

**HOUSING AND LAND USE COMMITTEE**  
**Council of the County of Maui**

**M I N U T E S**

**November 29, 2023**

**Online via BlueJeans Link**

**CONVENE:** 9:02 a.m.

**PRESENT:** Councilmember Tasha Kama, Chair  
Councilmember Tom Cook, Vice-Chair  
Councilmember Gabe Johnson, Member  
Councilmember Alice L. Lee, Member  
Councilmember Tamara Paltin, Member  
Councilmember Shane M. Sinenci, Member (In 9:03)  
Councilmember Yuki Lei K. Sugimura, Member (In 9:10)  
Councilmember Nohelani U'u-Hodgins, Member

**EXCUSED:** Councilmember Keani N.W. Rawlins-Fernandez, Member

**STAFF:** Ana Lillis, Legislative Analyst  
Paige Greco, Legislative Analyst  
Carla M. Nakata, Legislative Attorney  
Stacey Vinoray, Committee Secretary  
Lenora "Lei" Dinneen, Council Services Assistant Clerk  
Nālani Fujihara, Communications Specialist

Additional Staff:

Executive Assistants to Councilmember Kama

Evan Dust

Lei Kama-Sickels

Nayleen Kamai

Executive Assistants to Councilmember Cook

Jared Agtunong,

Stacy Takahashi

Executive Assistants to Councilmember Johnson

Axel Beers

Kate Griffiths

Executive Assistants to Councilmember Lee

Curt Takamiya

Michele McLean, Executive Assistant to Councilmember Lee

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

Executive Assistant to Councilmember Paltin

Angela Lucero

Executive Assistant to Councilmember Rawlins-Fernandez

Sarah Sexton

Executive Assistants to Councilmember Sinenci

Dawn Lono

Gina Young

Don Atay

Executive Assistants to Councilmember Sugimura

Jordan Helle

Jocelyn Moniz

Executive Assistants to Councilmember U'u-Hodgins

Laura McDowell

Susan Clements

Zhantell Lindo, Council Aide, Moloka'i Residency Area Office

Roxanne Morita, Council Aide, Lāna'i Residency Area Office

Mavis Oliveira-Medeiros, Council Aide, East Maui Residency Area Office

Bill Snipes, Council Aide, South Maui Residency Area Office

Jade Rojas-Letisi, Council Aide, Makawao-Ha'ikū-Pā'ia Residency Area Office

**ADMIN.:** Kristine Toshikiyo, Deputy Corporation Counsel, Department of Corporation Counsel  
Saumalu Mataafa, Deputy Director, Department of Housing and Human Concerns  
Clyde "Buddy" Almeida, Housing Administrator, Department of Housing and Human Concerns  
Conrad Guerrero, Fire Fighter IV, Fire Prevention Bureau  
Shayne Agawa, Director, Department of Environmental Management

Kadi Kohea, Kauhale LLC

Scott Kohea, Kauhale LLC

**OTHERS:** Jaycee Law  
Charme Moreau Taksony, Teacher, Maui High School  
Claude Moreau, (Items HLU-, -)

Additional attendees: ( total)

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

**PRESS:**      *Akakū: Maui Community Television, Inc.*

-----

CHAIR KAMA: . . .*(gavel)*. . . Will the Housing and Land Use Committee of November 29th, 2023 come to order. It is now 9:02 a.m., and I'm Tasha Kama, Chair of the Housing and Land Use Committee. This Sunshine *[sic]* meeting is being conducted in accordance with the Sunshine Law. As a reminder, Members, when your name is called, if you're not with me in the Chamber, please identify by name who, if anyone, is in the room, vehicle, or workspace with you today. Minors do not need to be identified. Do we have any questions before I continue? Seeing none. Thank you. I want to say aloha kakahiaka to our Committee Vice-Chair Tom Cook.

VICE-CHAIR COOK: Good morning. Aloha, Chair, and happy rainy Monday...happy, rainy Mon--morning.

CHAIR KAMA: Wednesday morning. Okay, for Tom, it will be a happy Monday morning. Want to say aloha kakahiaka to Council Chair Alice Lee. What's our word for the day?

COUNCILMEMBER LEE: The word for the day is from Malaysia, in case you're going to Malaysia this weekend, and it's selamat pagi. Selamat pagi. Aloha, everyone.

CHAIR KAMA: Selamat pagi. Okay. It's close enough. Okay. Vice...Council Vice-Chair Yuki Lei Sugimura has indicated that she will be delayed, and is excused at this time. I want to continue to say aloha kakahiaka and selamat pagi to Councilmember Gabe Johnson.

COUNCILMEMBER JOHNSON: Aloha, Chair, Councilmembers, Committee Members. There's no testifiers at the Lānaʻi District Office, and I'm here and ready to work. Mahalo, Chair.

CHAIR KAMA: Thank you. I want to say aloha kakahiaka and selamat pagi to Councilmember Tamara Paltin.

COUNCILMEMBER PALTIN: Aloha kakahiaka kākou, streaming live and direct from Nāpili. I have with me one unnamed minor and one named dog, King.

CHAIR KAMA: . . .*(laughing)*. . . Thank you for that. Councilmember Keani Rawlins-Fernandez and Councilmember Shane Sinenci are both excused at this time, and we will...they will catch up with us when they arrive. And now we want to say good morning and selamat pagi to Councilmember Nohe Uʻu-Hodgins.

COUNCILMEMBER UʻU-HODGINS: Good morning, Chair.

CHAIR KAMA: Good morning. And from the Department of Corp. Counsel, we have Kristina Toshikiyo, Deputy Corp. Counsel. Good morning. And we have from the Department of Housing and Human Concerns, Saumalu Mataafa, the Deputy Director.

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

MR. MATAAFA: Good morning.

CHAIR KAMA: Good morning. We have...we have from the Department of Fire and Public Safety Conrad Guerrero, Firefighter IV, from the Fire Prevention Bureau. Good morning. And we also have representatives from the Department of Planning, Public Works, and Environmental Management, who are also requested, and can be called upon as needed. And we have other resources for our 7(B) item, Kadi Kohea from Kauhale LLC. Good morning.

MS. KOHEA: Good morning.

CHAIR KAMA: And we have Scott Kohea from Kauhale LLC also. Good morning.

MR. KOHEA: Aloha and good morning.

CHAIR KAMA: We have our Committee Staff, Ana Lillis, our Legislative Analyst. Good morning.

MS. LILLIS: Good morning, Chair. Good morning, Members.

CHAIR KAMA: We have Paige Greco, our other Legislative Analyst.

MS. GRECO: Good morning, Chair. Good morning, Members.

CHAIR KAMA: Good morning. And we have our Committee Secretary Stacey Vinoray.

MS. VINORAY: Good morning, Chair. Good morning, Members.

CHAIR KAMA: And we have our Legislative Attorney on the call with us, is Carla Nakata.

MS. NAKATA: Aloha, Chair and Members.

CHAIR KAMA: Thank you. Thank you, Members, for attending today's HLU Committee meeting. We have two items on the agenda today; HLU-3(9) Modular Housing Units, and HLU-14 Bill 38 (2023) 'Ohana Assistance Program under Chapter 3.34, Maui County Code. So, do we have testifiers this morning?

MS. LILLIS: Chair, we do not have anyone currently signed up to testify on this item.

CHAIR KAMA: Yes? Oh, okay. I want to acknowledge, before we continue, Councilmember Shane Sinenci. Welcome, and thank you for joining us. Member Sinenci, can you hear us? Can he hear us? Yeah, okay. I see him, but he doesn't seem to acknowledge being heard. Should we call him?

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

MS. LILLIS: We'll give him a call, Chair.

CHAIR KAMA: Okay. Okay. So, we have no testifiers this morning? Okay.

MS. LILLIS: Correct, Chair. We don't have any testifiers on modular dwelling units. If anyone would like to testify, please let Staff know now. We will give a brief countdown...three, two, one. Chair, it appears no one wishes to testify on this item.

CHAIR KAMA: Okay. Thank you. So, Members, at our last meeting, we heard from one provider of modular units. And this meeting, I've invited another provider of modular housing units to come to our Committee and tell us about their product, and how it may be deployed to address --

COUNCILMEMBER SINENCI: Hey, aloha.

CHAIR KAMA: -- housing needs in Maui County. Oh, Member Sinenci, is that you? Is that you?

COUNCILMEMBER SINENCI: Yes. My volume was down.

CHAIR KAMA: Can you hear us?

COUNCILMEMBER SINENCI: Did you call on me, Chair?

CHAIR KAMA: Yes, I did. And good morning.

COUNCILMEMBER SINENCI: Hey. Aloha kakahiaka, and selamat pagi. I'm here at my home office this morning, and Staff had mentioned that there's no testifiers in Hāna, Chair. Thank you.

CHAIR KAMA: Thank you. So, Members, prior to the presentation, I'm going to again remind you to hold your questions until after we have received public testimony on this item. So Kadi and Scott, the floor is yours for your presentation.

**ITEM HLU-3(9): MODULAR DWELLING UNITS (RULE 7(B))**

MS. KOHEA: Thank you, Tasha, Councilmember Tasha, and thank you, everyone, for welcoming us today. My name is Kadi Kohea, and this is my husband, Scott Kohea. I'm from Ka'a'awa, O'ahu, my family roots are from Kaua'i, and together we founded Kauhale. Many of you know or resonate with that word as "village," and for me (*audio interference*). Ana, could you go to the next slide, please? Thank you. So, the word village for us has a very deep meaning, and it began with my own Hawaiian ancestors, and it inspires our purpose. It also...their rich heritage gives us a lot of purpose here in building homes. Oh. I guess I need to yell this morning. I'm just a little nervous, I

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

think. But my family has been in the construction space for many generations. We have been some of the first responders to the wars here, the natural disasters in Hawai'i, and so I grew up learning not only construction, but I was able to witness what is at the heart of every village to make it successful. And that is a commitment to respect, responsibility, and community. And so, those Hawaiian values are in our company. I do not know the devastation of losing a home by fire, but I do know the pain of being displaced. And many of you probably know someone here that has had to move to the mainland because they weren't...housing wasn't attainable. And so that is something that we have strived to address, and that's the reason I have moved back home, back to the island, to help solve one of the most complicated issues, as you all know. And I think something that Scott and I have realized in this process is, in order to help our lāhui, in order to be successful in this, and help our village, it can't just be a kit of parts that we give you. It can't just be, here's a product. But we really have to be in it every step of the way for the long haul, and really think about all the intricate pieces in that process. And so, today, I hope that what we can show, and what we can offer you, is...is a true turnkey solution for modular housing. Next slide, please. And as we go through this, you'll see that we do...we are HUD-certified, we do have the Hawai'i architect stamps, we, you know, abide by the local building codes, so, these are just some of the things to keep in mind. But Scott's going to give us a little bit more detail on being a turnkey solution.

MR. KOHEA: Sure, yeah, and I think...I think that...that phrase, turnkey solution, we...hopefully we don't outwear that. But just briefly, my background, I've spent the last ten years in modular housing. I've got a master's degree from University of Cambridge on modular, and my focus was on the sustainability of modular housing. And I've worked in Asia, Europe, as well as in the States in modular, and so, I've seen all types of forms of modular, whether it's wood frame, whether it's steel frame, whether it's containers, whether it's panelized, even 3-D printed could be categorized under modular, you know, looking at bathroom pods, kitchen pods, things like that. So, my...my background and experience is...is...you know, is truly global, in seeing the various solutions that are out there that address a more efficient building process via modular. And so, as we...as we talk about...again, just briefly as our presentation, but as we talk about this, again, we can show you products. But keep in mind, there's a full turnkey solution there that addresses the land, the infrastructure, the utilities, the site prep, the manufacturing, the logistics, the supply chain, the financing, and everything that's needed to create a community. So...and if you'd advance to the next slide? So, we'll...some of the products that can be available, think of, you know, small 'ohana units; one-bed, two-bed, three-bed, four-bed units; multi-family; multistory; even commercial can all be done via modular. And so, as you think of building communities, the traditional method where it's 100 percent site-built, what we're proposing is that there is a better way, and it's been proven elsewhere. It hasn't been proven at scale here in Hawai'i, but elsewhere, it has been proven, where you can dual track what's happening on site in terms of preparing the...preparing the land, in terms of doing the site prep, in terms of laying the foundations, doing those items, and then, what's happening off site in terms of what's happening in the factory, the supply chain, the

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

logistics, and everything that goes into it. But what happens is, you're able to expedite that process significantly because you can parallel track. Now, if you add to it, the ability to lean on multiple factories, and the ability to deploy workers, then you see that things become exponentially quicker. So, just an example. If requested, we could have 300 homes move-in ready in 90 days. We could have 3,000 homes move-in ready here in the County of Maui in 18 months. So, I just share that as...as an example of what can happen when you truly deploy a more efficient building process. Next slide, please. These...these next slides, if you don't mind, maybe just a couple of seconds apiece, or maybe five seconds apiece on these slides. So, we'll just show you, here's a couple of examples of footprints of both temporary, as well as permanent, housing solutions ranging from studio, one-bed, two-bed, three-bed, and four-bed solutions. Again, this is depending on what the needs are. And keep in mind, everything will be designed with a Hawai'i style to it, or a Hawai'i theme to it.

MS. KOHEA: And I just want to emphasize, it's not just the Hawai'i style, but we really want to incorporate the culture, the history, the stories of the people who have, you know, lived on the land, or who have been a part of that community. And that all goes into the design aspect, and that's part of making a community sustainable. It's part of a successful implementation of a larger plan. And so, that's something that we love, that's something I love, and that we specialize in, really incorporating that heart of the community into each...each of the materials, the fabric, the design, everything.

MR. KOHEA: And if I could highlight three points with modular, and with what we're proposing. One is speed, that ability to dual track significantly increases the speed of deployment. Two is the price point. The...the...the units that were shown here range in price on a vertical cost from \$69,000 to \$260,000. So, imagine a four-bed, two-bath unit, or home, \$260,000, so that's \$150 a square foot. And on some of the smaller units, you're talking \$200 a square foot. So that is a significant savings that gets passed on to the homeowners, whoever they may be. And then, the third component is the quality. When things are built in a factory, you naturally have an improvement in the fact...in the quality of what's built. So, you have...you have factory precision versus onsite precision. And that's why vehicles and other things that require a high spec are built in factories. And that's...that's, you know, essentially what we're doing here is moving to the factory. And if you would, next slide, please? Again, as we think about building homes, we don't want to just focus on "here is a two-bed, two-bath home unit," although that's important. We want to focus on "here's the community that becomes developed, and here's what's involved in that community." Everything from the roads, the wastewater, the fresh water, the power, the parks, the commercial space, et cetera. So, think of this as community building, and that's hence the name, Kauhale Development. So, this is community building here in Maui, here in the State of Hawai'i, using modular where it makes sense. So, in other words, where you can do things more efficiently in a factory, you do so. There's still going to be a requirement for onsite labor. There still going to be a requirement to deploy manpower, and machines, and equipment, and everything here locally, but much of the heavy lifting can be done in factory settings, and then with logistics and transportation, and that's where these

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

efficiencies come in. The efficiencies come in, in terms of just the scale that happens. Slide? One other...one other item to mention is the ability to get creative on the financing. And depending on the task, or on the request here by the County or by the State, oftentimes, there is an ability to self-finance, meaning it's not a recourse of the County and the State, and so, there is no...no cost to the County or the State. So, I...I share that as one extreme, that that could be a scenario. But there's so...so, just keep in mind that there are...there are different avenues to help on the financing side of things, so it's not purely just a cost that comes out of the County. Next slide, please? And next slide?

MS. KOHEA: And then, as mentioned before, we do prioritize people, and we want to find ways to empower our communities, and these are just some of the ways we have already given back. But we...as mentioned, we...we are in this for the long haul and we...we want to continue giving back to...to the lāhui.

MR. KOHEA: That is the end of our presentation. Thank you. We're --

CHAIR KAMA: Thank you. Wow, short, sweet, and brief. Okay. So, before we continue, we're going to have to take testimony, right, Ana? Do we have any testifiers?

MS. LILLIS: Chair, we currently don't have any testifiers signed up on this item. If anyone would like to testify, please let Staff know now. We will give a brief countdown...three --

CHAIR KAMA: Jaycee's coming.

MS. LILLIS: Oh.

CHAIR KAMA: Okay, just for you, Jaycee. Testifiers wanting to provide video or audio testimony should have joined the online meeting via BlueJeans link or phone number noted on today's agenda. Please keep your audio and video muted until you're called to testify. If you're logged in to the meeting, please indicate to Staff that you want to testify in the meeting chat. Staff will then add your name to the testifiers list. Using chat for any other purpose is considered a breach of decorum. As Chair, I will always maintain decorum during this meeting. Written testimony is encouraged, and can be submitted via the eComment link at [mauicounty.us/agendas](http://mauicounty.us/agendas). Oral testimony is limited to three minutes per item. Staff will be monitoring the time, and when you reach the three-minute mark, you will hear an audible notice. If you are still testifying when the notice sounds, please complete your testimony as quickly as possible. Unless you want to testify anonymously, please clearly identify your name and organization. We're only taking testimony on the HLU Item 3(9) at this time. We ask that you state your full name, but if you prefer to testify anonymously, Staff will identify and refer to you as "Testifier." Please be courteous to others by turning off your video and muting your microphone while waiting for your turn. Once you're done testifying, or if you do not wish to testify, you can always view the meeting on *Akakū* Channel 53, Facebook Live,



**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

or maucounty.us/agendas. Thank you for your cooperation. Okay. And now we're going to call Mr. Jaycee Law to come to testify.

**. . . BEGIN PUBLIC TESTIMONY . . .**

MR. LAW: Thank you, Chair Kama. Aloha kakahiaka.

CHAIR KAMA: Good morning.

MR. LAW: It takes you longer to read that thing than it does...it took for me to . . .(inaudible). . .

CHAIR KAMA: Correct. Just for you.

MR. LAW: So, the Hawaiian word of the day--thank you for our presenter. It's...the word's been bounced around a little bit. I got this from a University to Press [sic] pocket dictionary. It's kauhale, and it says it's a group of houses composing a Hawaiian home. Literally, it means plural house, and I'm not...I still don't know what that means, but --

CHAIR KAMA: Village.

MR. LAW: -- it's a lead to get somewhere. And I want to thank...thank you all for getting here on time. And I want to thank...thank you, Mr. Cook, for being here and being a builder and not a developer on the County Council.

CHAIR KAMA: Any questions for our testifier? Seeing none. Thank you so very much, Mr. Law. Before we continue, I'd like to acknowledge Council Vice-Chair Member Yuki Lei Sugimura. Good morning.

COUNCILMEMBER SUGIMURA: Good morning. Excuse my tardiness. I was in a logistics meeting for the Wall That Heals, for the Vietnam wall that's coming in February. Thank you. Vietnam veterans, sorry.

CHAIR KAMA: Thank you for being here. Okay. So, Staff, is there anyone else wishing to testify? If not, please, can you do your last call?

MS. LILLIS: Thank you, Chair. Yes. No one else has signed up to testify. If anyone would like to testify, please let Staff know now...three, two, one. Chair, it appears no one wishes to testify.

CHAIR KAMA: Thank you. Members, I will now, without objection, close oral testimony for this item. And as a reminder, written testimony will continue to be accepted into the record.

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

COUNCILMEMBERS: No objections.

CHAIR KAMA: Hearing no objections, I thank you so very much.

**. . . END PUBLIC TESTIMONY FOR HLU-3(9) . . .**

CHAIR KAMA: And now we're going to continue to proceed with discussing the first item on the agenda. So, Members, I will now call upon you for the questions you have for our presenters. I will ask Staff to set a three-minute timer for each Member so that all Members can get their questions asked and answered. But if we need several rounds of questions, we will do that. Okay. So, let's begin with Committee Vice-Chair Mr. Tom Cook. Questions for our presenter?

VICE-CHAIR COOK: Thank you, Chair. And thank you, Chair, for having this very informative presentation that you can feel the compassion and the experience. My question is about freight. I'm curious about how, when you say modular, is...like a unit is broken down and you can send it in pieces, or is it similar to another not named mainland-shipped building, where it's the whole thing that is shipped and placed?

MR. KOHEA: Yeah, a great question. It depends on the unit. So, our...our primary transport is with Pasha with the railroad...on the railroad vessels. And with that, you can ship some fairly large structures. So, depending on the size of a unit, if it's a four-bed, that might be broken in...into two pieces. If it's a two-bed, two-bath unit, as an example, that might be shipped over by itself. Now, I share this...you're always trying to find the ways to improve the efficiency of modular. At some point, depending on volume, it makes sense to have a local...localized warehouse where you can do, basically, that final assembly. So, you have component parts that are built elsewhere. They come over more of a flat pack, and then you have a localized assembly or volumetric. That wouldn't be done day one, but that...that is something that...that is foreseeable in the future. But we're not limited to just things that can fit on cargo, on freight, or on the back of trucks with eight-foot-wide widths, you know, 40-foot lengths, you know, so these can be quite a bit larger than that.

VICE-CHAIR COOK: Thank you. So, yeah, I mean, I'd love to see some drawings and talk at depth and stuff, but it's...great presentation and inspiring. Thank you.

CHAIR KAMA: Thank you, Mr. Cook. Council Chair Lee, questions for our presenter? Okay. Council Vice-Chair Sugimura, any questions?

COUNCILMEMBER SUGIMURA: Yeah. Thank you very much. So, I came in sort of in the middle of this, so excuse me if you already answered this. So, I'm wondering if you've spoken to somebody from the Recovery Office because they have a whole section working on housing?

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

MR. KOHEA: We have not. We...we would be happy to do so, but we have not.

COUNCILMEMBER SUGIMURA: Or have you spoken to the Mayor's...Mayor?

MR. KOHEA: We've spoken to people in the Mayor's Office, and they've been very receptive and very enthused about our willingness and ability to help.

COUNCILMEMBER SUGIMURA: And then the other thing, because that...that would be important because they are the decision-makers, and they have a whole plan going, which, you know, I don't know the details. Do you have land?

MR. KOHEA: We are actually under...under LOI currently on some land.

COUNCILMEMBER SUGIMURA: What is LOI?

COUNCILMEMBER SUGIMURA: So, under...well, I...I should say this. We currently don't have land, we're working on some land that would be available. And when I say LOI, it's...so we have a...an agreement on land, but it's not yet finalized.

COUNCILMEMBER SUGIMURA: How many acres? Or how many units are you planning for with this next steps?

MR. KOHEA: Well, our...our hope is to be a solution for whatever is needed, both here at the County, as well as at the State. And from what we're seeing, I mean, it's...it's in the thousands of units that are needed. And so, the...the current land that we're under discussions with is several hundred acres.

COUNCILMEMBER SUGIMURA: Okay. Do you have water and wastewater?

MR. KOHEA: We have a path for success on that.

COUNCILMEMBER SUGIMURA: With the landowner?

MR. KOHEA: Correct.

COUNCILMEMBER SUGIMURA: That's always the hardest thing to get.

MR. KOHEA: Um-hum.

COUNCILMEMBER SUGIMURA: Okay. That's it.

MR. KOHEA: Yeah, and...and I...I do appreciate those questions. Those are...because you're spot on...because those are critical pieces. So...so, those are...those are under development and in process of being resolved.

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

COUNCILMEMBER SUGIMURA: Okay. So, your units do not have wastewater capabilities, it would be --

MR. KOHEA: Oh, no. No, they do.

COUNCILMEMBER SUGIMURA: They do?

MR. KOHEA: Yeah.

COUNCILMEMBER SUGIMURA: Oh, okay. So, they're like a regular house?

MR. KOHEA: Correct. Yeah. So...so, when you move in, it feels just like a normal site-built house. It's connected to the grid. It's connected to...to the...you know, to...to power, and sewage, and fresh water. So, it's just that the construction phase of it, you're able to do some of it more efficiently by being in a factory.

COUNCILMEMBER SUGIMURA: I see. So, you build it elsewhere, it gets shipped over --

MR. KOHEA: Um-hum.

COUNCILMEMBER SUGIMURA: -- and then you said you use local carpenters, and you know, professionals to put the house together. And you could do this in . . . *(timer sounds)* . . . 18 months, I heard. Is that what you said?

MR. KOHEA: Yeah, I said if...if we if...if needed to, like, if we had a...if...we could do 3,000 units, move-in ready, in 18 months.

COUNCILMEMBER SUGIMURA: Okay. Thank you. Thank you, Chair.

CHAIR KAMA: Thank you. And now we're going to continue with Councilmember Johnson.

COUNCILMEMBER JOHNSON: Thank you, Chair. Good morning, Mr. and Mrs. Kohea. Thank you for your presentation, really appreciate what you're doing. It's great to think outside of the box when it comes to developing our...our communities. So, I...I did a tour of HPM on Maui--or I mean on the Big Island, I should say--and they...they maybe do something similar to you folks, maybe different. I know there's a lot of nuance involved in this. The concern that I have is...okay, you have...you're just talking about the land that you'll need. Will you also be needing a space for a factory, that key component to this? Will you...do you...do you plan to have a factory on Maui if you...if this goes forward?

MR. KOHEA: It's not necessary.

COUNCILMEMBER JOHNSON: Okay.

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

MR. KOHEA: But depending on volume, there becomes a breakpoint where it becomes more efficient to do some of the assembly locally.

COUNCILMEMBER JOHNSON: Okay.

MR. KOHEA: But it's...it's not critical.

COUNCILMEMBER JOHNSON: Okay. So, the other pushback that I was...when I was speaking with HPM is the wages of the workers, the...they...they...nonunion workers and those...those types of issues. Can you speak on that? Are you paying the prevalent [sic] make-some-bacon wages, that type of thing?

MR. KOHEA: Yes, this can all be done with...with prevailing wage. And I'm...I'm very familiar with the HPM system and what...what they're doing. I...I would just say there is a reason why cars are built out of steel and not wood. There's...there's a...an ability to get more precise as you move toward steel, and you actually bring the costs down as you do so. And so, our...even though I've...you know, I've done modular with wood, preference is using steel as a frame and as a structural component.

COUNCILMEMBER JOHNSON: Um-hum.

MR. KOHEA: And it just...it's better for the equipment, it's better for the machines. So...now, on the factory, so initially, prevailing wages here locally could be addressed and could be satisfied.

COUNCILMEMBER JOHNSON: Okay. Great. So, prefab versus modular, that's the next question. Like, can you explain? Is there a difference? Because really, like, I know that prefabs homes are legal in Maui County. I'm not sure about modular, and maybe you guys can speak on that?

MR. KOHEA: Yeah, happy to. So prefab and modular actually have different definitions depending on where you live in the states...on the East Coast, versus West Coast, versus here in...in...in the islands. So, from an academic standpoint, modular is the umbrella. Prefab is one of the...under, you know, is...as a piece underneath modular. But the way that most people think about prefab versus modular is simply what code do you fall under?

COUNCILMEMBER JOHNSON: Right.

MR. KOHEA: So, most people classify prefab as being falling under HUD code, and they call modular as a non-HUD, meaning you're going through the County and getting approval by the County. So, the difference is, are you getting your approval at the Federal level, which is HUD, or are you getting it at the County level, which...which would be the...the...the modular? So, what's nice is, you can actually do both. . . .(timer sounds). . . You can have a County-approved plan that's also approved by HUD.

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

COUNCILMEMBER JOHNSON: Okay. That was my time. Thank you. Thank you, Chair.

CHAIR KAMA: Thank you, Mr. Johnson. Now we're going to continue with Councilmember Paltin.

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Mr. and Mrs. Kohea. I was wondering, if, after the Phase 2 is completed, and an individual family with an individual lot wanted to pursue your type of housing, what would they do?

MR. KOHEA: And just to make sure, when you say Phase 2?

COUNCILMEMBER PALTIN: Debris removal.

MR. KOHEA: Okay. So, I'm going to address that, but I'm also going to address a couple of things around that. So, with...with modular, it can be relocated. So, a modular unit can be placed on a...on a...on land, and it can be a temporary structure. It can also be moved or --

COUNCILMEMBER PALTIN: I...I understand that. I have only three minutes.

MR. KOHEA: -- relocated, meaning permanently. So --

COUNCILMEMBER PALTIN: Yeah.

MR. KOHEA: -- there is financing available, and we've partnered with a mortgage company that can finance, whether it's on DHHL land, whether it's a HUD-approved model, or a County-approved model, there is financing available.

COUNCILMEMBER PALTIN: Okay. So, how much would a 1,500 square foot unit cost?

MR. KOHEA: About \$250,000.

COUNCILMEMBER PALTIN: And as these steel dwellings, how long have they been put in a near-shore environment? Like, do they corrode?

MR. KOHEA: Great question. No, it's all out of stainless steel. There's...there's quite a bit on...on the coast in California, as well as in Florida, and it holds up very well.

COUNCILMEMBER PALTIN: Okay. My understanding is that the Administration and FEMA together are putting out RFPs for three types of modular houses that they are okay with. Have you seen the RFPs?

MR. KOHEA: We've...we've been participating in those.

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

COUNCILMEMBER PALTIN: Okay. And so, like I was saying, if somebody has a lot, and it gets cleared off of debris, but say that there is no water and sewer in that area. Maybe they purchased a home or something, and it's in a kind of congregate kind of...or somebody else's property, and they wanted to move it to their property. Would that be possible if there isn't the infrastructure...it's been damaged?

MR. KOHEA: Well...so, there's...there's a couple of ways to do that. I mean...I mean, one is you could bring in infrastructure, and as...as we all know, that...that can be costly. Two, is the units can be designed to be basically self-contained, so they can have some of the infrastructure inside their units. So, some power, some water, some wastewater, and have those abilities. . . .*(timer sounds)*. . .

COUNCILMEMBER PALTIN: Okay. I'll cruise until the next round.

CHAIR KAMA: . . .*(laughing)*. . .

MR. KOHEA: Thank you.

CHAIR KAMA: Okay. Continue on with Councilmember Sinenci.

COUNCILMEMBER SINENCI: Mahalo, Chair, and mahalo, Mr. and Mrs. Kohea, for the presentation. I would like to order ten units for East Maui. Well, and I just want to preface that some of the...what a great concept, especially after the...the West Maui fires. However, there has been some challenges as we move forward. One is for local inspections of units that are made outside of the State. Also, the other issue has been bank loans, if local banks will--I know you mentioned some financing options, but will local banks also take on these mortgages? Oftentimes, the construction unions are against this type of housing because it...it leaves out some of our work...our local workers. And I think in our Code, I don't know if modular would fall under tiny homes, would be...and that would be a different Code. Do you have any responses to that?

MR. KOHEA: I'll try to be brief on each of those. So as far as local inspection, there are third-party certification bodies that can certify the modular homes as they're built in the factory, so that they don't have to...they do not require a certification here locally. So, that's done in...in every state, so...so...so, that is readily available. As far as local mortgages or local financing, yes, that is available. And with...with mortgage companies that are already on island and that are already here, we've already had those discussions, and it is...it is available. As far as the local workers--well, actually, I'm going to address the tiny homes first, then I'll come back to the local workers. So tiny homes...are these classified as tiny homes? Depends on the size. Most of these would not be classified as tiny homes. Most of these would just be classified and permitted as a single-family home. And on...on County records, on tax records, everything, it would just show as a normal, standard home. The only difference is it's built quicker. Now, on the local workers, if there's...there's...it's kind of a double-edged sword on that. One is, we want to support the local workers, and we will do so. Two, we also want to

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

provide housing at affordable rates, in part for the local workers. And so, we want to be mindful that not only are we helping to provide jobs for the local workers, but we're also providing housing at discounted prices for the locals, so they can stay here and...and work, and not...as my wife's family did, you know, and not...not move to the mainland. . . .(timer sounds) . . .

COUNCILMEMBER SINENCI: Thank you. That was the bell. Thank you, Chair.

CHAIR KAMA: Thank you, Mr. Sinenci. Continue with Councilmember U'u-Hodgins.

COUNCILMEMBER U'U-HODGINS: Thank you, Chair. Thank you, guys, for being with us this morning. I know you said you did work throughout the world. Have you done work in Hawai'i before with these modular homes?

MR. KOHEA: No. Hawai'i has had regulations against modular, some of it being political with...with the...with the labor forces, and it's just in the last couple of months that the ability to actually do modular at volume is now here on the islands.

COUNCILMEMBER U'U-HODGINS: And where do your products ship from?

MR. KOHEA: Most from the West Coast on the mainland.

COUNCILMEMBER U'U-HODGINS: Okay. And they come flat back, or no?

MR. KOHEA: It depends. But initially they would come volumetric, so they would come already, you know, within a day or two of being move-in ready.

COUNCILMEMBER U'U-HODGINS: Okay. How long do these products take to set up?

MR. KOHEA: So, let's say something...a unit ships from California.

COUNCILMEMBER U'U-HODGINS: Um-hum.

MR. KOHEA: A couple of weeks to ship, it gets here, takes a day to be transported to the site, and then the actual final assembly, and doing the final necessary would be one or two days.

COUNCILMEMBER U'U-HODGINS: Okay. And then in your emails where there's a cost breakdown, you have a local infrastructure, wastewater treatment facility, which includes eight years of maintenance. Is that maintenance to the structure and not necessarily the facilities?

MR. KOHEA: So...so that's part of kind of a...a larger view of creating a master plan community and putting in a modular wastewater treatment facility into it. Now, just as an example, there is a modular wastewater treatment facility that's already been



**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

constructed, that's already here on islands--not on this island, but on islands--that could be rapidly deployed and used here on Maui.

COUNCILMEMBER U'U-HODGINS: Okay. And then, can you please explain the difference between your Kauhale Development LLC that was registered on August 21st of 2003, and then the Kohea Foundation that was registered earlier this year? What's the difference between that? They're both you guys' entities?

MS. KOHEA: Yes, so Kohea Foundation, we set that up for our NHO, Native Hawaiian Organization.

COUNCILMEMBER U'U-HODGINS: Um-hum.

MS. KOHEA: And then, Kauhale, we...we've been in the modular space for seven, eight years, but we wanted something specific here to Hawai'i. So we set that up, so we can really engage with the community here. And, you know, Hawai'i is just a different...a different animal compared to other states that we've worked in, and countries we've worked in.

COUNCILMEMBER U'U-HODGINS: Yeah, for sure.

MS. KOHEA: So that's why we've set it up.

COUNCILMEMBER U'U-HODGINS: Okay. Okay. I think that's all for me right now. Thank you, Chair.

CHAIR KAMA: Thank you, Ms. U'u-Hodgins. We're going to continue again. Chair...anybody have any other questions for round two? Okay, Mr. Johnson?

COUNCILMEMBER JOHNSON: Thank you, Chair. So, you mentioned...you put in you...in your slides, you said you folks helped with Hurricane Katrina ones. When did that...when did you put those homes in after Hurricane Katrina? What year was it, or do you know the date?

MR. KOHEA: So, I'll just say on Hurricane Katrina, they did what I believe Maui's trying to avoid doing, and they...they went to a RV, or very much a temporary solution, rather than something that could be more of a permanent solution. And...and so, the time frame on that, 12, 13 years ago.

COUNCILMEMBER JOHNSON: Okay. So, it was like maybe...if that's the case, maybe about five years after the hurricane that they would've been put up? Yeah, see, I...we can't wait five years, obviously. So, hopefully...I always say this. Like, you know, we've gone through so many disasters recently, hopefully we're getting better at this. But to wait five years for modulars to get built is not what this community would support, I would assume. And I'm just saying that that's...that's the kind of devastation that we're dealing with, this is major devastation, so...speaking on hurricanes, are...I...they're

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

made out of steel. I assume they're hurricane-proof. Can you speak on the...the levels of hurricane protection they have?

MR. KOHEA: Um-hum. Yeah, these can be built as robust as they need to be. So...so, think about fireproof, think about wind loads, think about any kind of seismic. So, whatever structurally, whatever gauge we want to put into this, or is requested to be put into it, we can make that happen.

COUNCILMEMBER JOHNSON: How about LEED certification?

MR. KOHEA: Yes, it is...yeah. We...we've done LEED, and...and it would be a great thing to do here.

COUNCILMEMBER JOHNSON: Okay. So, all these bells and whistles, if you will, that's going to add costs to the...to the units, I assume?

MR. KOHEA: There's a trade-off between how much...just as an example, there's a trade-off between how much steel you want in a unit, and how strong you want it to be, and the cost.

COUNCILMEMBER JOHNSON: So, in your financing slide, you had developing entire multimillion...entire multimillion RFP programs and responding to the same. So, we do kind of a request for proposal here in the County, and I...I think it's...the body doesn't really hear it, it's more the Administration. So, if...I...I know you...you haven't...like I want to kind of speak to you on, like, what you have reached out to the Mayor and the Administration. If there is an RFP process, you're going to put a bid...you're going to put out proposals for your project?

MR. KOHEA: Yes.

COUNCILMEMBER JOHNSON: Okay. Have you spoke with the directors of the...Housing or to the Mayor? I know you said you had some...some conversations?

MR. KOHEA: Yes, we've...we've had some meetings with them, and ...*(timer sounds)*... they...they've gone very favorable.

COUNCILMEMBER JOHNSON: Okay. Just one last thing, Chair. February is when HHFDC, it's the deadline for their funds. If you're looking for State funding through HHFDC, February would be the date that you guys would be looking to have all your ducks in a row for that, so just a heads up. Thank you, Chair.

MR. KOHEA: Thank you.

CHAIR KAMA: You're welcome, Mr. Johnson. We're going to continue with Mr. Cook.

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

VICE-CHAIR COOK: Thank you. So yeah, I'm part of the political pushback on modular historically. I'm enthusiastic...I understand the benefits because of compressing the general conditions, multitasking, do an on-site/off-site, the efficiency, the productivity, the quality that's capable of doing it in a factory. And I'm...I'm just...I'm...I'm encouraging you because I really think that we need it. I mean, I've talked with the unions and...and out and stuff. We understand that we...it's inefficient and impractical to continue to be building the way we're building. For years I spent a ton of money on a bunch of stuff trying to figure out other ways to do it. Just keep in mind that the resistance is to keep our communities so that we know people...we have our youth and our community who know how to make things and fix things, and if we...the resistance, and sometimes it can be interpreted as being...wanting to be inefficient or backward, that's not the case. Being the remote land mass that we are, and a very special community that we are, to be...or maintain our ability to be creative and independent in our manner...and are doing it. So, I get the feel that you guys understand that. I just wanted to clarify it because like, I am enthusiastic of this, and also, I'm extremely pro-labor, so finding that hybrid blend to be able to do...to vastly improve what we're doing now so inefficiently, but also to have our youth have a future in the trades. Because there's a lot of people like me that weren't school-oriented, but love to build. So one-story only? Slab on grade...I mean, post and pier only? That's my question to, like shipping it in and being able to move it, can you do that for a unit that is going to be slab on grade?

MR. KOHEA: Yes.

VICE-CHAIR COOK: Okay, cool. Well, you answered that question. How about the labor? I mean...

MR. KOHEA: Yeah. So, we...and we...and we do run a construction crew here on the island, so we're very much appreciative of the nuances of having local labor, and what's required to keep local labor. And you're right, it is a balance. Part of what we're proposing to do would provide a lot of training, so that the next generation is trained in future methods of construction.

VICE-CHAIR COOK: Cool. I'd love to, like, be on a project and put one of these together and put it on the ground, but...so...thank you, Chair, for the opportunity to ask questions, and thank you for your presentation.

CHAIR KAMA: You're welcome. Member U'u-Hodgins, do you have any questions?

COUNCILMEMBER U'U-HODGINS: I'm good for now. Thank you so much.

CHAIR KAMA: Okay. So, we're going to continue with Member Paltin.

COUNCILMEMBER PALTIN: Thank you, Chair. I was interested in learning about the apartments and the senior housing. Have you reached out at all to Hale Mahaolu Eono,

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

or Lāhainā Surf? I think that's under the State, but all of those units were destroyed...I mean, not all of Lāhainā Surf, but a few buildings. And then, we had the Lāhainā Crossroads, which I learned the other day was in the yellow, so they're not sure if it has to be torn down or...or what. But can you speak a little bit more in-depth about those types of things, about, like, the senior housing? I don't know if...if it's practical to do more density where it was, or...you know, our senior center burned down. I don't know if we could do like mixed senior center and living there, although, you know, the escape routes from Lāhaināluna Road were a problem. So just wondering your thoughts on that in terms of Kauhale for the lāhui.

MR. KOHEA: Great...yeah, great question that you asked that. As you look around the world, most places where modular is done is in dense urban environments where it is multifamily, multistory. And whether the units are designed to be geared towards families, or geared towards elderly, or others, modular is extremely efficient when you want to talk about increasing density, and talk about urban centers. So that's something we would be very much interested in doing, as there's a desire to do more dense urban centers.

COUNCILMEMBER PALTIN: And then, you know, when it says pricing based on volume, I was wondering if, after the fact, possibly, that you could send us some examples, like, you know, say 500 families went in together on a permanent 964 square foot, like, say 100 families hui'd up, what would be the pricing on that? Or, say, 50 families hui'd up, or...you know, for the permanent 1,264 square feet or 1,709 square feet, like maybe one whole subdivision, 24 houses, or something like that. If...if you could give us some...some projections along those lines? Like, for after Phase 2, as people get back to their homes, I think a lot of people were severely underinsured, and...and one route could be like, you know, Habitat, or this could be another route for folks?

MR. KOHEA: We'd be happy to send that out. Now, just as a quick response in the meantime, the units that are in that presentation range from 69,000 to 260,000 on the vertical cost. Now, there is a caveat there, that . . .*(timer sounds)*. . . depending on terrain, there could be some infrastructure that varies site by site.

COUNCILMEMBER PALTIN: Thank you.

CHAIR KAMA: Thank you, Member Paltin. You done? Okay. So, Scott, along with Member Paltin's request, could you also include what the cost would be for transportation from the harbor? My assumption, it's coming in from the harbor, to West Maui, or even Upcountry, if you could do those too?

MR. KOHEA: Yes.

CHAIR KAMA: Thank you. Members, any other questions for our presenters this morning?  
*(Audio interference)*.

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

COUNCILMEMBER SINENCI: Chair?

CHAIR KAMA: Oh, Member Sinenci, I'm so sorry, I almost forgot you. Okay, continue.

COUNCILMEMBER SINENCI: Thank you, Chair. Yeah, just following up on Member Paltin's questions. Has Mr. Kohea contacted Mr. Kali Watson with the Department of Hawaiian Home Lands? We do have 28,000 people on that waiting list, and this Council has appropriated a GET tax upwards of 20 percent for the infrastructure of some of these. And I believe there are some DHHL lands in West Maui.

MR. KOHEA: It's...it's a significant challenge, and I...I'm not sure that I heard a question, but I just want to make a comment on that. It's a --

COUNCILMEMBER SINENCI: *(Audio interference)* contact DHHL?

MR. KOHEA: Yes, we...we've reached out to DHHL, we've started those...those conversations, and...with the hope that a need as severe as is with DHHL, that we can help...help play a small piece in that.

COUNCILMEMBER SINENCI: Thank you. Thank you, Chair.

CHAIR KAMA: You're welcome. Okay. Anyone that needs another round of questioning for our presenters besides Member Paltin? Okay, Tam. Go.

COUNCILMEMBER PALTIN: Thanks, Chair. I know you spoke a little bit to hurricane-resistant. One of the other modular presenters we had also mentioned that their product was fire-resistant and mold-resistant. I was wondering if you could speak to that, and maybe like what...what miles per hour, I guess, of wind that you are hurricane-resistant to?

MR. KOHEA: *(Audio interference)* question. So, our standard units would be mold-resistant, fire-resistant, and wind-resistant. Now, that's...that's a generic phrase, right? So, if we had specifics saying, hey, we want to be resistant up to 200-mile-an-hour winds, we'll build it resistant to 200 mile-an-hour winds. So whatever specs are needed, we'll make sure that gets put into it.

COUNCILMEMBER PALTIN: Okay. And...and the 69,000 to 269,000 [*sic*], that would be an individual cost on the vertical build. And then Member Kama asked the transportation from the harbor. Is the homeowner also responsible for transportation costs from the continent to Maui...and that's not included in the vertical rise?

MR. KOHEA: That's correct. So, I was I was giving costs of...of the vertical construction. So, there would be some additional charges, depending on where the home resides that would include transportation, include some infrastructure, et cetera.

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

COUNCILMEMBER PALTIN: Hmm. And these don't come with solar, or furniture, or those types of things...atmospheric water panels, none of that?

MR. KOHEA: They can have (*audio interference*) want in them.

COUNCILMEMBER PALTIN: Oh, but it's just not part of the standard cost.

MR. KOHEA: Sorry. As a standard cost, it comes (*audio interference*), but it does not come with solar as a standard cost.

COUNCILMEMBER PALTIN: And...and by furnished, we're saying, like, bedroom, kitchen...I mean, bed, kitchen table, like sofa or something?

MR. KOHEA: And linens.

COUNCILMEMBER PALTIN: Linens? Nice. Okay. Thank you. Curtains, everything, huh?

MR. KOHEA: Um-hum. It --

COUNCILMEMBER PALTIN: Like --

MR. KOHEA: -- so...so, the goal is to be move-in ready.

COUNCILMEMBER PALTIN: Okay, okay. That's the turnkey portion of it, huh?

MR. KOHEA: Yeah.

COUNCILMEMBER PALTIN: Fixtures? Got it.

MR. KOHEA: You got silverware that's already in the kitchen.

COUNCILMEMBER PALTIN: Is there any location, like, locally that us guys could do site visit and walk through one house? Or not yet in Hawai'i?

MR. KOHEA: On island, no. It'd be back on the mainland.

COUNCILMEMBER PALTIN: Not...not even O'ahu, or . . . (*timer sounds*). . . someplace else?

MR. KOHEA: Correct.

COUNCILMEMBER PALTIN: Okay, got it. Maybe need go, or something.

CHAIR KAMA: So, Members, any other last-minute questions that you folks have for our presenters? Okay, I guess not. I'm sorry that Ms. Keani Rawlins wasn't here. I think she'd have a lot too. But...okay. So, I think, Members, what I'm going to do is I'm going

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

to defer this item so that we can continue our discussion in the future. So, without objections, I'm deferring this.

**COUNCILMEMBERS VOICED NO OBJECTIONS** (Excused: KRF).

**ACTION: DEFER.**

CHAIR KAMA: Thank you. So, Members, it is now 10:00. We have another item that we have to discuss, and I'd like to be able to do that, but I'd like to be able to do our first mid-morning break. So, I think what I'm going to do, we have to take one ten...we can do a ten-minute recess without any discussion? Okay, I'm going to take a ten-minute break. It's now 9:59, so we're going to go until 10:10, and the HLU Committee is now in recess. . . .(gavel). . .

**RECESS:** 10:00 a.m.

**RECONVENE:** 10:12 a.m. (Excused: KRF)

CHAIR KAMA: . . .(gavel). . . The November 29th, 2023 meeting of the Housing and Land Use Committee will reconvene. Members, it is now 10:12 a.m., and we'll now move on to our second item on the agenda.

**ITEM HLU-14: BILL 38 (2023), 'OHANA ASSISTANCE PROGRAM UNDER CHAPTER 3.34, MAUI COUNTY CODE**

CHAIR KAMA: HLU-14, Bill 38 (2023), 'Ohana Assistance Program under Chapter 3.34, Maui County Code. Members, we have before us a proposed bill that would establish an assistance program for the provision of auxiliary residential units; 'ohana and existing develop...residential properties. The bill amends the current County Code dealing with the Home Acquisition and Ownership Program's Revolving Fund to allow its use for this purpose, and to define assistance to a maximum of \$50,000 per residential unit. There is also, in Granicus, a proposed ASF with a substitute Bill 38 (2023), CD1. The original bill and the proposed ASF were introduced by none other than Council Chair Alice Lee, and after taking public testimony, I will ask Chair Lee to address her proposed legislation. So, Members, I will now open testimony up on this item. Staff, do we have any testifiers?

MS. LILLIS: Yes, Chair. We have several individuals signed up to testify.

CHAIR KAMA: Very good. Shall we call up our first testifier?

**. . . BEGIN PUBLIC TESTIMONY . . .**

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

MS. LILLIS: Yes, Chair. Thank you for your patience here. Our first testifier is Charme Moreau Taksony in the Council Chamber.

CHAIR KAMA: Good morning.

MS. MOREAU-TAKSONY: Morning. Do I have a *(audio interference)*? There is? Okay. All right. Aloha. Good morning. My name is Charme Moreau-Taksony. I'm here with my dad, and he is the homeowner. I'm a teacher at Maui High School. I took off the day, and I didn't want to because he's always my sub. And so, I have a random person, and I'm very concerned about that. But it's very important because we are the exact people that this will help. So, he's going to speak about the property he has, which is Skill Village. The County, you know, bought that and he was able to build a home. I, as a teacher, cannot afford a home. And the house that he built with his two hands is now a multigenerational home serving grandparents, my level, and our children. And we are multiple people living in that home. We have eight people living in the home right now because we all can't afford it. So, my...very quickly, you know, you do your own thing and leave the house. The house I was renting in Makawao for 12 years, they told us...a 43 percent increase, no reason. I...I don't make 43 percent more money, and so, we are the exact people that...and I don't know if in my testimony, can I ask questions, or do I just talk about why I think we need it? Just testifying? Okay. So, you know, as I said, I cannot afford a home, and so we are really...there is no...there has been, to my knowledge, no other programs from the County like Skill Village. You know, that was the only way he was able to afford that. And so, if that...this is our only choice. Then on top of that, my brother and his family lost their house in the Lāhainā fire. So, the extension that we have in at the permit building process, which is taking very, very long, and now even longer with that, right, to make the extension for my 'ohana to be on...with our family, and now, we would like to make that available to my brother and his family of 4, to make it now 12 people that will be living on this piece of property, right? So that is...I mean, you know, that's basically the story, is that there are many people, but we are the exact people. And I'm really hoping that it will pass, and that we will get the money, hopefully by the time...who knows how long this permit process is going to take now, you know, and then if there is time for questions later on, but like, when would it be available? You know, is it...we just have a lot of questions. But just to put a face to the people that this would apply to is that's us, right? Living on this 'āina for however long that I, at 46, cannot afford a home because we know how expensive that is on Maui. And so, I was hoping to go after him to add on to what he was saying. But he will just, I guess, come up and explain his stance as the homeowner, and the multigenerational, and how much it would benefit our family to be able...like, I've been...now that I moved back home, the one great thing is I've been able to actually save money that I was saving to, you know, make the addition, right? So, I'll just have him...I don't know who was next, but, yes?

CHAIR KAMA: We're going to ask the Members if they might have questions to ask of you.

MS. MOREAU-TAKSONY: Oh, okay.



**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

CHAIR KAMA: Yes. Okay, Member U'u-Hodgins, you had a question?

COUNCILMEMBER U'U-HODGINS: Yes, thank you. So, you have a permit now in for an addition to the home, so it's extending the existing home, or is it a separate structure?

MS. MOREAU-TAKSONY: Um-hum. It's attached to...it's a ADU, right? Is that what the term is?

COUNCILMEMBER U'U-HODGINS: Yeah, so ADU typically means it's not attached...attached to the original structure, so...

MS. MOREAU-TAKSONY: It...well, the permit got put in as an ADU.

COUNCILMEMBER U'U-HODGINS: Okay.

MS. MOREAU-TAKSONY: Right? Yes. The permit got put in as an ADU.

COUNCILMEMBER U'U-HODGINS: Okay. I just wanted to clarify that.

MS. MOREAU-TAKSONY: Yes.

COUNCILMEMBER U'U-HODGINS: Thank you.

CHAIR KAMA: I think Chair Lee had a question?

COUNCILMEMBER LEE: Yes. Good morning, and thank you for coming. You know, your situation is typical, yeah? There are many, many, many multi-generational homes. Most of us experience that, and live in one ourselves. But I just wanted to check, did you say that your brother and his family were victims of the fire?

MS. MOREAU-TAKSONY: Yeah, they are living in their third or fourth home in Lāhainā, and they had a permit in for their own. They had land in Kula, right, and that...that was put in before the fire and the whole long process. And then, with the expedited process, which has not really been expedited, they still do not have their permit. I don't know if we will get our permit before theirs, but the plan now is the...you know, the extend with the unit that was going to be built for my family, three of us, is now going to house the four of them until their place in Kula gets built.

COUNCILMEMBER LEE: Yeah. We hear you. We all hear you. We all want to move the --

MS. MOREAU-TAKSONY: Yes.

COUNCILMEMBER LEE: -- permit process forward.

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

MS. MOREAU-TAKSONY: Oh, my gosh, please.

COUNCILMEMBER LEE: So yeah.

MS. MOREAU-TAKSONY: Thank you.

COUNCILMEMBER LEE: We're going to try and take care of this one first, this program first.

MS. MOREAU-TAKSONY: Okay.

COUNCILMEMBER LEE: Thank you for coming.

MS. MOREAU-TAKSONY: All right. Thank you. Oh, yes, go ahead.

CHAIR KAMA: Member Cook, you had a question?

VICE-CHAIR COOK: Thank you. My clarifying question, do you know what department your brother's permit is stuck in? Okay.

MS. MOREAU-TAKSONY: I...I'm not sure what department. They had comments made back. But when we talked to them and called, and emailed, and talked to people, they said, you know, there's just...even with saying that our permit would now be for Lāhainā because it was a priority, we were told, oh, no, that's not the case. You still just got to wait. That wasn't helpful.

VICE-CHAIR COOK: Thank you for coming.

CHAIR KAMA: Any other questions for...oh, Member Paltin?

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you for your testimony. My first clarification question is, so your brother's house in Lāhainā burned down, but he has land in Kula that he would like to build a house on to move to? Or his house in Kula burned down?

MS. MOREAU-TAKSONY: His house in Lāhainā.

COUNCILMEMBER PALTIN: Oh.

MS. MOREAU-TAKSONY: And it was his...it was wife's...it was a multigenerational home that was owned by his mother-in-law.

COUNCILMEMBER PALTIN: Oh, okay. Okay. And the things that are holding you up right now from being able to build an ADU in Pā'ia is the permit...and a little bit of the financing, this would help?

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

MS. MOREAU-TAKSONY: Both. Yes, correct.

COUNCILMEMBER PALTIN: Okay. And I was wondering if...like, the discussions we had just had with the developer, if...if that also would be a help, like a pre-approved design modular-style home, or...

MS. MOREAU-TAKSONY: Are you talking about for Pā'ia, or for my brother?

COUNCILMEMBER PALTIN: Any and all.

MS. MOREAU-TAKSONY: Okay. Well, I don't think that it would be able to go on the lot because of lot size, right? I don't think the modular can go on this lot in Skill Village.

COUNCILMEMBER PALTIN: Oh, okay. And then, Kula, he would...he would probably need a water meter as well?

MS. MOREAU-TAKSONY: Yes. And he has a water meter. But they --

COUNCILMEMBER PALTIN: Oh, he has a water meter.

MS. MOREAU-TAKSONY: -- have had the water plans in to build, like, the home, yeah? They...they had resubmitted plans to get permits.

COUNCILMEMBER PALTIN: So, part of it is expediting the permit to rebuild in other areas for folks that were displaced from Lāhainā?

MS. MOREAU-TAKSONY: Yes, yes. It has not really...it has not been expedited.

COUNCILMEMBER PALTIN: Got it. Okay. Thank you so much.

MS. MOREAU-TAKSONY: Yeah.

CHAIR KAMA: Members, any other questions for our testifier? Seeing none. Thank you so very much.

MS. MOREAU-TAKSONY: Okay.

CHAIR KAMA: Who is our next testifier, Ana?

MS. LILLIS: Thank you, Chair. The next testifier is Claude Moreau, to be followed by Susie Thieman.

CHAIR KAMA: Okay.

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

MR. MOREAU: Thank you. I'm Charme's dad. We both took off work so we could be here because it is so important. And even...there's so many families like us that are going to be affected by this. And I think that this bill is really vital, and bills like this. And I think I need to tell you a bit about myself, so you know, because I'm kama'aina, and I want to tell you how I am. I met my wife, we've been married for 55 years, and she's a Maui girl. I met her in the mainland. We moved back here 44 years ago, and after being here for four years, I was really, really fortunate--thank you, Alice Lee, thank you, Hannibal Tavares, for Skill Village and places like that, from the bottom of my heart, thank you. When we moved here, they had...the sugar cane company donated some land, and the County was smart enough to partner with them and put in the infrastructure and sell it at cost, which is literally the only way people...young families like mine, I had four kids, that's literally the only way I could have a home. And the Administration after that changed their philosophy, and they said, well, we don't want to compete with private industry, which is just so foolish because it's not competing, it's working with each other. That's so important. Thank you, Alice Lee, from the bottom of my heart. Okay. So, anyway, we...we got a lot, I built my own house, I raised my four kids there, and they're all still living on Maui. I'm so fortunate, I have four good kids and six grandkids, and they all live on Maui. I'm so grateful. But not everybody has that option. You hear about being priced out of paradise? It's a real thing. People are moving to the mainland in droves. All my family is here. I want to keep my family here. I think this program will help in that respect. I was a handyman, and now I'm a full-time substitute teacher in the schools. Like I said, I'm taking off, so...we have a permit right now waiting to be approved, but the process is very slow. I called them yesterday, and they said this could be months, and months, and months. But the plan is I have two viable candidates that are legitimate, my daughter and her family. She's a schoolteacher, her husband's a schoolteacher, she has a 15-year-old kid. They cannot afford to buy a house here. It's just out of their possibility. The only chance that we have is, I'm planning to build an attached 'ohana dwelling that they're going to live in. And then after the fire happened, we kind of had a long discussion about this, and we decided, well, maybe we should put that family in first. Because they're living in hotels, bouncing around back and forth, commuting between the West Side and this side for jobs, and for the kids, and it's just total chaos. So, we have two viable candidates, and I think this program would be very helpful. So, that's pretty much it. So, please . . .*(timer sounds)*. . . follow through with this.

CHAIR KAMA: Members, questions for our testifier? Member Lee, and then Member Paltin.

COUNCILMEMBER LEE: Thank you so much for your acknowledgment, I really appreciate that. You know, we hear you, and we want very much to help you, and we're going to do our best to do that today. Thank you.

MR. MOREAU: Thank you. I'm just...that Skill Village was a stroke of genius on Hannibal Tavares' part and your part. Following through on that, they should have never stopped that program. But this is kind of the same idea, same vein. It's...it's for people, local

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

kama'āinas. I don't want my kids moving to the mainland. It's just...what for, you know? So that's...that's kind of what this is about, you know?

CHAIR KAMA: Member Paltin, you had a question for Mr. Moreau?

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Mr. Monroe [sic]. I just had a question, and...and I hear that your...you and your daughter are excellent candidates for this 'ohana assistance pilot program. I just was wondering, when you say that, is it because you are planning to put your own 'ohana in it? And if there would be a rent charge, and if you still believe it's a good program, if it weren't your 'ohana going into it and just another family? And if there should be any kind of rent controls?

MR. MOREAU: I mentioned having nonfamily members living on my property. I never wanted that. I made my living as a handyman. I got to see what it's like cleaning up after rentals, and I don't want any part of that. It's...if I do it, it will be strictly for family. When I made my will, I said, one, I'm going to give my home to my kids, I said, with one exception, it has to stay in the family, cannot rent it out.

COUNCILMEMBER PALTIN: So, to...to clarify, is that what you think it only should be, for family? Or...or rented at a reasonable price to outside of the family? Or does it matter?

MR. MOREAU: It's...in my case, it does matter. But overall, it doesn't matter because there's a critical housing shortage. People cannot...my wife...my daughter and her husband have good jobs as teachers, they cannot afford. My son and his wife, the Lāhainā family that had the fire thing, they make even more money, and they cannot qualify for a house. I could tell you some horror stories about the houses they did look at and couldn't afford.

COUNCILMEMBER PALTIN: I guess...I'm...I'm just asking because, you know, we've seen for West Maui rents going at like 5,000, 7,000.

MR. MOREAU: Yes. Yes.

COUNCILMEMBER PALTIN: And...and just if...if this were to go through, would you support, like, some caps on the rent so that it's not like rent gouging?

MR. MOREAU: I'm not charging rent. We're just trying to do this so they can move, and there's no money involved in this from my point. I'm not trying to make money off this.

COUNCILMEMBER PALTIN: Got it. Thank you.

CHAIR KAMA: Members, any other questions for our presenter...for our testifier? Seeing none. Thank you so very much, Mr. Moreau.

MR. MOREAU: All right. Thank you for hearing me.

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

CHAIR KAMA: Staff?

MS. LILLIS: Our last two testifiers currently signed up are Susie Thieman and Zhantell Lindo.

MS. THIEMAN: What else can I say? That's exactly what we're talking about. Susie Thieman, Executive Director of Lokahi Pacific. Thank you, Chair Kama, and Council Chair Lee, for bringing this forward. We're so excited about the opportunities here. And I...I'd just like to tell you a little bit about Lokahi. I know some of you know us really well, and some of you may not know about our housing projects in the past, and why we feel this is something we can really put our hands on, and...and move it forward. We've built four affordable subdivisions. The first one was over on Moloka'i in Maunaloa. The next three were here on Maui, one in Lāhainā, which was...was destroyed by the fire; the next one was in Kihei; and the final one that we did just a few years ago was in Mokuhaui, down in Happy Valley, all affordables. We sold nothing. Well, matter of fact, the ones in Lāhainā, we sold for \$280,000 15 years...or 18 years ago. These folks now, because some of them paid attention to values and increased their insurance, they're looking...as soon as they can build, they've got the money to build. The insurance money is already in their bank. For some of them, they've still...they were still insured for that 280. And so, their contractors are saying to them, we can build the shell, but it's going to be up to you to finish it. It's...it's a hard time out there. These folks. in that 18. years made that house their home. They renovated, they added on. I just...I mean, when it opened up the other week, I couldn't go out with them to see it. I...I just couldn't bring myself to do it. They sent me back pictures, and I...I just...I sat there, and I just was numb because that's not what I saw the last time I was out there. It's just unbearable. And you all know it, you've been there. But I've got to say, working with all these families has just been...it's been a learning experience for me. Some of them, I mean, the day after the fire was over, they were on the phone to me saying, can I get a copy of my house plans? I want to get a permit in. And I said, wait, slow down, you know? And...and, of course, we had the copy. I said, you can come get it, you know, and you can dream with it. And that's really what you're going to be doing for what, two, three, maybe even four years. But we'll be here. We'll be here to work with you, we're not going to abandon you at this point. So that's the kind of operation we have, and the things we have done. And so, this is, like, so exciting to us because we know that the people...there are a lot of people out there who do have...like this family, have some land with their house, and they could put an ADU...ADU unit up, whether it's for family, or whether it's to rent out to a total stranger. I know we've talked about the caps that should be on it, it should be affordable rent-- . . .(timer sounds). . . am I done? Thank you. And that's what we're looking for. We're looking for a win-win between the homeowner and the houseless. And this is the perfect option. We want to get this pilot program started and running. We've got the crew to put...we've got the crew together to do all the things we think we need to do. We're going to work closely with Council Chair Lee and Kama...Council...Chairman of this Committee, to put the plan in place. And we may not do thousands of homes this way, but hopefully, during

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

2024, there will be progress that is impressive to everyone in a win-win program. Thank you.

CHAIR KAMA: Members, questions for our testifier? Vice-Chair Sugimura?

COUNCILMEMBER SUGIMURA: Thank you. Nice seeing you, Susie. I...I...Lokahi Pacific does a fabulous job, and I saw her in action with my axis deer fencing project. She was just amazing. So, the role that Lokahi Pacific, if you have to install...or implement this program, what would you...what...what would Lokahi do? Is that a fair question?

MS. THIEMAN: It was...it's kind of...kind of vague right now. But what we're hearing is that they're asking us to take the program and put it into action so that it doesn't wear down the Staff here in the County building. It's kind of a whole new ballgame, something that we know. We know the construction, we know the permitting. People told us, when we built Mokuahau, it had...it was incredible. We bought the property three years almost to the date that people were moving in, and they said that's never been done before for a subdivision. But our people know the process. When we turn something in, it's done right the first time, so it doesn't have to go back around again and, you know, sit on another desk or whatever. If we have an issue, we sit down and we talk, we go through something. This...I just...I'm so excited about being a part of this because I know what a house means to people, especially when that house becomes their home.

COUNCILMEMBER SUGIMURA: Thank you for...thank you.

CHAIR KAMA: Member Johnson, did you have a question?

COUNCILMEMBER JOHNSON: Yes. Thank you, Chair. Good morning. Good to see you, Ms. Thieman. Is \$50,000 enough?

MS. THIEMAN: I...you know, that's the number that...that was put out there. I think it should be a little more, myself. The issue that we're going to, I think, run into in...in a lot of cases is that the homeowner who may have wanted to do something like this couldn't...couldn't qualify for a loan. You'd like to think after they've owned their home, I think, what the restriction is, what, ten years that they have to have owned the home and lived in it, you think it's built up some equity, but you got to remember, if you take out a bigger loan, you've got to pay that monthly payment. And can they do that? And knowing there could be vacancies, I mean, you're really becoming a landlord, so there's some vacancies involved, et cetera. So, I'd like to see them protected a little more on that side. And that encourages, then, that idea that it can work at affordable rates for the...the tenant.

COUNCILMEMBER JOHNSON: Okay. Thank you. Thank you, Chair.

CHAIR KAMA: Members, any other questions for our testifier? Member Paltin?

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Ms. Thieman. One of the number one complaints that I get, is folks asking for rent control, with the gouging, 5, 7 grand for rentals, and...and I just was wondering how that could be addressed through this bill?

MS. THIEMAN: One of the things that I think is important is that I don't think we really want to talk about rent control...or at least, I don't. That's kind of something that's...I don't know, it just hits me the wrong way. We...as you know, the other part of our business is apartment complexes that we have for the physically and mentally challenged. That's...that is kind of a rent control situation because HUD sets the rate for what can...we...what can be charged for those units, and they have a strict 30 percent of somebody's income is what they will pay for their rent, and then HUD subsidizes the rest. Well, as I look at this project, I'm...I'm thinking kind of along those lines. If we go with the HUD-based affordability charts, and...and because the landlord doesn't have this mortgage to pay, we should be able to come up with some formula, whatever it is, that will work. And that's one of the things we're going to have to work out. But I think we're on the right track with what we want to do.

COUNCILMEMBER PALTIN: Okay. For...for example, I think FEMA is paying 175 percent of HUD fair market value. So, setting a cap like that, or something?

MS. THIEMAN: Well, I think if we're talking affordable...I mean, affordable to us, when we're building our houses, it's...it's up to...we go...we go strictly at 80 percent, and maybe up to 100.

COUNCILMEMBER PALTIN: Oh, 80 percent?

MS. THIEMAN: 80 to 100 percent. And we find a way to build the house that way so that it...it works for everybody. I...I --

COUNCILMEMBER PALTIN: Oh --

MS. THIEMAN: -- don't want to overbuild and put them in a house in vain. That's number one in my book.

UNIDENTIFIED SPEAKER: Yeah, yeah.

COUNCILMEMBER PALTIN: Yeah, because, I mean, if...if these get rented out for like 2,500 or the rates that we're seeing in West Maui, I don't know how helpful it is. Like \$2,500 studio or one bedroom isn't --

MS. THIEMAN: Yeah. No, that's...that's...I mean, that's...I just...I have trouble, you know, just even thinking about that. And I know that, you know, in other places--somebody just told me the other day that...that they got a notice that they've got to move because



**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

the family wants the house back that they're living in, and the only thing they can find is \$5,200 a month.

CHAIR KAMA: Wow.

MS. THIEMAN: And that's, like, for a 2,000-square foot house. That's insane.

COUNCILMEMBER PALTIN: It's going up to 10 grand over here in West Maui. If that's the case for these ADUs, then I don't see that it would be helpful. So, I think that if folks are getting this supplement from the County, that it's...it's incumbent on us to...to make sure that it will work. I mean, it'd be great if everyone was like Mr. Monroe [sic] and they were putting their family up and letting them build up their...their own resources. But I...I think we need to look at all the...the possibilities.

MS. THIEMAN: Right. You can count on us to make sure that it's as low as possible so that it does the job we're looking to cover. We've got a lot of people who need houses, and everybody knows that.

UNIDENTIFIED SPEAKER: Yeah.

MS. THIEMAN: But they don't need ones they can't afford.

CHAIR KAMA: Thank you.

COUNCILMEMBER PALTIN: That'd be great. Thank you.

MS. THIEMAN: Thank you.

CHAIR KAMA: Member Cook?

VICE-CHAIR COOK: Thank you. Thank you for being here, Ms. Thieman. My clarifying question is, you had stated during your testimony that...how...how quickly you got the permit and got the project built. So, is...would you say that that's part of the...one of the ways the County could assist affordability, is getting permitting easier to do and quicker?

MS. THIEMAN: You know, I was...I was sitting there listening to the testimony before me, and I can...I can understand their plight, I really can. And it's...it's like, if there was a way that we could say this will be prioritized, you know, if it comes in complete and accurate, push it right through. I don't know that we have the power to demand that of that Department, or those departments, but you're the Council.

CHAIR KAMA: Any other questions for our testifier, Members? Seeing none. Thank you so very much.

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

MS. THIEMAN: Thank you.

CHAIR KAMA: And we'll see you again, I'm sure.

MS. THIEMAN: Okay. I hope so. Thank you.

CHAIR KAMA: Absolutely. Staff?

MS. LILLIS: Chair, our last testifier currently signed up is Zhantell Lindo on BlueJeans.

MS. LINDO: Aloha Councilmembers. Thank you, Chair Kama, this...for this opportunity. Shucks, I could talk about this subject all day long, but I just want to first off say that I super support...support this. I do have a couple of questions, though, and comments, especially based on the last testifier. I think it's important that this Council take a good look at where the funding source is coming from, and I would actually hope that HUD has absolutely zero to do with the monies that we utilize. I just attended a State forum for homeless and...and housing, and rent control is a super huge tool that is being used all over the country. But one of the problems is when we allow HUD Federal funding and guidelines to be a part of the process, then we have zero control over actually affordable rates because the HUD rates and...and the current Section 8 rates are not affordable, not for the everyday person. I think that's part of the problem, that because HUD maintains that you can pay that high of a rent on Section 8, people don't want to get off of it, and landlords want to get the maximum amount, too. So you know, a project like this, what I see as an advantage is, if we be strategic in the way and the types of funds we use to fuel this project, the County can actually create its own truly affordable program. And when somebody said oh, is 50...Member Johnson said is 50,000 enough? I've been doing some research for homeless, and found that we actually have ready-to-go, self-contained storage and solar units, 40-foot container units, that can be turned into two bedroom apartments for \$10,000 complete. The shipping would probably cost a couple more, but it's way below the 50,000 threshold. And so, I think there are actually people doing it in different phases in Hawai'i that can be attainable. I just think the product and...is...is important, but also the process, and the...and the...the way we're going to handle this funding. I...I question whether or not the Department of Housing and Human Concerns has the staffing or the the...the, how do I be polite?--or...or the ability to execute the grants and this funding in a way that would truly be beneficial to our people. I...I...I know that Director Tsuhako works super hard, and so does her Staff, but I...I would like to say for the record that I know that they are strapped, and I would like to see us put some effort into seeing where the funds would most be efficiently executed out in a way to our community that going really use this to the best advantage. And then, probably the last thing is, like, because we have the ability to create one truly unique County affordable housing program, maybe getting Department of Planning and Housing and everybody all on the same table to talk about how we can . . .(timer sounds). . . streamline processes to make this permitting go by smoother without exempting the...the need for, you know, us having cultural, and environmental, and social adverse impacts.

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

CHAIR KAMA: Members, do we have any questions for a testifier? Member Paltin?

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Ms. Lindo. I just got the ASF, and I'm not sure if you've seen it. When you said that you don't prefer the HUD guidelines, I was wondering your thoughts on residential workforce housing as defined by Section 2.96.020, those rates? No?

MS. LINDO: I don't...I don't agree with the HUD guidelines because they're not consistent with promotion of what we trying to do as one County and a State to create truly affordable rental and housing rates. So, I think that part of the problem is because HUD is where we get all of our money from, we got to follow the rules that we get. But if we create one a program like this where we can--even if we start it off with one small number of homeowners, and really had the County create its own structure to prove that this is something that could be done, we might not be so strapped by HUD guidelines, and actually create affordable housing.

COUNCILMEMBER PALTIN: So, to clarify that, you support rent controls, but not that the controls are based in HUD...because otherwise people charge big money?

MS. LINDO: Absolutely. I...I support rent control, but not under the HUD guidelines. Because even in our...in the State forum, it was...they did the calculation, and I think truly affordable, right in the State of Hawai'i right now for a family working with the average AMI is only \$865 a month.

COUNCILMEMBER PALTIN: And...and do you support a ten-year deed restriction on that level of rent?

MS. LINDO: I actually support in perpetuity.

COUNCILMEMBER PALTIN: Got it, thanks.

COUNCILMEMBER LEE: Good morning, Ms. Moloka'i [sic]. . . .(laughing). . . How you doing? So, anyway, thank you so much for your testimony. And you have always been a strong advocate for affordable housing, and I appreciate your comments. But I have to ask you. Even though this bill may not be perfect, it is intended to be a pilot project, so that as time goes on, we can correct it and perfect it, and the problem that we have now, is we need to get this moving quickly. Because not only do we have an overall housing problem, we have those displaced residents who need a place to stay. And this could be a solution, one solution of...of several, that could really provide people with options, and something that we can address right now, as...as you heard from the other testifiers. And then secondly, the other thing that...were you aware that we had asked that the...the entity to implement or to administer the program would be Lokahi Pacific? So, you mentioned, you know, that DHHC is understaffed and so forth. Yeah, we know that. We know that. So that's the reason why, you know, we are--not earmarking,

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

but--we conditioned this funding to go to Lokahi Pacific under, of course, the direction of DHHC. So, you know, we...we did think about that aspect as well. But would you be in favor of this moving forward, and...and work on it as we...as we go through it as a pilot project? Because I have a strong hunch that this is going to be extremely in-demand in the future because many, many, many people on Maui have room on their properties to add an accessory dwelling. Yeah, I mean, all of Dream City, almost all of Pukalani Terrace, and many, many other areas on Moloka'i and Lāna'i as well, probably, so...and Kula. And so, you know, would you be willing to support this program going forward, you know, as soon as possible, rather than working out every single detail to perfection? What do you think?

MS. LINDO: Absolutely, with a few conditions. That there'd be a clear enforcement mechanism to ensure that people are not exploiting the process, and that the rent controls or some aspect of rent control allots for places like Moloka'i, who have one different set of median income. Like, in the County of Maui, we get plenty places where what Maui's median income is doesn't necessarily...is good for Moloka'i. So, I think there needs to be some kind of a mechanism, no have to be big because I totally support this right now, but it has to say that places like Moloka'i and other places where we economically strapped way more than the average Maui family or whatever, is given the flexibility to have lower rates.

COUNCILMEMBER LEE: Okay. You do realize that we do have different guidelines for Moloka'i, Hāna, and, I believe, Lāna'i? It's...it's not the same as --

MS. LINDO: Yeah.

COUNCILMEMBER LEE: -- Maui Island.

MS. LINDO: Yeah.

COUNCILMEMBER LEE: You know, and...and like I said, this...because this is a pilot project, we can keep adjusting, making adjustments to this. Because really, we don't have enough funding attached to this pilot program to take care of thousands of people. It's...it's more like maybe 100, maybe 100 for now, because we want to try and work out the kinks and try and make it as fair and user-friendly as possible. But the thing is, if we keep working on it and not getting it out of the...you know, out of the gate, then people won't be have...won't have the opportunity to...to access this benefit. So...you know, but I'm sure as we discuss it, if we can accommodate your concerns today, you know, we're certainly going to give it a try. Okay?

MS. LINDO: Thank you.

COUNCILMEMBER LEE: Thank you. Thank you, Chair.

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

CHAIR KAMA: Folks, if there are no other questions for our testifier, we're going to continue to move on.

MS. LILLIS: Chair, we do --

CHAIR KAMA: Thank you very much, Zhantell.

MS. LILLIS: Chair, we do have one more person signed up to testify. It's Gabriel Hoeffken. Gabriel, if you'd like to begin your three minutes of testimony?

MR. HOEFFKEN: Hi, everybody. Can you hear me? I think I got the wrong camera. I don't know how to change it, but if you can hear me, that's good enough. My name is Gabriel Hoeffken. I...me and my dad are Tom's Backhoe and Excavation. We do a lot of work with the County. We do a lot of work with the State. Me and my dad have been working on an affordable housing project in Hāna for the last ten years. We just got started about a couple months ago, and project progress is going really good, so I just want to thank all you guys for all your support over the years in getting that process going. We've actually started on the water main. But anyway, I just want to call in support of anything that can help us get more housing. As somebody who was born and raised here, and who runs a business here, and who's involved with the community, there is a dire need for housing. And there are so many issues that are holding up the...the volume of housing. We've already heard from several testifiers that we...the permitting system is much too slow, it's not responsive. Being in the construction industry, I know that the County is vacant so many positions...I heard it was around 700 positions short right now. But at the same time, those same issues are affecting us, and so we need faster permitting. If there's a way to help incentivize people that have the ability to have more dwellings on their property, I'm for that. I even think another idea--and I know that there would be pushback on this just because it would be on ag-but the allowance of a third dwelling on ag property is a...is a pretty interesting idea. That opens up a lot more property, and also reduces density. Anything we can do to have any sort of pre-approved plans, modular structures, like a Boxabl dwelling, those are built in Las Vegas, or anything else that can speed up how fast you can go from the idea to implementation. On another note, I just want to urge caution with rent controls. I know the idea of trying to fix prices of rent is really...you know, we need lower rents, but with rent control, as somebody who would be wanting to try and build more dwellings, I'm going to look at the cost of construction and my mortgage. And if the rent controls are below that, I'm not going to be able to do the project. And so, rent controls can very much just stifle construction, whereas if we get more supply, that will equalize rent costs--I mean supply and demand, the more supply you have, you can...prices go down. Right now, there's absolutely no supply, so...right, prices are going through the roof. But yeah, I'm for it. If, you know, 50,000, whatever we can do. I know the testifier from Moloka'i, Zhantell, mentioned something about the affordable houses. There are several companies selling these Chinese foldable houses. I think those are a very, very interesting technology. I've seen them up close . . .(timer sounds). . . but they can't get

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

permitted. But if there's a way to allow them short-term, that'd be amazing. Thank you.

CHAIR KAMA: Thank you. Members, do we have any questions for our testifier? Member Sugimura.

COUNCILMEMBER SUGIMURA: So, I know that your family has done a lot of work in Hāna; is that correct?

MR. HOEFFKEN: Yes. Yeah.

COUNCILMEMBER SUGIMURA: So, Shane is ordering houses for you, ten this morning.

UNIDENTIFIED SPEAKER: . . .*(laughing)* . . .

COUNCILMEMBER SUGIMURA: I'm just kidding. But he did say that. Nice to...nice to hear from you. We can't see you. Thank you.

MR. HOEFFKEN: Thank you.

CHAIR KAMA: Thank you very much. Staff?

MS. LILLIS: Thank you, Councilmember Kama. We do have one more testifier signed up. It's Shaun Kama.

CHAIR KAMA: Okay. Good morning.

MR. KAMA: Hey, good morning. Shaun Kama here calling from O'ahu. I just...you know, I want to commend everybody for, you know, meeting, and you know, we're moving everything forward. I would just like to testify in the way of as much as there is a huge need for housing, I think we...you know, everyone as a...as...as a team need to really think of what we're going to bring in. Are we going to bring in a bigger problem, or we're going to bring in, you know, a...a...you know, I don't want...when I say I, I think we shouldn't act in a desperate mode. We should act in a very calculated mode, where, you know, we're choosing the right materials to come in, things that are going to last for a while. We're not only choosing houses to come in, but we're also using these housings to also create a revenue because, you know, just like we're saying, Moloka'i only has a \$800 a month income or whatnot for...for rent. That's something that we need to work on where we were able to bring that up to maybe 1,200 or 1,500 by creating jobs, by bringing in these housings. So, there's...there's a lot of different areas that we could work on, not just bringing in housing, but creating revenues for these different places, for these...especially Moloka'i, where it's very quiet, you know, and there's not a lot of jobs there, but we're able to create something there, and create for the whole State something where we're able to actually bring up the income for everyone. You know, it...it would...it would behoove, I believe, Hawai'i to act in a way of...of...of a desperate

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

situation where it has been. It's just now, it's opened up the box. This fire has opened up the box to a lot of different things. And I believe not only is the housing, but we're...we're getting into now the mental health side of things. You know, we've lost over 17 lives in suicide now, and that's never been talked about. You know, and that's what's happening. You know, a lot of people are taking their lives because they have no idea what they're going to do next. So, I...I believe, you know...and I want to thank everybody for doing what they're doing right now. I think it's just a lot more than just the housing that we...that we have to take into consideration. A lot of it is, you know, also having a different arm of being able to create revenue, being able to sustain that, and be able to not only fix what happened in Maui, but fix what's going on in the State. You know, this allows us to...for the world to see what we did. You know, we're...we're able to actually make a mark now, you know, and that's something we also need to take...take a look at is, what are we going to do, and what is the world going to see us do? You know? And that's...that's just basically what I wanted to bring in, and just thank everyone again for...for bringing everything to the forefront, and having everybody try to pitch in and...and help what's going on here in Hawai'i. So, thank you so much.

CHAIR KAMA: Members, do we have any questions for our testifier? Member Johnson.

COUNCILMEMBER JOHNSON: Thank you, Chair. Just a quick clarifying question, Mr. Kama. Do you support the bill?

MR. KAMA: I support the bill, yes.

COUNCILMEMBER JOHNSON: Okay.

MR. KAMA: We actually have...you know, we actually have a few people who did have, you know, their homes burn down. They had two extra homes on their property, whereas when we went to the permitting, they didn't allow us to do those two extra homes, only one. So yes, I...I support the bill.

COUNCILMEMBER JOHNSON: Okay. Thank you so much . . .*(inaudible)*. . .

CHAIR KAMA: Seeing no other questions from our members. I just want to say thank you very much, Mr. Kama, for being here. Staff?

MR. KAMA: Thanks, Chair.

MS. LILLIS: Chair, that was our last testifier currently signed up. If anyone would like to testify, please let Staff know now. We will give a brief countdown...three, two, one. Chair, it appears no one else wishes to testify.

CHAIR KAMA: Thank you. So, Members, seeing that there are no more individuals wishing to testify without objections, I will now close oral testimony for this item. And as a reminder, written testimony will continue to be accepted into the record.

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

COUNCILMEMBERS: No objections.

**. . . END PUBLIC TESTIMONY FOR ITEM HLU-14. . .**

CHAIR KAMA: Thank you, Members. So, as I noted previously, this bill was introduced by Council Chair Lee. So, Chair Lee, would you like to explain your bill?

COUNCILMEMBER LEE: Yes. Thank you. This was one of the most confusing undertakings legislatively. But rather than go back to the very beginning and go through all those details, what you have before you today is an ASF which addresses some of the issues that have been brought up, and...for instance, changing the maximum grant amount from 50,000 to 100,000. It does also make reference to the rental rates for residential workforce housing units as defined by Section 2.96.020, Maui County Code. And as I mentioned earlier, the...the HUD guidelines for Moloka'i is different from Maui Island, and is different from Hāna, is different from Lāna'i. It tries to reflect a more accurate income average per location than just generalizing the incomes. And then...so, those are the...the main issues. Oh, another main issue would be the...originally, we...I proposed that the rent...the rental be not only long-term, but exclusively to permanent, full-time residents of Maui from...and in perpetuity. But the feedback that we've received as we've sent this for comments to various places, including the Director of Housing and Human Concerns, believes that ten years is...is more appropriate, not perpetuity. So, in alignment with her...her recommendation, I am changing it from perpetuity to ten years. And also...so, those are the main points as far as the changes. The...the basic ordinance allows for funding to be provided to people who have essentially a...a home already, and they want to add to it, and that would help us tremendously with our housing problem. As mentioned by the previous testifiers and my own...my own family, as an example, where we...when we have...when our families grow, we need to grow our homes as well, to take care of them. And so, this will give people an opportunity in terms of having some funding. This will clearly not pay for an entire accessory dwelling, but it will help.

CHAIR KAMA: Would you like to make a motion, Chair Lee?

COUNCILMEMBER LEE: Oh, okay. I thought you wanted me to give you some background.

CHAIR KAMA: No.

COUNCILMEMBER LEE: Okay. So, anyway, I am asking for your support to...let's see...

CHAIR KAMA: Adopt Bill --

COUNCILMEMBER LEE: I would...I would like to move to substitute Bill 38 (2023) with the proposed CD1.



**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

COUNCILMEMBER SUGIMURA: Second.

CHAIR KAMA: It's been moved and seconded to substitute Bill 38 with Bill 38 CD1, and it's been seconded by Member Sugimura. Any discussion? Yes, Member Sugimura. Are you...yeah.

COUNCILMEMBER SUGIMURA: Can we hear from the Department? Are they...are they part of this?

CHAIR KAMA: I think Saumalu's supposed to be on.

MR. MATAAFA: Chair?

CHAIR KAMA: Yes. Are you here?

UNIDENTIFIED SPEAKER: Now, I got too many of --

MR. MATAAFA: Saumalu Mataafa, Deputy Director for Department of Housing and Human Concerns. Thank you for having me here today. The Department is in support of the changes made in CD1. We do align with the request to raise the threshold from a \$50,000 grant to a ceiling of \$100,000. And in addition, we...we do support lessening the deed-restricted period from perpetuity to something more similar to the deed restrictions that are specified in Chapter 2.96. We believe that, you know, with any unit that does come online, there's going to be a life cycle associated with that unit, and we want to allow this program to incentivize people with homes to...to actually build those...those accessory dwelling units. So, the whole goal of this is incentivize and not to bog it down with, you know, things that may turn people away from utilizing the program. So, in line with what Chair Lee has in front of you, we are in support, and we're here to answer any questions that the Committee may have of the Department moving forward. But generally, those are the two items that we had commented on earlier with Chair Lee and her Staff for consideration today. Thank you.

CHAIR KAMA: Thank you. Yes, Member Sugimura?

COUNCILMEMBER SUGIMURA: One more question, Deputy Director, Mataafa. So, this is the first-time...first-time homebuyer program fund, I think, that this is coming from. Do you know what the...could you clarify that? And then, how much is in there which would be applied to this program?

MR. MATAAFA: I believe the amount set aside for this program is \$2.5 million. The first-time homebuyers fund is a revolving fund, and the last I checked with Staff, there is about \$1 million left in that fund.

COUNCILMEMBER SUGIMURA: 1 million? Is that what you said?

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

MR. MATAAFA: Yes.

COUNCILMEMBER SUGIMURA: Oh, okay. So, this is a special designated fund, then, for this ADU pilot project?

MR. MATAAFA: Correct.

COUNCILMEMBER SUGIMURA: The 2.5?

MR. MATAAFA: Yes.

COUNCILMEMBER SUGIMURA: Does the...one last question. Is the Department planning on increasing that amount? Because I can tell by the testifiers, or just in the community, that there is probably a...a need for it. So, is the Department planning on increasing that \$2.5 million fund?

MR. MATAAFA: At this time, we are not. We believe it's a pilot program, and we believe with the funding amount that's available for the program that we can work out some of the details that need to be worked out in order to get to that long-term goal of increasing the program to ensure its success. But right now, since this is in its fledgling mode, we want to make sure that we get most of the details right, so that we have the ability to, you know, maneuver if something goes wrong with the program. So, like some of the testifiers said, and like Chair Lee and Councilmember Kama said earlier, it is a fledgling program, so let's kind of work out the details. And I believe \$2.5 million dollars should be sufficient for this first go-around to get it off the ground and running, and to make the adjustments as we go along.

COUNCILMEMBER SUGIMURA: Thank you, Director.

CHAIR KAMA: Any other discussion, Members? Member Johnson.

COUNCILMEMBER JOHNSON: Thank you, Chair. This is a question for Deputy Director. Thank you for joining us today. So, in the amended version, where we are taking out HUD and using 2.96.020, and that basically shaves off the 120 to 140 percent AMI. Is that...is...am I understanding that correctly, Deputy Director?

MR. MATAAFA: Sorry, I have to pull up the Code to look, but I can get the answer back to you if you give me a couple of minutes.

COUNCILMEMBER JOHNSON: Okay. So, the way I'm reading it is, by us using 2.96.020, it doesn't include the 120 to 140 percent AMI, and that is what would make it a little bit cheaper, I guess. Well, you know, it's all based off your income, but I...I just wanted to clarify that. So, if...Deputy Director, when you can, get back to us. And thank you so much, Chair, that's my only question.

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

CHAIR KAMA: You're very welcome. Member U'u-Hodgins?

COUNCILMEMBER U'U-HODGINS: Thank you, Chair. I don't know who this question is for, but how do we determine how much grant money somebody is capable of receiving? So, if it says up to \$100,000, how do we determine how much somebody gets?

CHAIR KAMA: Mr. Mataafa?

MR. MATAAFA: Thank you, Councilmember U'u-Hodgins. So, on the back end, once this program and the legislation that you guys will actually be voting on today set up with the Department, and if we choose to go the route of having an entity run the program with us, we'd have those discussions at that point when the grant agreement is being set up, and looking at what the actual need is, and the cost of the ADU dwelling unit, and what the...the homeowner would be requesting. We would request a ceiling of \$100,000. So that means, like, anything up to \$100,000, we'd be willing to award to any one potential grantee. So, that would be set up with either our staff if we run it from the Department, or with the entity that we choose with their staff when we're setting up that initial grant agreement. So those details will come later.

COUNCILMEMBER U'U-HODGINS: Thank you. And then, when would somebody apply for this grant, as they are in the permitting process, or after? Because E., it says grant applications must include a detailed budget and timeline. And as we know, with our County permitting system, it is so difficult to provide an accurate timeline. Can you give me an example of when somebody might apply for this?

MR. MATAAFA: You're correct that the bill right now does not indicate when somebody can apply for the funding, so that would be something that we'd work out.

COUNCILMEMBER PALTIN: Is it frozen for you folks as well? Okay. Main thing, I'm not alone here.

COUNCILMEMBER LEE: Not her.

MR. MATAAFA: Sorry. Do I have to repeat the last --

CHAIR KAMA: Yes.

MR. MATAAFA: Oh, okay. My bad. So, yes. Once the legislation is adopted, because the legislation before us doesn't have that requirement in it, the Department would be responsible for adopting guidelines to address that.

COUNCILMEMBER U'U-HODGINS: Okay. Thank you.

CHAIR KAMA: Thank you. I think Member Paltin, you had a question?

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

COUNCILMEMBER PALTIN: Thank you, Chair. I got one procedural question, and then the rest are substance ones. We just moved to substitute, but we never moved the first bill. Is that still okay, or we all understood what she meant? Procedurally speaking, are we good with that?

CHAIR KAMA: I understood it, but let's ask OCS.

MS. LILLIS: Thank you, Chair. Yes, it was to substitute; however we interpret it as a motion to pass the...the proposed CD1 version dated today on first reading.

COUNCILMEMBER PALTIN: Okay. So, we're good then on that?

CHAIR KAMA: Yeah, we're good.

MS. LILLIS: Yes.

COUNCILMEMBER PALTIN: Okay, cool. Then my substance question is, on the CD1 version, page 3, 3.34.060, Part B. I just wanted to clarify about the ten-year deed restriction. Is that on both the rental rate required by residential workforce housing units, as well as dwelling occupied long-term exclusively to permanent full-time residents of Maui County? So, for example, after ten years, they can short-term rental this out if they got the proper permitting, or they could, you know, illegal Airbnb it or whatever? Or is the ten-year deed restriction solely on the residential workforce housing rate? And...and also to clarify, that residential workforce housing rate is the ceiling, so they could rent it out for lower if...if they wanted to? And...and they're not restricted by the AMI of the person that they're renting it to if it's below?

CHAIR KAMA: I think...Mr. Mataafa, can you answer that? Or Chair Lee, would you like to answer that?

COUNCILMEMBER LEE: I can answer that.

CHAIR KAMA: Okay, go ahead.

COUNCILMEMBER LEE: Okay. With regard to the...the long-term, the idea of the ten years, as recommended by the Department, is that...not that they can...it's not there, so that they can not follow 2.96 afterwards or rent to short-term rentals. It...it's there more for the...the repayment of the \$100,000. So, if they do not...if they, for some reason, have a change with...before ten...the tenth year, then there's a repayment requirement. So, that's what the ten years is...is there for. And because...you know, the whole idea was to...to...to always rent this long-term. So, you know, I said...all I can say is --

COUNCILMEMBER PALTIN: Oh, I --

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

COUNCILMEMBER LEE: Go ahead?

COUNCILMEMBER PALTIN: -- I think, then, my next question would be to any attorney, if it would be prudent to include that language, that it should always be rented long-term to permanent, full-time residents of Maui County. If...if Deputy Director Mataafa, or I guess Ms. Toshikiyo would be all right? Or like, I guess, how would a lawyer interpret it? Is it the same as how Chair Lee intended it?

MS. TOSHIKIYO: Chair, if I may?

CHAIR KAMA: Are you here, Ms. Toshikiyo? Oh, here you are.

COUNCILMEMBER LEE: Yes, she is.

MS. TOSHIKIYO: The way I'm reading it right now is, I think what Ms. Paltin is saying is that the ten-year deed restriction is for the rental rates, as well as for the full-time residents of Maui County together, so and...so both of them would be subject to the ten-year deed restriction. And if there is a requirement that should they (*audio interference*) not follow the deed restriction, then there would be a repayment obligation. That can be added in if that's the intention. But I think anything after the ten-year deed restriction, then this would no longer apply. And just kind of as a side note, like, I...your question about could they rent below the residential workforce housing units? The way I read it right now, it's at that specific rate that's required, so if you wanted to be able to rent below, then perhaps it could state up to the rate required or, you know, at least put that ceiling, but then there would be the ability to rent at a lower amount.

*(Councilmember Lee raises her hand.)*

COUNCILMEMBER PALTIN: I'd...I'd like to be able to allow them to rent at a lower amount, so I'd love to add that "up to." And as to the legality of having it be used exclusively, or in perpetuity, the dwelling would be occupied by permanent, full-time residents of Maui County if it were being rented. You know, if they choose not to rent it after the ten years, and just have, you know, their college kids come back and stay there or whatever, that's cool with me. But I don't think it should be rented out in that fashion because we already have a big STR overage. And I could take a stab at that wording, but I think it's best left in the hands of a professional word...worder maker [*sic*]...word maker.

CHAIR KAMA: Wordsmith (*phonetic*).

COUNCILMEMBER PALTIN: Wordsmith. There you go, Chair. Thank you. Thank you for that assistance. But I guess if...if Deputy Director Mataafa has any comments on that type of proposal, I'd be happy to hear them.

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

MR. MATAAFA: Thank you, Councilmember. Yeah, I don't have anything against the proposal that...how you propose it, if I'm understanding it correctly. But...and I'd like to...I'd like to see the language before I make my next comment, if that's okay.

COUNCILMEMBER PALTIN: Yeah. Yeah. I mean, I could call a friend or something, or an attorney.

CHAIR KAMA: Chair Lee?

COUNCILMEMBER LEE: Well, since we don't have the actual verbiage right now, can we just make that amendment at a later time, as we are advancing? First reading, second reading? And the other thing too, is, this is exactly why it's a pilot project, you know, so that we can work out all the details and not try and stymie it at...at this point because we're stopping it when people need it today. You know, like today. So, I think let's --

CHAIR KAMA: What Member Paltin --

COUNCILMEMBER LEE: -- let's try and fix...you know, either come up with separate verbiage at...at...when it goes to Council...when it goes to Council, and/or include it as a legislative intent, so that the Admin Rules would include the language like this. Because people have to sign contracts, you know, to get the money. And so, let's not...let's not do the actual administration of the bill here. You know, let's...either we put the words in, or we say the legislative intent is that it should be included in the grant agreements, okay?

CHAIR KAMA: Member Paltin?

COUNCILMEMBER PALTIN: I move to amend page 3, 3.34.060, Homeowner Programs Criteria, section B., to say, grant recipients must contractually agree to deed restrictions to rent the dwelling up to the rate required for residential workforce housing units, as derived...as defined by Section 2.96.020, and to rent the long...the dwelling long-term exclusively to permanent, full-time residents of Maui County for at least ten years. And beyond the ten years, must rent the dwelling long-term exclusively to permanent, full-time residents of Maui County for at least ten years--or strike that ten years part. It would say, and to...beyond the ten years, rent the dwelling long-term, exclusively to permanent, full-time residents of Maui County if it's continuing to be rented. For form and legality, including any nonsubstantive changes. Check before Member Sinenci.

CHAIR KAMA: Okay. So, it's been moved and seconded by Member Paltin, seconded by Member Sinenci, to put in these amendments. So, between the word dwelling and add in "up to," and after "ten years," include "and beyond, must rent the dwelling." Right? Is that correct, Member Paltin? But I didn't get what you wanted --

COUNCILMEMBER PALTIN: Yeah, I think I --

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

CHAIR KAMA: At no --

COUNCILMEMBER PALTIN: -- struck the at --

CHAIR KAMA: -- *(audio interference)* and what did you put in its place?

COUNCILMEMBER PALTIN: I didn't strike that last part. And then I...I did strike the "at," so it would be "to rent the dwelling up to" the rate, and then I kept that last sentence. I didn't erase the last sentence, I just...in between the second to the last sentence and the last sentence, I wrote --

CHAIR KAMA: *(Audio interference)* beyond --

COUNCILMEMBER PALTIN: -- beyond the ten-year deed restriction, grant recipients must rent the dwelling long-term exclusively to permanent, full-time residents of Maui County if they continue to rent it out.

CHAIR KAMA: So, you left off at no cost to the occupant.

COUNCILMEMBER PALTIN: No. Then, that's the last sentence. The dwelling may also be occupied long-term exclusively --

CHAIR KAMA: Okay.

COUNCILMEMBER PALTIN: -- to permanent, full-time residents of Maui County at no cost to the occupant.

CHAIR KAMA: Okay. All right.

COUNCILMEMBER PALTIN: Like, I just sandwiched a little sentence in between the second and third to last...first be...second to last and last sentence in that part B.

CHAIR KAMA: So, I'm going to ask the Staff if they got that all.

MS. LILLIS: Chair, we definitely understand Councilmember Paltin's intent, and would...and just reiterate that she did give us powers to make nonsubstantive changes --

CHAIR KAMA: Okay.

MS. LILLIS: -- for clarity.

CHAIR KAMA: Okay. Yes, Member --

COUNCILMEMBER LEE: I don't necessarily agree with that.

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

CHAIR KAMA: Okay.

COUNCILMEMBER LEE: You know...you know, this is the reason why we have the reputation of having the worst housing regulations in the world, because we keep piling on all of these conditions, and make it so tough for the average person to access our programs. I mean, I can see up to ten years having an obligation, but for the rest of their lives? I don't think so. Not for \$100,000. Come on, they're helping us...they're helping us, \$10,000 a year, up to ten years. So, they need to continue that on? I don't...that's not fair...that's not fair to the regular person. So, you know, I say the ten years up to the...I can understand that...to rent the dwelling up to the rate required by the residential workforce housing units as defined by Section 2.96.020. But the second half, where they're going to be required to rent this the rest of their lives? No. No, I say no. I...I...give the person a chance to...to rent to their relatives, to rent to whomever they want to rent to afterwards. Because their obligation to the County is over. Thank you.

CHAIR KAMA: Okay. Member Sugimura, you had your hand up?

COUNCILMEMBER SUGIMURA: Yeah. Difficulty that we always present is, how do you enforce things like this, right? And if it's going to become a condition, then we're going to have to monitor it for the rest of...in perpetuity, or, right, past the ten years. So, I cannot support it. I understand the intent. Thank you, Member Paltin.

CHAIR KAMA: Okay. Let's continue with Member Johnson.

COUNCILMEMBER JOHNSON: Okay. I have a question for Councilmember Paltin. The...the intent here is to make sure that they're not doing short-term rentals, but we have caps on short-term rentals now, correct? Is it that, like, if someone was...after ten years, and maybe one of those short-term rentals decided to close, there's a slot that they could slide into? Is that...is that what you're trying to prevent? That's for Councilmember Paltin.

COUNCILMEMBER PALTIN: So, you're talking about short-term rental home permits. That's not the only way that short-term rentals occur legally. You could also have a legal short-term rental by zoning, or a planned development, or other ways. If...if somebody was in a Hotel-zoned thing and they took advantage of this, after ten years, it could become a short-term rental. And to clarify, if they wanted to put their family in it, and they weren't permanent, full-time residents of Maui County, at no cost to the occupants, that would not be prohibited. And then there's all the illegal short-term rentals that is also a thing. You would just be kind of clarifying upfront to the grant recipient that the purpose of this is to never be a short-term rental, whether it's their family members, a college student returning after the ten years, that wouldn't prohibit it. It just would say that, you know, if you're going to rent it out beyond the ten years for whatever amount you decide to rent it out to, that we're trying to help permanent, full-time residents of Maui County, long-term.



**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

COUNCILMEMBER JOHNSON: Thank you, Chair.

COUNCILMEMBER PALTIN: It doesn't prohibit them putting their college student in there, their auntie, their uncle, whomever.

CHAIR KAMA: Okay, we're going to --

COUNCILMEMBER PALTIN: And --

CHAIR KAMA: -- we're going to continue with Member Cook.

COUNCILMEMBER SINENCI: Oh, Chair?

CHAIR KAMA: Oh, Member Sinenci?

COUNCILMEMBER SINENCI: Thank you, Chair, and mahalo, Member Cook. So, a question for Member Paltin. This is...the wording is just to prohibit the short-term rental after the ten years?

COUNCILMEMBER PALTIN: As...as well as renting to nonpermanent residents.

COUNCILMEMBER SINENCI: And...and I understand that the Mayor, you know, he's putting...we're having a special meeting, right, because the Mayor has...is trying to limit the short-term rentals and try to get long-term rentals for...for our residents. A majority--like the Monroe [sic] family--the majority of these units would be in...in residential neighborhoods. So, I think by...and a lot of them, especially in Pā'ia, do not have any parking. So those illegal, short-term rentals that are...that are there are taking up a lot of the parking--can't even drive through some of these neighborhoods, including Hāna. So, I mean, you have a point there, if you...you don't want to kind of have all these cars coming in through the small neighborhoods because you've got these short-term rentals. I can support the short-term rentals part. Thank you, Chair.

CHAIR KAMA: So, Member Cook, you have no questions? Member U'u-Hodgins.

COUNCILMEMBER U'U-HODGINS: Thanks, Chair. I understand Member Paltin's point. But if she wanted to disallow short-term rentals, then we can be specific to say, you know, not allowing short-term rentals. I understand what Chair is saying, where this grant is up to \$100,000. Let's say it's 500...let's say they get \$50,000. Right now, to build anything, you're talking about nearly \$400, \$500 a square foot. So, the County is really helping with maybe 200 square feet at...at best. So, in order to...and let's say you're making a 1,000-square foot structure in order to fit a family, which is an 'ohana, which is basically the most you can allow in, like, ag land. That is 800 square feet that the owner is covering themselves. I don't disagree that a ten-year time limit is worth 200 square feet. Is it worth it forever? Probably not, especially as we see how much rent increases. And I don't disagree that people are price gouging, but I would hate to

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

restrict the average, normal person to prevent the one or two people that are going to take advantage of this situation. And so, I think we should best create laws regarding housing that benefit majority of the people instead of creating all these restrictions to prevent the one or two people that are going to be the bad apples. Because they're going to find a way anyway, and we should handle that when that comes up. Thank you.

CHAIR KAMA: Okay. If we've exhausted all of our questions on Member Paltin's amendment, I think we should take...do a roll call vote. Okay? Staff, could you do that?

MS. GRECO: So, roll call vote on the motion to amend as stated by Councilmember Paltin. Councilmember U'u-Hodgins?

COUNCILMEMBER U'U-HODGINS: No.

MS. LILLIS: Councilmember Sugimura?

COUNCILMEMBER SUGIMURA: No.

MS. LILLIS: Councilmember Sinenci?

COUNCILMEMBER SINENCI: Aye.

MS. LILLIS: Councilmember Rawlins-Fernandez is excused. Councilmember Paltin?

COUNCILMEMBER PALTIN: Aye.

MS. LILLIS: Chair Lee?

COUNCILMEMBER LEE: No.

MS. LILLIS: Councilmember Johnson?

COUNCILMEMBER JOHNSON: Aye.

MS. LILLIS: Committee Vice-Chair Cook?

VICE-CHAIR COOK: No.

MS. LILLIS: Committee Chair Kama?

CHAIR KAMA: No.

MS. LILLIS: Chair, you have three "ayes," five "noes," one excused. Motion fails.

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

**VOTE: AYES: Councilmembers Johnson, Paltin, and Sinenci.**

**NOES: Chair Kama, Vice-Chair Cook, and Councilmembers Lee, Sugimura, and U'u-Hodgins.**

**ABSTAIN: None.**

**ABSENT: None.**

**EXC.: Councilmember Rawlins-Fernandez.**

**MOTION FAILS.**

**ACTION: DISAPPROVED amendment.**

MS. LILLIS: Back to the main motion.

CHAIR KAMA: Okay. Vote on the main motion. Do we need to roll call?

COUNCILMEMBER PALTIN: Oh --

CHAIR KAMA: Yes, Member?

COUNCILMEMBER PALTIN: -- I move to amend.

CHAIR KAMA: Go ahead, Member Paltin, and then Member Cook.

COUNCILMEMBER PALTIN: Okay.

CHAIR KAMA: Okay, thank you.

COUNCILMEMBER PALTIN: I move to amend page 3, 3.34.060, and this time, to put Part B., grant recipients must contractually agree to deed restrictions to rent the dwelling up to the rate required for residential workforce housing units as defined by Section 2.96.020. Blah, blah, blah, all the rest of that. And then on page 4, to add a Section J., that would say transient vacation rentals are prohibited in the unit at all times. And any amendments to form and legality or nonsubstantive changes. That's my motion.

COUNCILMEMBER LEE: I'll second...I'll second for discussion, but *(audio interference)*.

CHAIR KAMA: Okay, first of all, I want to make sure I got that amendment again. Member Paltin, could you please repeat Section 4.J.--or was it...yeah, J.

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

COUNCILMEMBER PALTIN: Okay. On page 4, would say that transient vacation rental, short-term rentals, whatever term you want to use, are prohibited in the unit at all times.

CHAIR KAMA: Did you get that, Staff? Okay. Okay, it's been moved and...moved by Member Paltin, seconded by Chair Lee for discussion. The amendment, Chair Lee?

COUNCILMEMBER LEE: Yeah. Member Paltin, would you consider, back in section B., on the one, two, three, four...fourth line, where it says full-time residents of Maui County for at least ten years?

CHAIR KAMA: She left it.

COUNCILMEMBER LEE: Can --

CHAIR KAMA: She didn't change that.

COUNCILMEMBER LEE: No, no, no, no, no. I'm asking her if she would --

COUNCILMEMBER PALTIN: *(Audio interference)*.

COUNCILMEMBER LEE: -- consider...no, would you consider taking out "at least"? The words "at least"? Because that can be...because that can be complicated if somebody dies, and so, you know, they have to make the change in...before ten years. No, I was asking her if she would consider it as part of her amendment.

COUNCILMEMBER PALTIN: Chair, that's your...your words. I didn't change it, you know that, right?

COUNCILMEMBER LEE: Okay. No, since you were making an amendment --

COUNCILMEMBER PALTIN: Oh.

COUNCILMEMBER LEE: -- I just thought you were including that...those...that aspect. You know, removing "at least." But if not, that's okay.

COUNCILMEMBER PALTIN: Shucks, I...I don't...I don't really want to. Sorry.

COUNCILMEMBER LEE: You don't really want to? Okay. I was just asking. Okay. So, now we can go for more discussion on the amendment.

CHAIR KAMA: Okay. Member Sugimura?

COUNCILMEMBER PALTIN: I...for my discussion, I just was taking Member U'u-Hodgins' suggestion.

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

CHAIR KAMA: Member Sugimura.

COUNCILMEMBER SUGIMURA: Yeah. So, I just want to hear from the Department. I think what is really important, is that we are being sure that all these discussions we're having will support what the Department has to be...has to do for accountability and...and responsibility on behalf of the Department --

MR. MATAAFA: Chair?

COUNCILMEMBER SUGIMURA: -- to administer this. I...I just don't want us to go so far off the range.

MR. MATAAFA: Yeah. So, from the Department's standpoint is, we don't want the...this program to go in that direction either. And I don't necessarily think you have to do it in this legislative piece right now. I think we can control that on our end with our controls, internal controls, that we have available to us. But if it's left in there, we'll deal with it when it gets to that point too. Well, we'll have the ability with the compliance side, with whatever entity we choose, if we go that route, to make sure that that's clearly the goal, is to make sure that, you know, this isn't for short-term rental, it's to increase our affordable housing inventory and to create new solutions to tap into, you know, a potential solution that hasn't really been explored ad nauseum to this point. So, as it was previously mentioned, it is a pilot program, so we should continue like it is a pilot program for now, and not try to put so many restrictions on it where...from the Department's end, we do want to make sure that it's going to...to locals, and making sure that for us, is having that compliance piece to monitor and be able to, you know, look and see that the units are being rented to the people that they're supposed to be rented to. So, we'll only have control with what the legislation allows us to have, but with our internal controls, our intent is not to have it go the other direction and have it be used for short-term...short-term rentals. I think that can be accomplished with or without amendment.

CHAIR KAMA: Thank you. . . .(inaudible). . .

COUNCILMEMBER LEE: Thank you, Chair. I am going to support this motion to amend, and I think...I agree with Member Nohe U'u-Hodgins because our legislation should be directed at the majority of our residents and that...not penalize the majority for the one or two people who are going to, you know...ultimately, you know, and which we...it's not preventable. There are people who are just not going to follow the laws. But by adding that additional letter J., we are emphasizing that this is not meant for short-term rentals, even though, you know what? Would have been illegal anyway, so...without, you know, a conditional use permit. So, again, thank you very much for this compromise. I appreciate it because we really need to get some...get this bill moving, so that the Monroe's [sic] and other people like them can take advantage of this program. Thank you.

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

CHAIR KAMA: Okay. I just want to say that I think I've heard the mispronunciation of the name; it's Moreau, and not Monroe. Just want to make sure. I don't know if you were hearing that, but you know, it's all...just so that --

COUNCILMEMBER LEE: Thank you.

CHAIR KAMA: -- we all know.

COUNCILMEMBER LEE: Sorry.

CHAIR KAMA: Okay?

COUNCILMEMBER LEE: Sorry.

CHAIR KAMA: So, thank you.

MR. MOREAU: It's all right. No worries.

CHAIR KAMA: But just to set the record straight. Thank you, Mr. Moreau. So, any other discussion on this amendment? Member U'u-Hodgins.

COUNCILMEMBER U'U-HODGINS: Thank you, Chair. Thank you, Member Paltin. I am totally happy to support this. If this is for the creation of more affordable homes and long-term rentals, then we should ensure that it stays that way. Thank you.

CHAIR KAMA: Any other discussion? See, that's why I love you all. You're just always looking for compromises, building bridges. Okay. Members, I'm going to ask for the vote, and I'm hoping that we don't need to do a roll call. So, can we just call for a voice vote?

COUNCILMEMBER LEE: Yes.

CHAIR KAMA: Okay. All those in favor of the amendment, please say "aye," and raise your right hand.

COUNCILMEMBER LEE: Two hands.

CHAIR KAMA: I see eight "ayes"...oh, okay. A hand is a hand. But you still get one vote. Okay, I see eight "ayes," one excused, Member Rawlins-Fernandez.

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

**VOTE:**       **AYES:**   **Chair Kama, Vice-Chair Cook, and Councilmembers Lee, Johnson, Paltin, Sinenci, Sugimura, and U‘u-Hodgins.**

**NOES:**   **None.**

**ABSTAIN:**   **None.**

**ABSENT:**   **None.**

**EXC.:**   **Councilmember Rawlins-Fernandez.**

**MOTION PASSES.**

**ACTION:**   **APPROVED amendment.**

CHAIR KAMA: Okay. Now we’re back to Bill 38 CD1, the substitution, correct? Is that right, Staff?

MS. GRECO: This is to pass the CD1 version. This is not a substitution.

CHAIR KAMA: Oh, okay, right, the CD1. Okay. So, we already have the motion on the floor. So, can I...yes, Member Sugimura?

COUNCILMEMBER SUGIMURA: So, I support that, but I just want to...I have a question. So, could a person use this 100,000, or up to 100,000 and build it for my family...right? I have ten people living in my house and I want to peel off five and put them in this ADU and not charge them rent. Is that all right?

CHAIR KAMA: I would assume so, but...Mr. Mataafa?

MR. MATAAFA: It’s specified that you have to be the property owner to be eligible for the program.

CHAIR KAMA: Owner-occupied, right?

MR. MATAAFA: Yes.

COUNCILMEMBER LEE: That wasn’t your question.

COUNCILMEMBER SUGIMURA: Yeah, I wanted to know about the rent. Can I...can I...can I let my five people living in my house . . .*(inaudible)*. . . rent-free in the ADU?

COUNCILMEMBER LEE: Yeah?

**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

**November 29, 2023**

---

MR. MATAAFA: The way that it's structured, it's up to the rental guidelines specified in 2.96.020. So, yes, you could rent it for free.

CHAIR KAMA: You could rent it for free?

COUNCILMEMBER U'U-HODGINS: That's what the last sentence says, is --

MR. MATAAFA: It's up to --

COUNCILMEMBER U'U-HODGINS: -- *(audio interference)* dwelling.

COUNCILMEMBER SUGIMURA: Okay.

COUNCILMEMBER U'U-HODGINS: And no.

COUNCILMEMBER SUGIMURA: I just want to be clear with all the testifiers, I just want to make the understanding that it's okay.

UNIDENTIFIED SPEAKER: Yeah, it is.

COUNCILMEMBER SUGIMURA: And I am concerned about the wildfire, you know, impacted folks. And I wonder if, when this is administered, they'll be given some special...special considerations. Department?

CHAIR KAMA: Department?

MR. MATAAFA: I think that --

CHAIR KAMA: Special considerations?

MR. MATAAFA: -- piece...sorry. So, it's not written in the Code that it has to...we have to give that consideration to wildfire survivors. So, if...if...I mean, it'd be up to the landowners and homeowners if they have the...have and they're willing to, we'd take it up as we get their applications and as funding is available, made available to them. So, we would like it to go there, but we can't mandate that it goes directly to them right now with the way the legislation is created.

CHAIR KAMA: Okay. Checking.

COUNCILMEMBER LEE: Thank you. I just want to remind everybody that this is a funding mechanism, and really, it doesn't give you any advantage with regard to permitting or anything else. You have the Code, whatever is in the Code is what you need to follow, like any addition to your house. Although I must tell you that all of us are trying to come up with legislation to expedite permitting...not only for...for these 'ohanas, but for





**HOUSING AND LAND USE COMMITTEE MINUTES**  
**Council of the County of Maui**

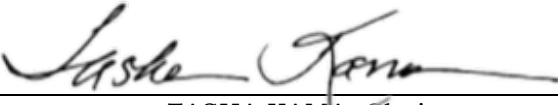
**November 29, 2023**

---

CHAIR KAMA: I'm so proud of you. It's not even lunch time. But thank you very much. So, Member...Chair Lee, we need another Skill Village. We're waiting on you, okay? Okay, right. So, Members, there is nothing else before this Committee, and therefore the HLU Committee is now adjourned at 11:45 a.m. Meeting adjourned. . . .*(gavel)*. . .

**ADJOURNED:** 11:45 a.m.

APPROVED:

A handwritten signature in black ink, appearing to read "Tasha Kama", is written over a horizontal line.

TASHA KAMA, Chair  
Housing and Land Use Committee

hlu:min:231129-d:slv:kr

Transcribed by: Kaliko Reed

**HOUSING AND LAND USE COMMITTEE MINUTES  
Council of the County of Maui**


**November 29, 2023**

---

CERTIFICATION

I, Kaliko Reed, hereby certify that pages 1 through 58 of the foregoing represents, to the best of my ability, a true and correct transcript of the proceedings. I further certify that I am not in any way concerned with the cause.

DATED the 29th day of December 2023, in Wailuku, Hawai'i



---

Kaliko Reed