chief – EM-7 (\$82K)

Development Coordinator – SR-24 (existing at \$69.9K – transfer from Housing Division)

Planner IV (SR-22 \$55.2K) or V (SR-24 \$62.1K)

Might also include:

Engineer (suggest adding this role at bifurcation if needed, rather than now)

Proposal: New 12 Bed Dormitory Building

Increasing substance use disorder residential treatment services by 25%; an additional 72 people per year.

Request:

Aloha House respectfully requests \$600,000 from the County of Maui 2023 FY budget to support construction of a new 12 bed dormitory building to provide additional capacity for residential substance abuse treatment.

During this fiscal year, Aloha House is working on the consulting and design phases of the project, thanks to funding provided by the County of Maui. Once this phase is complete, Aloha House will begin the construction phase of this project. Additional funds will be needed for this phase of the project, currently estimated at \$1,200,000.

Goals:

1. Build on Aloha House's current capacity to serve clients in need of substance use disorder treatment by increasing residential treatment capacity by 25%
2. Ensure that space is available for all clients seeking treatment, including unsheltered individuals, both today and into the foreseeable future.
3. Reduce the number of people experiencing substance use disorder or behavioral health issues in Maui County.

Anticipated Need:

1. Growing challenge of providing services for the number of individuals with substance use disorder. In Maui County, 16% of adults and 23% of youth report using illicit drugs in the past 30 days; higher than the state averages of 10% and 20% respectfully.
2. Population growth; the Maui County General Plan 2030 estimates we will see a 15% increase in the population from 2020 to 2030.

How Aloha House aids those with substance use and/or behavioral health issues:

- On-site detox service, crisis support services, and residential substance abuse treatment.
- Residential treatment includes group and individual counseling, substance use disorder education, positive peer support, supplemental education and support groups, cultural activities, healthy outdoor activities, and USDA approved healthy meals in a safe, nurturing, rural environment.
- Aloha House also provides a continuum of care beyond residential treatment, with extended housing options through Sober Living Programs, along with intensive outpatient substance abuse counseling.
- Aloha House provides behavioral health counseling, ongoing psychiatric services and case management for those with serious mental illness.

Additional Funds:

Plans are in place to seek additional funds for this capital campaign from private foundations, state government, and individual donors. The organization is also prepared to support the project with internal funds if necessary. The expected funding amounts per area are listed below.

Name of Funder	TOTAL \$
State of Hawaii	\$200,000
County of Maui	\$600,000
Private Foundations	\$200,000
Individual Donors	\$100,000
Internal Agency Funds	\$100,000
Total Budget:	\$1,200,000

When final construction is completed, the new dorm will be utilized to house up to 12 clients at a time who are participating in the Residential Treatment Program at Aloha House. Once established, this project will ultimately generate revenue through fee-for-service agreements and insurance payments on behalf of the clients served. This will provide necessary support for expenses generated in the Residential Treatment Program.

Reserve funds will be set aside to manage any needed maintenance and repairs as would normally be required with the passage of time.