

Good afternoon,

Thank you for the opportunity to discuss some items regarding the revision of the Residential Workforce Development Agreement. My name is Delene Osorio, I am speaking on behalf of myself as I have previously managed affordable housing properties in Hilo for the past 19 years.

For 2.96.90 Applicant Selection-Ownership: B3 states “Have gross annual family income (not to include income of minors) which doesn’t exceed 140% of the county’s area median income”.....

For the council’s consideration: Delete 2.96.100 applicant Selection Process-Rental Units: Section D (4):

The developer, its partner, or its management company shall submit copies of the following information to the department to verify the rental of residential workforce housing units to eligible renters:

- a. Applicant's completed final rental application;
- b. Executed rental lease; and
- c. All signed federal and state tax returns used to determine eligibility, or any other documents used to determine eligibility by the developer, its partner, or its management company.

The average amount of paper involved in certifying an applicant to live in an affordable housing property ranges from as little as 60 pages to more than 100 pages per family consisting of the following: Application and interview questionnaires (16 pages), Executed lease plus all docs associated with the lease (40-50 pages), Tax returns (1-to 15 pages) if there are multiple jobs or business involved, Six months of bank statements from each financial institution where the applicants do their banking. All verification forms that are sent to employers and/or other businesses.

Each Low Income Housing Tax Credit and Rental Housing Revolving Fund supported properties have a “move in” audit conducted by the tax credit investor. Each year, property managers/owners are required to submit an annual report to HHFDC via Spectrum LIHTC, the compliance management company retained by HHFDC, to audit all annual reports –these reports are due by February 1st. If Section 8 vouchers are issued, that is another layer of audit that is conducted.

Rather than having all documents copied and submitted, each management company/owner should be allowed to submit a certification that all tenant certifications comply with your requirements to live in properties which receive funding from Maui County by March 1st of each year might be a more expeditious way of getting the information. An excel spreadsheet could contain the basic information that would be satisfactory to support the department’s requirements. As an alternative or, in addition, the department might also reserve the right to review tenant files at the management company office during business hours when requested. Changing the process in use protects the confidentiality of the applicant or tenant and saves a duplication of effort as files already go through 2 audits.

The information for rentals required above may be combined with the requirements for 2.96.110 (C) below which states: For rental developments, the developer, its partner, or its management company shall submit an

annual report of rental units to the department that includes the following:

1. The tenant's move-in date; and
2. The income group of the tenant or family.
3. ADD: The tenant’s AMI%, size of the family, # of bedrooms.

The name of the chapter is “Residential Workforce Affordable Housing Policy”. If there no other chapter referencing affordable housing, consider changing the name of the chapter to “Affordable Housing Policy” as the reference to “residential workforce” is confusing.

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Delene Osorio