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Director of Council Services
David M. Raatz, Jr., Esq.

Deputy Director of Council Services
Richelle K. Kawasaki, Esq.

COUNTY COUNCIL
COUNTY OF MAUI
200 S. HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.MauiCounty.us

April 14, 2026

Ms. Lesley Milner, Budget Director
Office of the Mayor
County of Maui
Wailuku, Hawaii 96793

Dear Ms. Milner:

SUBJECT: **PROPOSED FISCAL YEAR 2027 BUDGET FOR THE
COUNTY OF MAUI** (BFED-1) (BD-19)

Thank you for participating in the Council's Budget, Finance, and Economic Development Committee meetings for the Proposed Fiscal Year 2027 Budget.

May I please request the following relating to the Hale O La'ie project:

1. The proposed FY 2027 Budget includes a \$2.5 million appropriation for the project. The FY 2026 Budget included a \$5.2 million appropriation. Bill 75 (2026) proposes to delete the FY 2026 appropriation because funding was not needed until FY 2027. If the funding was not needed until FY 2027, please explain why the proposed FY 2027 amount is \$2.5 million rather than \$5.2 million. Please include any changes to the project's scope, schedule, financing, estimated cost, or implementation plan.
2. Please explain the current operational plan, including the Administration's plan to support wildfire survivors currently residing at the facility. Please also provide the current timeline for continued occupancy, transition planning, and project completion.

May I further request that you transmit your response to bfed.committee@mauicounty.us by **8:00 a.m. on April 17, 2026**.

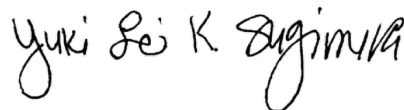
Ms. Lesley Milner
April 14, 2026
Page 2

May I also request that you restate the questions followed by your corresponding response. Include any attachments or exhibits. Please ensure your response is clear and legible by using a minimum 12-point font throughout so Committee Members and the public can easily read the document once it is posted.

To ensure efficient processing, please duplicate the coding in the subject line above for easy reference.

Thank you for your attention to this request. Should you have any questions, please contact me or the Committee staff (Kirsten Szabo at ext. 7662, James Krueger at ext. 7761, Jarret Pascual at ext. 7141, Clarissa MacDonald at ext. 7135, or Pauline Martins at ext. 8039).

Sincerely,

A handwritten signature in black ink that reads "Yuki Lei K. Sugimura". The signature is written in a cursive style with a large, looped "Y" and "S".

YUKI LEI K. SUGIMURA, Chair
Budget, Finance, and Economic
Development Committee

bfed:2027bgt:260414abd01:kes

cc: Mayor Richard T. Bissen, Jr.

BFED Committee

From: BFED Committee
Sent: Wednesday, April 15, 2026 8:38 AM
To: Lesley Milner
Cc: Kristina Cabbat; Tiare P. Horner; Shirley Blackburn; Janina Agapay; Zeke Kalua
Subject: PROPOSED FISCAL YEAR 2027 BUDGET FOR THE COUNTY OF MAUI (BFED-1) (BD-19)
Attachments: 260414abd01 (BD-19).pdf

Importance: High

RICHARD T. BISSEN, JR.
Mayor

JOSIAH NISHITA
Managing Director



OFFICE OF THE MAYOR
COUNTY OF MAUI
200 SOUTH HIGH STREET
WAILUKU, MAUI, HAWAII 96793
www.mauicounty.gov

April 16, 2026

Honorable Richard T. Bissen, Jr.
Mayor, County of Maui
200 South High Street
Wailuku, Hawaii 96793

APPROVED FOR TRANSMITTAL

Richard T. Bissen 4-16-26

Mayor Date

For Transmittal to:

Honorable Yuki Lei K. Sugimura, Chair
and Members of the Budget, Finance, and Economic Development Committee
200 South High Street
Wailuku, Hawaii 96793

Dear Chair Sugimura:

**SUBJECT: PROPOSED FISCAL YEAR 2027 BUDGET FOR THE
COUNTY OF MAUI (BFED-1) (BD-19)**

Pursuant to your correspondence dated April 14, 2026, below are the responses to the following:

1. The proposed FY 2027 Budget includes a \$2.5 million appropriation for the project. The FY 2026 Budget included a \$5.2 million appropriation. Bill 75 (2026) proposes to delete the FY 2026 appropriation because funding was not needed until FY 2027. If the funding was not needed until FY 2027, please explain why the proposed FY 2027 amount is \$2.5 million rather than \$5.2 million. Please include any changes to the project's scope, schedule, financing, estimated cost, or implementation plan.

Response: The \$5.2 million included in FY 2026 was to be used for an RFP for development of the property, including renovations. Due to the need to extend the Hawaii Interim Housing Program (HIHP), these funds are no longer needed in FY 2026.

*Under the fully executed first amendments to the Hale 'O Lā'ie Ground Lease, MOA, and Regulatory Agreement, HHFDC's use of the property for the HIHP was scheduled to end on August 31, 2026. The County **would** have taken the property over for development on September 1.*

Given the shortage of permanent housing, and concerns with making the August 31, 2026, deadline, the State requested additional time to transition out HIHP users until February 2027, which necessitated further amendments to the Hale 'O Lā'ie agreements.

Under the second set of amendments to the Hale 'O Lā'ie Ground Lease, MOA, and Regulatory Agreement, HHFDC's use of the property for the HIHP is now scheduled to end on February 28, 2027. These amendments are currently with the State AG for review. Once they are fully executed, the County will take over the property for development purposes on March 1, 2027. The \$2.5 million in the Department of Housing's budget for Hale 'O Lā'ie is to assist with covering a portion of the costs associated with continued housing of the HIHP users from September 1, 2026, through February 28, 2027. The Administration intends to request the introduction of legislation to authorize the County's support of HIHP through February 28, 2027.

2. Please explain the current operational plan, including the Administration's plan to support wildfire survivors currently residing at facility. Please also provide the current timeline for continued occupancy, transition planning, and project completion.

Response: As stated above, the current operational plans are for the property to continue to be used for HIHP through February 28, 2027. After this date the County will take over the property for development purposes.

Should you have any questions, please contact me at ext. 8239.

Sincerely,



LESLEY MILNER
Budget Director

BFED Committee

From: Lesley J. Milner <Lesley.J.Milner@co.maui.hi.us>
Sent: Thursday, April 16, 2026 6:01 PM
To: BFED Committee
Cc: Kristina Angeline C. Cabbat; Tiare P. Horner; Shirley Blackburn; Janina E. Agapay; Ezekiel I. Kalua
Subject: RE: PROPOSED FISCAL YEAR 2027 BUDGET FOR THE COUNTY OF MAUI (BFED-1) (BD-19)
Attachments: (BFED-1)(BD-19).pdf

Aloha,
Please see attached correspondence. Thank you.
-Lesley



Lesley J.C. Milner

Budget Director

Office of the Mayor

808-270-8239

Lesley.j.milner@co.maui.hi.us

From: BFED Committee <BFED.Committee@mauicounty.us>
Sent: Wednesday, April 15, 2026 8:38 AM
To: Lesley J. Milner <Lesley.J.Milner@co.maui.hi.us>
Cc: Kristina Angeline C. Cabbat <kristina.cabbat@co.maui.hi.us>; Tiare P. Horner <tiare.p.horner@co.maui.hi.us>; Shirley Blackburn <shirley.blackburn@co.maui.hi.us>; Janina E. Agapay <janina.e.agapay@co.maui.hi.us>; Ezekiel I. Kalua <zeke.kalua@co.maui.hi.us>
Subject: PROPOSED FISCAL YEAR 2027 BUDGET FOR THE COUNTY OF MAUI (BFED-1) (BD-19)
Importance: High