

HOUSING AND LAND USE COMMITTEE

Council of the County of Maui

MINUTES

October 9, 2024

Online Only via Teams

CONVENE: 9:04 a.m.

PRESENT: Councilmember Tasha Kama, Chair
Councilmember Tom Cook, Vice-Chair
Councilmember Gabe Johnson, Member
Councilmember Alice L. Lee, Member (Out 9:35 a.m.)
Councilmember Tamara Paltin, Member
Councilmember Keani N.W. Rawlins-Fernandez, Member
Councilmember Shane M. Sinenci, Member
Councilmember Yuki Lei K. Sugimura, Member (In 9:28 a.m.; Out 12:05 p.m.)
Councilmember Nohelani U‘u-Hodgins, Member

STAFF: James Krueger, Senior Legislative Analyst
Ellen McKinley, Legislative Analyst
Carla Nakata, Legislative Attorney
Jennifer Yamashita, Committee Secretary
Criselda Paranada, Committee Secretary
Lei Dinneen, Council Services Assistant Clerk
Ryan Martins, Council Ambassador

Residency Area Office (RAO):

Roxanne Morita, Council Aide, Lāna‘i Residency Area Office
Mavis Oliveira, Council Aide, East Maui Residency Area Office
Bill Snipes, Council Aide, South Maui Residency Area Office

ADMIN.: Kristina Toshikiyo, Deputy Corporation Counsel, Department of the Corporation
Counsel
Greg Pfof, Administrative Planning Officer, Department of Planning
Richard “Remi” Mitchell, Director, Department of Housing
Buddy Almeida, Housing Administrator, Department of Housing
Shayne Agawa, Director, Department of Environmental Management
Marc Takamori, Director, Department of Transportation
John Stufflebean, Director, Department of Water Supply

OTHERS: Desilee Santiago, Member, Maui Tenants & Workers Association
Alana Kay, Organizer, Maui Tenants & Workers Association
Michael Williams, President, Maui Tomorrow Foundation
Michael Trotto, President, Nā Hale O Maui
Leonard Nakoa
Carrie DeMott, Interim Executive Director, Nā Hale O Maui
Johann Lall

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

October 9, 2024

Krizhna Bayudan, Maui Tenants & Workers Association
Lehua Simon
Jasee Law

Others (50)

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

CHAIR KAMA: *... (gavel) ...* Will the Housing and Land Use Committee meeting of October 9th, 2024, come to order. It is now 9:04 a.m. I am Tasha Kama, Chair of the Housing and Land Use Committee. This online meeting is being conducted in accordance with the Sunshine Law. Members, when your name is called, if you are not with me in the Council Chamber, please identify by name who, if anyone, is in your workspace with you today, and minors do not need to be identified. Do we have any questions before we begin? Okay. Seeing none. So, I want to say good morning and ahaw to our illustrious Council Chair Lee, who will be able to tell us where it comes from and what it means.

COUNCILMEMBER LEE: Good morning and ahaw, Chair Kama. This is from the Indian tribe of Potawatomi in Milwaukee, and their population runs around 28,000, and ahaw is their favorite greeting. I also wanted to say that I'm home alone in my workspace. But I have to leave the meeting early because I have to represent you all at the Kaunoha RSVP luncheon today. So, I probably have to jump off the call probably around quarter to 10 because it starts at 10.

CHAIR KAMA: Okay.

COUNCILMEMBER LEE: Okay. Thank you.

CHAIR KAMA: Thank you, Chair. So, if there's any other Members that are leaving to go early, let us know what time you need to leave so that maybe we can get your questions in sooner. Okay. Thank you for that. Let's go to our Committee Vice-Chair, Tom Cook. Aloha and ahaw.

VICE-CHAIR COOK: Ahaw, Chair. Aloha, good morning, all. There are currently no testifiers in the Kīhei Regional Office, and excited to be talking about housing.

CHAIR KAMA: Thank you. So, let's continue on with Member U'u-Hodgins. Good morning and ahaw.

COUNCILMEMBER U'U-HODGINS: Good morning and ahaw, everyone. And if somebody could enable my camera function, I'd appreciate it. Thank you.

CHAIR KAMA: Okay. Staff will do that right now. Thank you. So, we want to say good morning and ahaw to Councilmember Tamara Paltin.

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

October 9, 2024

COUNCILMEMBER PALTIN: Aloha kakahiaka kākou and ahaw. Streaming live and direct from Nāpili. I'm here with two unnamed minors; one unnamed canine; one named canine, Kingy Poo Paltin-Vierra; and Kaleo, the EcoShield Pest Control guy just left.

CHAIR KAMA: Thank you for that roll call. . . .*(laughing)*. . . We're going to continue on with Councilmember Gabe Johnson. Aloha and ahaw.

COUNCILMEMBER JOHNSON: Ahaw, Chair, Councilmembers, community members. There's no testifiers at the Lāna'i District Office, and I'm alone in my workspace. Feeling under the weather today, so I figured I'd stay home and work from home. Mahalo, Chair.

CHAIR KAMA: Okay. Thank you. So, we're going to say good morning and ahaw to Councilmember Shane Sinenci.

COUNCILMEMBER SINENCI: Aloha, Chair, and aloha ahaw hiaki...hiaka kākou *(phonetic)*. I'm here at my home office. I'm here by myself. No testifiers in Hāna. But Chair, I...I just need to drop off after 10, and then I'll jump back on.

CHAIR KAMA: Okay.

COUNCILMEMBER SINENCI: Thank you.

CHAIR KAMA: I love the way you all stay under something and jump off things. Wonderful. I want to say good morning and ahaw to our Director of Housing, Richard "Remi" Mitchell. Good morning.

MR. MITCHELL: Good morning, Chair, and --

COUNCILMEMBER SINENCI: Hi.

MR. MITCHELL: -- good morning, Committee Members.

CHAIR KAMA: Also, I think...I don't see Member Keani Rawlins-Fernandez. Do you all? I don't see her online, but I --

COUNCILMEMBER SINENCI: She's requesting, Chair --

COUNCILMEMBER RAWLINS-FERNANDEZ: Chair?

COUNCILMEMBER SINENCI: -- to be let in. Yeah.

CHAIR KAMA: Oh, okay. Can we let --

COUNCILMEMBER RAWLINS-FERNANDEZ: Oh.

CHAIR KAMA: -- her in, Staff?

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

October 9, 2024

COUNCILMEMBER RAWLINS-FERNANDEZ: Can you hear me?

CHAIR KAMA: I can hear you now.

COUNCILMEMBER RAWLINS-FERNANDEZ: Test.

CHAIR KAMA: I can't see you.

COUNCILMEMBER RAWLINS-FERNANDEZ: Oh, okay. Aloha kakahiaka. I'm on Moloka'i in my private residence, and I have my--well, two--there's two minors here that I will...won't name. My internet's acting up, so I'm probably going to try to make my way to the office instead. But there are currently no testifiers at the Moloka'i District Office. Mahalo, Chair.

CHAIR KAMA: And I was just going to say, it's so nice that we're not seeing you on a plane or in a car. But now that you just mentioned you're going to come to the office, hana hou. . . .(laughing). . . Good morning.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair.

CHAIR KAMA: So, we also want to say good morning and ahaw to our Department of Planning Director, Kate Blystone. So, she's not here now --

MR. PFOST: Yes. Hi. Chair --

CHAIR KAMA: Oh, yes.

MR. PFOST: Unfortunately --

CHAIR KAMA: Yes.

MR. PFOST: Hi, I'm Greg Pfof with Planning Department. Unfortunately, Kate was not able to make it this morning due to illness.

CHAIR KAMA: Okay.

MR. PFOST: And so, I'm filling in for her this morning. So, I mean, hopefully, I can be helpful.

CHAIR KAMA: Aloha and ahaw to you, Mr. Pfof. Thank you for being here.

MR. PFOST: Thank you.

CHAIR KAMA: And we also have with us the Department of...of Environmental Management, the Director, Shayne Agawa. So, I don't see him, but hopefully he will be here when it matters. Thank you. And we have Mr. John Stufflebean, the Director of the Department of Water. Oh, there you are. Look at you.

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

October 9, 2024

MR. STUFFLEBEAN: Aloha.

CHAIR KAMA: Aloha --

MR. STUFFLEBEAN: Good morning.

CHAIR KAMA: -- and ahaw. And we have from the Department of Transportation, the Director, Marc Takamori. Aloha, Marc. Hoping you're with us.

MR. TAKAMORI: Good morning.

CHAIR KAMA: Hi. And so, we have with us, from the Department of the Corporation Counsel, Kristina Toshikiyo, our Deputy Corp. Counsel. Good morning, ahaw to you.

MS. TOSHIKIYO: Good morning and ahaw, Committee Chair and Members.

CHAIR KAMA: And we have our Committee Staff, our great Committee Staff. We have our Legislative Analyst, James Krueger. Good morning and ahaw.

MR. KRUEGER: Good morning, Chair and Committee Members.

CHAIR KAMA: We also have our other Legislative Analyst, Ellen McKinley. Good morning and ahaw to you.

MS. MCKINLEY: Good morning and ahaw, Chair and Members.

CHAIR KAMA: And we have our Committee Secretary, Jennifer Yamashita. Good morning and ahaw.

MS. YAMASHITA: Good morning, Chair and Members.

CHAIR KAMA: And we have our Committee Secretary, Criselda Paranada. Good morning, and ahaw to you, too.

MS. PARANADA: Good morning.

CHAIR KAMA: And we have our Legislative Attorney, Carla Nakata. Good morning and ahaw to you.

MS. NAKATA: Aloha, Chair and Members.

CHAIR KAMA: And we have our --

COUNCILMEMBER PALTIN: Chair?

CHAIR KAMA: -- Assistant Clerk--yes? Yeah?

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

October 9, 2024

COUNCILMEMBER PALTIN: Director Agawa is logged on, but his mic and chat are unavailable.

CHAIR KAMA: Okay. Okay. Staff, could you do that? Thank you, Member Paltin. And we have our Assistant Clerk, Ms. Lei Dinneen, out there taking our testifiers. Good morning. We don't see you, but I know you're out there, Lei. So, we're going to go back to Mr. Agawa. Good morning. Can you hear us? Yes?

MR. KRUEGER: Chair, apologies. On...on our end, we don't...we don't see Director Agawa, but we'll reach out and...and see --

CHAIR KAMA: Okay.

MR. KRUEGER: -- if we can correct the issue.

CHAIR KAMA: Thank you.

MR. KRUEGER: Thank you.

CHAIR KAMA: Thank you. So, Members, without objections, I would like to designate the members of the County's Administration that I have recognized as resources for this item under Rule 18 of the Rules of the Council, recognizing their unique expertise on this matter due to their respective positions with the County Administration.

COUNCILMEMBERS: No objections.

CHAIR KAMA: Thank you. I heard that.

ITEM HLU-3(21): HOUSING SOLUTIONS (RULE (7B))

CHAIR KAMA: So, thank you, Members, for attending today's HLU Committee meeting. We have one item on the agenda today. It is item HLU-3(21), Housing Solutions. In accordance with the Sunshine Law, as Chair, I will be calling for testimony for our single agenda item only after we receive presentations from our resources. After the presentation, we will receive testimony. And Members, I would ask that you hold all your questions for the presenters and the Administration until after testimony has been closed. So, Members, you know, last time during our very interesting discussion at our last meeting, it became clear to me that we needed to have a more comprehensive discussion of how to get what we all want, attainable housing for our residents. Given the monumental nature of our housing crisis and the hope and inspiration that I heard in Director Mitchell's voice as he spoke to me about what he was working on, I felt it was important to set aside this entire meeting for his presentation and our discussion. Members, I also expect that there would be considerable interest in this issue, and it polls as top of my mind for most of our residents, so I'm prepared, if needed, to recess this meeting to our next regularly-scheduled meeting to accommodate whatever amount of public testimony and to...to permit us to have a truly substantive discussion with Mayor's Administration on cooperatively and effectively addressing this issue. Members,

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

October 9, 2024

I'm hoping that we'll open our hearts and minds to hear what our new Director of Housing has in his plan, and come to support him in his efforts so that we can make progress tackling this issue that was decades in the making, and dramatically worsened by the disaster of August 2023. So, Director Mitchell, the floor is yours for your presentation.

MR. MITCHELL: Thank you, Chair Kama, and thank you, Members of the Housing and Land Use Committee. During our last HLU meeting, in the context of discussing rent stabilization, the Members raised a number of different issues that one might address or focus on to take care of the housing crisis, and for that reason, this meeting was scheduled. And in preparation for this meeting, I spent a significant amount of time reviewing the 2021 Comprehensive Affordable Housing Plan. And my initial takeaway of the Comprehensive Affordable Housing Plan was that the word "Comprehensive" probably was not completely met because the plan focuses on exclusively development. And in the last HLU meeting, as we were talking about rent stabilization, one of the observations I made is that on an annual basis, the County has not produced the number of units commensurate with the demand...affordable housing units commensurate with the demand, and that to focus exclusively on production of units, which we must do, we are missing other opportunities. So, I would like to first talk about what was recommended in the Comprehensive Affordable Housing Plan, and then pivot to some of those other opportunities so that if there are legislative opportunities that we can take advantage of, we do so. And I used the phrase, "a suite of solutions," in the last meeting, and that second part of my comments will be the suite that I'm suggesting. It's not meant to be exclusive, but it's meant to demonstrate there are many other things that we can do as we work through the challenge of production. On page 35 of the Comprehensive Affordable Housing Plan, the recommendation that I zeroed in on was focused on development of affordable housing on County-owned lands. There's a lot of analysis that goes into the status of certain County-owned lands, what problems exist with them, the status of a whole series of projects as of the date of the presentation of the reports, what problems exist with those projects. But ultimately, on page 35, there are four parcels that are identified: one is the Central Maui Base Yard; the other is the Kihei Fire Station and Police Station; then there's the Pā'ia Soccer Field; and Lāna'i's Fifth Street property. And the...the plan concluded in part that if we develop all of those four parcels, that will net the County approximately 1,300 affordable housing units. The plan also indicates that we still have a shortfall, obviously, and we would make that shortfall up through private development, as well as experimental and demonstration projects. But to go back to those four parcels, one has to first understand how the County will develop them. And the challenge we will have as we stand up in the Housing Department, our Housing and Community Development Division, is that as developers--kind of developers--we...the process will be we control the land. Whether you're private or public, do you control land? We do in this instance. The second is, is it fully entitled? Can you go through the entitlement process? And the third will be, have you figured out all the infrastructure issues and address those, because those tell you ultimately what capacity exists on the site in terms of the density of development. So, we control the land, great. But what will it take to get through the entitlement process, and how will we fund that, and then what will it take to do the infrastructure? On those two last portions, those two portions there, it's going to take

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

October 9, 2024

the Department's ability to use a variety of funds, and in particular the Affordable Housing Fund, to get through that process. And so, I just put a placemark here with that comment because to the extent that fund is largely earmarked, that limits the Department's ability to proceed. There's no way we can do that unless there's another source of funding. So, our role as developers is essentially hamstrung. And then lastly, once we've been able to get through this process of entitlements and get the infrastructure done then we would issue RFPs to developers to assist with the private development. This model is not unique. This model has been proven to be relatively successful, in particular in Kaua'i. At least two weeks ago, I spent some time on Kaua'i with Director Roversi, and he was kind enough to drive me around and show me a variety of projects and how they did it. And one of my questions to him was, when was the work commenced on, for example, Lima Ola, a project that I've had discussions with...with State Senators and State Representatives, as well as a variety of people throughout the State. And he said that was about six or seven years or so. And I said, okay, was that before your tenure? And he said, yes. But my point is, they're now building, and he inherited that, and so his predecessor had the idea, and got it in motion, and now he's the beneficiary, and so is Kaua'i. These things take some time, and so we have to start that groundwork of being able to develop our County lands and making sure funds are available for our Housing Community Development Division to do the studies and do the work to get the entitlements done and to get the infrastructure done. Where the other Departments have a role here--obviously, with DEM, DWS--is to make sure that we have capacity there. If we're going to focus on developing those, then we need Water and Sewer to make the capacity issues around those sites their priorities. Otherwise, we...we simply won't get anywhere, so we need that collaborative teamwork. But I can't say enough, if we take County lands, we do the entitlement work, we do the infrastructure work, we are taking away from the development process, the very thing that limits production for private developers. It's a very extensive holding period that developers cannot sustain, and that cost gets transferred to the cost per unit. So, if we do it, and we do it as quickly as we can, then we will get to the production part that we need. There's another--the reason for focusing on this, and that is once we, as the Housing...Housing Community Development Division, try to do it ourselves. What we'll discover is the...what I call the friction points in our own process. And when I was on the legislative side of things, one of the issues we tried to identify and work within the WAI Committee was to get a flow chart from every Department on their permitting process so that we could understand what was required by Code, what was required by administrative rule, and what was discretionary, and in so doing, we could then focus on where their friction points were to remove them from the process. I don't recall the status...I don't know the status of where that work went, but I do know we spent an inordinate amount of time when I was on the Leg. side trying to get the information, and were not universally successful. And I would urge us to try to reinvigorate that work because ultimately, if we don't do that part and get the friction points out, we will discover the friction points, whether we like it or not, as the Housing Department starts to develop those four parcels. The other thing that the...I'm going to ask our Department to work on is updating our list of County properties that can be developed. And not just bare land that's close to infrastructure, but every single parking lot that we use, I'd like to know. And I say that because one of the projects Director Roversi showed me was a project that--so they developed with--on a little-used County parking lot that was fairly

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

October 9, 2024

narrow. But they were able to get three buildings, each of which were about four stories at...and develop rental units at less than for...I think it was 100 and...100 percent AMI and less...and under, and each had, I believe, 20 to 30 units in them. But it was the most unlikely lot because it was very narrow. It was a little-used parking lot, and they could condense where they parked and use that lot for housing development. And it was the approach to thinking out of the box about what County parcels were available that struck...got my attention because I don't have, as we speak now, a comprehensive list. What I have seen are PDFs of County property that aren't dated, and I don't know who sourced them, and we need to generate that and be critical about all the available property that we can consider and why we might consider it. So, there...there are...we have--as I look at the Comprehensive Affordable Housing Plan, we have done a few things that were priorities in the plan. For example, we have taken a look at the workforce housing policy, we have taken a look at our price guidelines, and we have some challenges with the ordinances that have passed in 2021 and 2022 that we should discuss at some other date. But I will highlight one in particular. With the price guidelines ordinance, what we've done is we've taken the way developers originally would price their homes around principal and interest, and we've added a series of what I call variables. So, it might be the Homeowners' Association dues, it might be the private mortgage insurance, it might be mortgage insurance. And we've said to the developer, you need to figure out what all those things are, which are variables, in advance and ensure that your price with all those other variables, which will not be known until sometime in the future, meets either the 30 percent or 28 percent of the potential buyer or renter's annual income. And that causes a lot of uncertainty for developers. And so, I ask us to take a look at what we're asking developers to do, and how that makes them pause because they don't know the numbers. Let me pivot now to the second part of what I think is the...the meat on the bones of what we need to deal with here. Given that our unit production on an annual basis has been historically very low and has not met demand, while we're trying to figure out how to expedite that process, we should be looking at our suite of solutions, and they include things like the 'Ohana Assistance Program, which we are working furiously to push through, or ADU programs. They should include programs like the Colorado Vail Deed Restriction programs. I've taken a look at what they call the InDEED Program, and I think it's a smashing program. We should consider it. What that program does is it says to residents who are looking to fix up their home and ultimately sell their home, is that the local jurisdiction will give them a certain amount, 10 to \$30,000 exchange for deed restriction. So that the home is fixed up and available for sale, the seller sells it, but now the home must be made available at a certain income bracket in perpetuity for long-term residents. And that's one way to protect the housing stock. I'm a supporter of the land trusts. I think the land trust should really focus on the individual lots that are being...that are coming up and are available, but recognize in particular, we have a challenge with land trusts taking over the lots, particularly in West Maui. Where there is a gap between what the homeowners have received in their insurance proceeds and what they owe in their mortgages, and that gap is not insignificant. And so, what we see is the potential for them wanting to sell, not at the bare land value, but at the land at the value that includes the...the remaining value of their mortgage, and that is an amount that inflates the value of the lots and will perpetuate the problem we have with pricing our homes. So, there's going to need to be some process of addressing that gap that...that I'm

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

October 9, 2024

noticing that homeowners, particularly in West Maui have, where they're left with just bare land, but an existing mortgage. I...I do agree that we should continue to go down the path of TVR management. You see it in many jurisdictions, trying to--actually much broader than we've approached it--get them out of the Residential zones and into the Hotel Resort zone so we can keep the housing stock for our local residents. I recently...I think we've had presentations from individuals like Sterling Higa and others about parking restrictions. And there's a caveat there, and I'll get to the caveat, but we should recognize that development costs are increasingly more when we have high parking requirements. And if we can focus on reducing those requirements, particularly for affordable housing, the cost of the unit will go down. The caveat is that we...we do have some poor experience in O'ahu recently with affordable housing developments where they had no parking requirements and, therefore, couldn't sell the units. And I'm not advocating to go that far. But I'm pointing out that if it is possible to reduce those requirements, and particularly if you have transportation-oriented development for affordable housing, one should do that in order to reduce the costs.

CHAIR KAMA: Remi, could I interrupt you for a moment? I'd like to acknowledge Member Yuki Lei Sugimura, who just showed up. Good morning and ahaw...ahaw to you.

COUNCILMEMBER SUGIMURA: Good morning and ha'a (*phonetic*) --

CHAIR KAMA: Ahaw. Ahaw.

COUNCILMEMBER SUGIMURA: . . .(*laughing*). . . Okay. Sounds like a good way to smile. And nice to see you here, Director Mitchell. Not Remi, right? Cannot call you Director Remi. Sorry I'm...I'm late, but here I am.

MR. MITCHELL: Thank you, Member Sugimura.

COUNCILMEMBER SUGIMURA: I'm anxious to hear what you have to share.

MR. MITCHELL: Director Remi is just fine.

COUNCILMEMBER SUGIMURA: . . .(*laughing*). . . Okay. That's what we call you.

MR. MITCHELL: We recently--and I don't recall who gave the presentation, but Member Kama and I were at a presentation at the Cameron Center where one of the policy ideas was to reduce the fixture-counts calculation that leads to increased costs for developers, where someone might say, I have X number of units, and the...then the response is, well, you need to provide X, Y, Z, in terms of water capacity when the fixture count analysis is based upon the water flow in old fixtures, and newer fixtures are much more efficient and don't require the...the level of service that the old fixture count...fixture count allegedly required. And so, I think we should...we should look into that too. We, at the last meeting, talked about rent stabilization, and I see there are some folks in the audience who were at that meeting. And I understand that that is being looked into, and I...I--my one caveat there is that that would be significantly and administratively heavy within the Department of Housing, but it is part of the suite of potential solutions.

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

October 9, 2024

And we also have heard lots of discussions about the wholesale reduction of fees, the variety of fees that the County imposes, particularly when it comes to affordable housing development. And then, last but not least, I know we have talked about, and have implemented in some instances, tax incentives, and I...I highlight--or disincentives--I...I highlight for the body that I know there's a bill going through the City and County of Honolulu right now to actually impose a higher tax on empty homes. And how that would be managed administratively, I don't know. But I just flag that, that the ability to say to folks, put your home to a useful purpose or there is a tax consequence, because we need the houses in...in use, is...is really important as part of that suite. So, I've...I've just rattled off--it's 3, 9, 10, 11 different components of this suite that I need to wrap around the actual building part. Because building is just one component, and it takes very long as you've noticed, and we've got a lot of County processes that we need to refine to make it quicker. But that's the suite of solutions that I was initially proposing, and with that, I'll gladly wait until after testimony and take any questions.

CHAIR KAMA: Well, thank you, Director Mitchell, for that presentation. And so, is Director Blystone on the call? Has she arrived yet? Or no, it's actually Greg --

MR. PFOST: No.

CHAIR KAMA: -- Greg Pfof. I'm sorry. That's right.

MR. PFOST: Yes. Yes.

CHAIR KAMA: I didn't change your name on my notes. Okay. Good morning.

MR. PFOST: Good morning.

CHAIR KAMA: So, do you have any comments on that presentation?

MR. PFOST: Yes, I...I...

CHAIR KAMA: Yes.

MR. PFOST: Not on Director Mitchell's presentation, but I do have some comments...or some things that I'd like to read that Director Blystone prepared --

CHAIR KAMA: Okay.

MR. PFOST: -- if you can afford me a few minutes here. And I'm going to read this from a statement that she gave to me, so if you can, bear with me. Good morning, Chair Kama and Committee Members. Mahalo for allowing the Planning Department an opportunity to speak on this important matter. The Department has a critical role to play in housing development, and our Director wishes she could be here for the discussion today, but she is out due to illness. She has asked that I deliver these remarks on the Department's behalf. Director Mitchell has laid out a strong plan for how Housing Develop...Department will go about producing housing in the coming years and

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

October 9, 2024

directing that house...and directing that housing at our residents. The Planning Department has a role to play in implementing the concepts he presented, and we will work closely with Housing to assist their efforts. The Planning Department will also make some independent strides in the coming years to make it easier to build the housing we need and give our residents the homes they deserve. Here are some ways that we are engaging to solve our housing crisis. First, Bills 103, 104, and 105. These bills have been assigned to the HLU Committee for their consideration, and each has a role to play in housing production. Since these items are assigned to the Committee, I will only briefly identify their subject matters and how they can contribute to the production of housing. Bill 103. This bill proposes to allow increased density on lots in Residential districts. The...this increased density will allow for additional 'ohana units to be constructed, resulting in new affordable housing for residents where services are already available. Bill 104. This bill adds a new definition for kitchenettes, legalizing some of the currently illegal multigenerational housing types and increasing the opportunity for new homes with multiple kitchenettes that provide autonomous living areas. Bill 105. This critical bill would increase the amount of time to re-establish a nonconforming use after a disaster like the Lāhainā wildfire. Lāhainā was one of our more dense communities, and much of it was built prior to zoning. Allowing these nonconforming uses to return and giving them ample time to do so will help Lāhainā recover many of the units that were lost in the fire. Bills 103 and 104 are aimed at our Rural and Residential districts, ensuring that we are only increasing density in places that can support infill with appropriate infrastructure. Bill 105 gives Lāhainā residents more time to build back their lives. All three of these bills will increase the supply of attainable housing, and we look forward to discussing them with the Committee. Next, we are targeting missing middle housing. The County is working in collaboration with Hawai'i Community Foundation and Opticos Design, a firm that coined the term missing middle housing. Middle housing types are duplexes, triplexes, cottagedcored apartments, and other similar scale multifamily units that fit comfortably into existing predominantly single-family neighborhoods without changing the overall character of these places. These housing types were previously very common, but due to a relatively recent trend...forward ten...trend towards producing more single-family housing, they have been all but excluded from the Code, and are much harder to construct for a myriad of reasons. Opticos is doing a deep dive into Title 19, looking for ways to enable these housing types on Maui, especially in Central, South, and West Maui. We expect to provide additional Code amendments for Title 19 in 2025 to reflect...reflect the results of this study. We hope that these Code amendments will enable smaller-scale developers to construct infill projects in our existing developed areas. While these smaller projects do not seem to make a huge dent in our housing shortage, every new project, big and small, grows our housing supply and gives our families a chance to stay home. We will also work to align land-use designations. Director Mitchell discussed his plan to entitle County lands for housing production, and we will work closely with the Housing Department in support of that goal. We believe aligning our multiple land-use layers or private lands that have been identified for housing through the Community Plan Update process is also a Planning Department responsibility. One of the barriers to housing production is the time it takes to align land-use designations. A property may have appropriate zoning for housing, but the Community Plan and State land use may be out of alignment, or the Community Plan may change the zoning and

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

October 9, 2024

State...State land-use flags. Ultimately, our goal will be to enable comprehensive rezoning after a Community Plan is adopted to match the Community Plan designations. The Department will then take an additional step to align State land use with County designations. In the coming years, the Committee can anticipate the Planning Department will take the lead on this issue in an effort to shorten the time it takes to create attainable housing for our residents. Finally, the Department is working on sunseting transient vacation rental use in the Apartment district. More than once today, this Committee will hear that we cannot build our way out of this problem. The solutions I have described so far all address barriers to building more affordable housing from the Planning Department's perspective. But we also believe we need to take a closer look at our existing housing stock and encourage conversion to long-term rental or ownership. Next month, the Department will transmit a bill to amend Title 19 to sunset transient vacation rental as a use in the Apartment district. This bill has been through all three Planning Commissions, and their recommendations will be included in the transmittal. Approximately half of the County's short-term rentals are within this district, and the Administration believes that, given our clear housing crisis, it is no longer appropriate for this use to be allowed in a district that should predominantly provide housing for our residents. Furthermore, lack of infrastructure is a significant barrier to building housing, but these existing units already have needed infrastructure. Converting units currently used for transient vacation rentals allows us not to put any additional burden on our infrastructure while still providing housing for local families. Like Bills 103, 104, and 105, this item will be under Committee consideration, and we look forward to having a deeper discussion with the Committee at that time. Again, mahalo for the opportunity to discuss this very important issue with Committee. We look forward to working closely with HLU and our colleagues in the Department of Housing to provide more homes for our...for our...homes for our residents. I will be available for your questions throughout the Committee meeting. Mahalo.

CHAIR KAMA: Thank you, Mr. Pfof. We appreciate that. At this time, the Chair is going to call for a short meeting...recess. About five minutes? Two minutes? Okay. Staff is asking for two, but we're going to take five. So, HLU is in recess from 9:40 to 9:45. . . .(gavel). . .

RECESS: 9:40 a.m.

RECONVENE: 9:50 a.m.

CHAIR KAMA: . . .(gavel). . . The HLU Committee meeting of October 9, 2024, will now reconvene. It is 9:50 a.m. And so, at this time, we're going to ask Director Agawa, Director Stufflebean, and Director Takamori, beginning with Director Agawa. From your perspective of your Departments, do you have any comments on the information that was presented by Housing and Planning?

COUNCILMEMBER RAWLINS-FERNANDEZ: Chair?

CHAIR KAMA: Oh, yes. Oh, yes. Member Rawlins-Fernandez.

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

October 9, 2024

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. I just have to do a disclaimer. I'm at the Moloka'i District Office, alone on my side of the office. Mahalo, Chair.

CHAIR KAMA: Oh, I'm so glad you're in some place permanent. Welcome. . . .*(laughing)*. . . Okay. Director Agawa, good morning and ahaw.

MR. AGAWA: Hey. Ahaw to everybody. Thank you, Chair Kama. Thank you, Members, for allowing me to, you know, give a short presentation...or a short opening statement. So, based on what Director Mitchell said, yes, we do understand that infrastructure plays a critical role in housing. On behalf of DEM, what I can say is that we have acknowledged our limitations or pinch points in our system to develop and support housing. And as you folks can see in our six-year CIP plans, you know, we are addressing those concerns moving forward, whether it's capacity issues on the intake side for wastewater or on the disposal and reuse side for R-1. So, that concludes my statement. I'll be here for any questions regarding DEM's role in housing. Thank you.

CHAIR KAMA: Thank you so much, Director Agawa. Director Stufflebean?

MR. STUFFLEBEAN: Sure. Good morning and ahaw. So, yes. So, I can...probably, I guess the first thing to say is that when we look at our process for approving new developments, you know, we...there's two main things that we look at. One is to make sure that the health and safety standards are met because we need to make sure that the water system is safe. And the second thing we look at, of course, is...is there adequate supply because we don't want to approve something, and then sometime in the future, it's not an adequate supply. So, that's...that's our objective. We are...we are in the process of doing a major sweep to Title 14. It's been a long time since that, I'm not sure, ever maybe, but a long time since we really looked at Title 14 and...and really looked at what's really need...what needs to be there and what can be revised. So, we'll be bringing that forward. It's taking a little longer than we thought, but we want to make a very comprehensive review. We've finished now...we're working with Corp. Counsel to make sure that we have all the legal issues resolved in there. So, we will be coming to you with, we think, some major revisions to Title 14 that will simplify and expedite the process for...for...you know, for water approval. And then I do want to draw your attention to...response to your question about...about the water situation. We just sent to you, and I think it just came to you this morning--I'm sorry, that was kind of late. . . .*(laughing)*. . . But I encourage you to read it. It's about a 60-page response to the question of what are we doing on water, and it basically talks about three different areas. The first one is, what are we doing to develop a new water source? And so, there's about 30 different...different things that we are doing around the island to develop new water source, and they're all kind of outlined in that document. The second thing is, what are we doing to address infrastructure needs? And so, we're also discussing the infrastructure issues, and...and what we're doing, and the hydraulic model, which we've been talking about for a year, is--we're in the final calibration stage of that, so that's really going to help us. And then the third thing is, what are we doing to secure outside funding? Because we've identified needs in the water infrastructure and source of over a billion dollars. My capital budget is 20 million. That's 50 years. I

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

October 9, 2024

don't want to wait that long, so...so we're looking at how we can get, you know, additional outside funding. So, all of those things are...have discussed in pretty good detail in the report, so I want to encourage you to...to read that. So, we are certainly wanting to do everything we can to support...to support affordable and workforce housing, and we will work with the Housing Department to, you know, give water--as much as can, you know, as--to the developments that...that they identify as priorities. Thank you. That concludes my presentation. Thank you.

CHAIR KAMA: Thank you very much, Director Stufflebean. So, Members, if you'd like to go to Granicus (*audio interference*). Why do I feel like there is a --

COUNCILMEMBER SUGIMURA: Is it me? . . .(*echo*). . .

COUNCILMEMBER RAWLINS-FERNANDEZ: Yeah, it's Member Sugimura.

CHAIR KAMA: How about now? Okay. Better. Thank you. So, Members, if you'd like to take a look at that 60-page report that Director Stufflebean had worked so hard on, it is on Granicus number 4. Thank you for that. And so, Director Takamori? Good morning, ahaw.

MR. TAKAMORI: Good morning. Good morning, Committee Chair and Committee Members, and ahaw. Thank you for having me this morning. I am Marc Takamori. I'm the Director for the Department of Transportation. And I guess, as we discuss housing solutions, I'd like to highlight the role of public transit in creating a more accessible and sustainable community. So, as you are aware, the Department of Transportation...the County Transportation Department provides public transit services. And a little bit of what...what I am mentioning this morning kind of touches on what the Director of Housing brought up in his presentation. And again, we are also here to support, you know, housing and how we can move people and make it more economic for them. So...so, there's a couple of things that I wanted to kind of touch base on, that...that helps us provide that service. So, to ensure that transit can be expanded into...to serve new areas effectively, it's important that we are there in...in the discussion on accessibility. So, providing interconnected sidewalks within and between projects, ample lighting is essential for creating walkable communities, and if...if you're going to have people walking in the evening, and ensuring the safety of that would also provide safety for both residents and public transit riders. Infill projects are much easier to provide transit service if it's already a long transit route versus projects that would be considered sprawl. So, usually, if you have a project that's developed further out that there's no services there, then it just makes it a little bit longer for people living in that area to have to commute in. So, if it's...if it's...if you...if you're able to support infill, then usually that's--they're within an area that's already developed, that has services, right? Versus having them to come in from sprawl areas. And then providing through streets and not dead-end cul-de-sacs also provide better access when routes have to be created. So, usually you would like to consider routes that would be more on collector roads, and...and that also makes it easier for us in route developments. But by incorporating public transit into housing solutions, we can offer residents affordable and accessible transportation options, reducing their reliance on cars and associated

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

October 9, 2024

costs. In turn, we can provide access, you know, for...for residents to go to jobs and education, and as well as healthcare as...and shopping. So, it also...it also helps alleviate traffic congestion, reduces greenhouse gas emissions, and contributes to a more sustainable and economically-friendly community. So, I guess, you know, Director of Housing mentioned, you know, prioritizing, like, transit-oriented-type developments. These new housing projects can create a more livable and economical...equitable neighborhood. So, again, we're here to support efforts in...in creating housing and providing the services of moving people around. So, I'm here to answer any questions when that time comes. Thank you.

CHAIR KAMA: Thank you very much, Director Takamori. And I think now this is the end of the presentations we have. So, we're going to go into testimony.

. . . BEGIN PUBLIC TESTIMONY . . .

CHAIR KAMA: So, for Microsoft Teams participants logged in via web or the Teams app, please indicate that you would like to testify by clicking the raise-your-hand icon at the top right of your window. Staff will add your name to the testifier list. If you are joined by telephone, star-5 will raise your virtual hand, and Staff will put your name on the testifier list. Please keep your audio and video muted until you are called to testify. Written testimony is encouraged and can be submitted via the eComment link at mauicounty.us/agendas. Oral testimony is limited to three minutes per item. When you reach the two-minute mark, you will hear an audible noise...notice. If you are still testifying when the notice sounds, please complete your testimony within the remaining minute. When testifying, we ask that you state your full name for the record, and anonymous testimony is also accepted. Decorum will be maintained throughout the meeting. Violation of decorum may result in being removed from the...from the Chamber or the online meeting. I'm trying to turn the page here. You can also view the meeting on *Akakū* Channel 53, Facebook Live, or mauicounty.us/agendas. At this time, we're going to call on our testifiers wishing to testify on HLU-3(21), Housing Solutions. Staff, would you please call up our first testifier, please?

MS. MCKINLEY: Chair, the first testifier is Desilee Santiago, to be followed by Alana Kay.

CHAIR KAMA: Okay.

COUNCILMEMBER SUGIMURA: Chair?

CHAIR KAMA: Yes, Member Sugimura?

COUNCILMEMBER SUGIMURA: Could I ask just a point of--a question?

CHAIR KAMA: Sure.

COUNCILMEMBER SUGIMURA: I wonder if Member Paltin knows that there's music coming from her desk...her drawer.

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

October 9, 2024

CHAIR KAMA: Oh, you know what? I think we've been trying to call her regarding that.

COUNCILMEMBER SUGIMURA: Yeah. She's on the call, so she can maybe hear now.

CHAIR KAMA: Oh.

COUNCILMEMBER SUGIMURA: I've been trying to call her, too.

CHAIR KAMA: Okay.

COUNCILMEMBER SUGIMURA: I think she doesn't know that.

CHAIR KAMA: Member Paltin, good morning.

COUNCILMEMBER PALTIN: Yeah.

CHAIR KAMA: I think our Staff has been trying to call you regarding the music coming from your desk.

COUNCILMEMBER SUGIMURA: And I don't know who to --

CHAIR KAMA: So --

COUNCILMEMBER SUGIMURA: It's inside your drawer.

CHAIR KAMA: -- she did call you on the landline regarding that.

COUNCILMEMBER PALTIN: Oh, you can close the drawer and try see if that stops it.

CHAIR KAMA: So, Member Sugimura is going over to your desk to close the drawer.

COUNCILMEMBER SUGIMURA: I can still hear it.

CHAIR KAMA: She can still hear it. Can you still hear it, Nohe?

COUNCILMEMBER U'U-HODGINS: A little bit, but I know I have good hearing.

COUNCILMEMBER PALTIN: You can press the round button on the thing.

CHAIR KAMA: The round button on the thing.

COUNCILMEMBER PALTIN: The round button.

CHAIR KAMA: Okay. So...so, James is going to go over and do that.

COUNCILMEMBER SUGIMURA: I don't want to touch her things. . . .*(inaudible)*. . .

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

October 9, 2024

COUNCILMEMBER PALTIN: Just trying to raise the frequency.

CHAIR KAMA: There's a round button. Okay.

COUNCILMEMBER SUGIMURA: Got it.

CHAIR KAMA: Done?

COUNCILMEMBER SUGIMURA: Thank you.

CHAIR KAMA: Okay. So, good morning, Member Paltin, and ahaw. That's our greeting for the day. . . .*(laughing)*. . . . But I just wanted to welcome you back. Thank you. Okay. So, where was I? Oh, we're going to call our first testifier. Oh, I'm so sorry, Desilee. I'm sorry. Go ahead.

MS. SANTIAGO: No problem.

CHAIR KAMA: Sorry for the interruption.

MS. SANTIAGO: Aloha kakahiaka and ahaw, everybody, Chair, Councilmembers. My name is Desilee Kamakanikailialoha'ailana Santiago. I am a member of the Maui Tenants & Workers Association, as well as fourth-generation Maui-born resident. My grandson, Nu'uokane--I have to mention him on here--is sixth-generation Maui County resident. After our last HLU Committee meeting on 9/26, I was optimistic that our Council and Administration was ready to create legislation to help us, the working class. The following morning, I received multiple messages with the news clip regarding Chair Kama's comments on rent stabilization that she did mention in the meeting. It wasn't a secret or anything. I reached out to Chair Kama's Staff, stating, you know, can you confirm that this is true? This is how, you know, she truly feels, that she did not, you know, want to entertain any legislation that would directly regulate rents because of the chilling effects it would have on the housing market per the developers that contacted her? Sorry. Quote from Chair Kama, "One clear effect of rent stabilization or control is a loss of future investment, and therefore, the loss of future attainable housing." What is clear, I ask? How can this be a clear effect if it has never been implemented? One thing is clear, if we don't do something about this soon, more people will have left, and the issues associated will be compounded tenfold. Future investment. We don't have a future here if we're driven out of our home and forced to leave. I have a definition of what transplant...when we transplant something. When you transplant something, what are the effects? Immediately shock, right? Transplants suffer shock for a few days from suddenly being in a new environment and new soil with new neighbors. It makes them weaker . . .*(timer sounds)*. . . and more vulnerable to pests. Small transplants adapt more quickly than larger ones, but there is less check of growth. Keiki adapt quicker, right? We know that. They're very resilient. Our kids are resilient, right? They adapt when transplanted versus our kūpuna, or even ourselves. Kids are resilient, but their foundation and growth is determined during this time. Taking them away from their foundation, it exposes them to things that make them more vulnerable. It takes a

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

October 9, 2024

village, more like an island, to raise our keiki. Let's see. Developers and investors are just that, businessmen and businesswomen. They adjust, they weigh out pros and cons of risk versus reward, rate of return, right? That's what they're in business for. They're in it to make money. If they're doing it for our benefit, thank you for those who do it for our benefit. But, let's be real. They do it for the money and what they can make off of us. I'm here to say that we, the people of Maui, are not your investment. Our lives . . . *(timer sounds)* . . . are not yours. We are taxpayers. As soon as we get our first jobs, summer jobs, part-time jobs, 15, 16 years old, we're paying into the system. We're paying taxes all the way up to retirement. We are the investors in our infrastructure and into our communities. Generation after generation, we live here, we work here, we volunteer here. Like Member Rawlins-Fernandez said at Monday night's meeting, our great grandparents had their children, their children had children, and so forth. And we all grew up together, friends, neighbors. Get it together, Desi. My cousins were my best friends. Sorry, I didn't mean to get so emotional. My children will never have that. I'm hopeful my grandson will have that. Everyone has moved away. As soon as they finish school, they leave, and most don't return. Why? Because it's always a constant struggle here, and it's not supposed to be that way. We are not on vacation. We go to work every single day. Some of us have more than one job and still struggle...struggle with the cost of goods and services here. We just want to live in peace, raise our keiki, generation after generation. Just that simple. We deserve dignified housing, truly affordable housing, and quality of life here on our island. This is our island. We care for it. We cultivate it. We have made it what it is today. The people...the reason people love coming here is because of what we have done, and those before us. Nobody comes to see an apartment building and say, hey, I'm sure that's an affordable housing project that they did over there. That's not what they come for. They come for the culture, the beautification that we have put into it. Definition of home--I'm sorry, Chair. I know I'm over my time.

CHAIR KAMA: No, I just wanted to ask you if you had submitted this to the eComment, your testimony.

MS. SANTIAGO: I did not, but I can.

CHAIR KAMA: Okay, can. Okay.

MS. SANTIAGO: Yeah. Okay.

CHAIR KAMA: Thank you.

MS. SANTIAGO: Definition of home, a place where one lives permanently, especially as a member of a family or a household. The verb home is to return by instinct to its territory after leaving it. That empty feeling of being ripped out from where you are deeply planted. It's a travesty. We should not be worrying about developers. And, you know, Director Mitchell, I wanted to--that was a really good presentation. I never read that Comprehensive Affordable Housing Plan from 2021. I do agree with a lot of the things that are in it, like, as far as taking entitlement, the County, because the building permit, subdivision permits, they take forever. And it's not any one person's fault or one

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

October 9, 2024

agency's fault. It's a collective of all this regulation that needs--it's for safety and health, right? It's for...it's to make the building safe. It's to make sure we have the infrastructure. I get it. But what is going to be done for us now, you know? Like, people are struggling day-to-day. We do not have another four years, five years, six years to wait for apartment buildings to pop up or affordable housing projects to pop up that we probably will not even qualify for after it's all said and done.

CHAIR KAMA: So, Desilee, can you conclude your --

MS. SANTIAGO: Yes. I'm sorry, Chair. Yes.

CHAIR KAMA: Okay.

MS. SANTIAGO: I am going to conclude. We shouldn't have to merely survive, but we should be able to thrive. Mahalo.

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

MS. SANTIAGO: Thank you.

CHAIR KAMA: Seeing none. Thank you so much. And please submit your testimony to us. Thank you. Staff, our next testifier, please?

MS. MCKINLEY: Chair, the next testifier is Alana Kay, to be followed by Michael Williams.

MS. KAY: Watch out, another crier. . . .*(laughing)*. . . She made me cry... . . .*(laughing)*. . . Because I start to cry. My bones hurt when people talk about finding new water sources. I feel the same way about the water. That's like my baby. . . .*(laughing)*. . . Okay. So, she said...I couldn't say it better than she said it. Thanks a lot for that. . . .*(laughing)*. . . Okay. We need to think like an island. Not just what she said, but we also need to--this is an island. This is not California. I appreciate the things you said, Mr. Mitchell. By the way, I also want to say that I appreciate this meeting. I'm glad you're listening to us. While I appreciate that you're discussing a suite of solutions, I strongly suggest that you prioritize, as she suggested, the workforce and the ecosystem over people's investments. And I really strongly suggest we get away from the big developer, which I'm glad that you finally acknowledge, it's not necessarily the only thing or the best thing. Our island hydrology is in serious jeopardy, and this is a thing a lot of people don't know about. I have a video coming out this weekend for my show, *Sustainable Aloha*, in which I will bring up the details of that, but it needs to be restored. We're not looking for new sources, we need to store...restore our island hydrology before we try to build our way out of this housing crisis. And the crisis is now, so I'd really like to see a priority for the workforce and people that were born here. And all of your ideas. I'm glad you're doing this and you're intelligent people. I've heard really intelligent statements out of--Tom Cook, I've had some of the longest discussions with--to come up with intelligent win-win solutions that favor the workforce and the environment over the developers and bring the building...do everything you can to bring the building to local contractors instead of these outside entities. And we are...we're being very

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

October 9, 2024

overprotective of people's money while people can't even--and that includes me. I'm not a complainer. I'm not going to play victim. I'm not saying she is, but I mean, I do the best with whatever I have. But no, I'm not... . . .*(laughing)*.*(timer sounds)*. . . I deserve a home too for everything I've done here. I've been here 26 years. So, for these reasons, I really support an emergency or a--you know, putting our efforts into rent stabilization and into reducing STRs so that what we're doing is we are making our existing properties affordable for the workforce, and that--especially the people that were born here. I even prioritize them over myself, even though I feel like I was born here. I've been here so long, half my life. And my grandchildren are from...are in Wisconsin, and they are Chippewa. So, what was the tribe that she got that ahaw from? That was...

UNIDENTIFIED SPEAKER: . . .*(inaudible)*. . .

MS. KAY: Yeah, I'm from Milwaukee. Okay. Well, thanks for hearing me. Aloha.

CHAIR KAMA: Members, any question for our testifier? Seeing none. Thank you so much. Our...Staff, our next testifier, please?

MS. MCKINLEY: Chair, the next testifier is Michael Williams, to be followed by Michael Trotto.

CHAIR KAMA: Good morning, Mr. Williams. I think you're on mute. We can't hear you.

MR. KRUEGER: Mr. Williams, you're unmuted on our end. You'll have to mute...unmute on your end for us to hear you.

COUNCILMEMBER JOHNSON: You can always push Control-Shift-M, and that will unmute you...or in the top right-hand corner, there's a mic button.

MR. KRUEGER: Chair, maybe--Mr. Williams, maybe you could try calling into the meeting. That might be easier, and...and we might be able to hear you that way. Oh.

MR. WILLIAMS: I think I figured this out. *(Audio interference)*

CHAIR KAMA: There's an echo on your end. Now you're muted again.

MR. WILLIAMS: Still an echo? *(Audio interference)*

CHAIR KAMA: Still an echo.

MR. WILLIAMS: I'm sorry, I don't have any other device on.

MR. KRUEGER: Mr. Williams, could you try one more time?

MR. WILLIAMS: Yes. *(Audio interference)*

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

October 9, 2024

MR. KRUEGER: Oh. Mr. Williams, do you have another device in the room with you that maybe you could turn the volume off on?

MR. WILLIAMS: *(Audio interference)* Okay. Has that got it? *(Audio interference)* I don't...I have no other devices on. *(Audio interference)*

MR. KRUEGER: Oh. Sorry, Mr. Williams, you're--there's still a...there's still an echo occurring. I do see that there's two Michael Williams in the meeting. I'm going to remove the one that's not highlighting right now and see if that helps. Could you try one more time, Mr. Williams?

MR. WILLIAMS: Sure. Now--no echo.

MR. KRUEGER: Perfect.

MR. WILLIAMS: Okay. So, sorry about that. Aloha kakahiaka and ahaw, Chair Kama, and Councilmembers. And all of the distinguished Directors of the Departments and their Staff, and all your Staff, mahalo for all your work on this. For the record, I am Michael Williams. I'm the President of Maui Tomorrow Foundation, I'm the Treasurer of Stand Up Maui, and I'm the chair of the Affordable Housing Committees to both organizations. And I'm...I'm here testifying both very happy and very sad at the same time. Happy because we now have the Department of Housing, we have Director Remi hard at work on the solutions, we have all the other Departments pledging their support. It's just a tremendous advance in the ability to address...direct our housing shortage. The sadness comes from the new UHERO report, which was issued yesterday, a survey of West Maui residents, workers, business owners, and it paints a very bleak picture and shows that the efforts to date to provide dignified housing for everyone who doesn't have it in...in West Maui is...have been inadequate and need to be stepped up in various ways. Okay. I provided two new documents in the eComments. One is a set of 12 policies that Stand Up Maui has developed and refined and distilled over the last several years, and we commend them to your review and consideration. They've already been endorsed by several other organizations and individuals, and we're seeking more all the time. The other document I provided is a compilation of potential affordable housing sites all around the County that we've . . .*(timer sounds)*. . . been working on for a couple of years. We've presented it to the Mayor and Managing Director Nishita over a year ago at our SUM's annual meeting in August, but the fires happened three days later and...haven't really been able to work on it since. And then this year, SUM's annual meeting, Director Remi came and presented to us. And we told him about this compilation. He said, well, he'd love to see it, but can you get it with MAPPS too? And we did that, and now we have--there's a link in the eComment section, and I sent it to some of you, that--to a Dropbox. The document is way too big to email because it has tax maps, and aerial photos of every one of the parcels we identify as of interest. It's...I don't want to talk about it anymore now. I want to make two other quick points. One is on the...the new constraint that all of us affordable housing advocates are now very concerned about is the water supply. . . .*(timer sounds)*. . . Director Stufflebean's letter to the Council back in April basically says there's no more water for any new affordable housing projects in West Maui for the foreseeable future. And here's my three quick

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

October 9, 2024

points on water. One, try to get Council of Water Resources Management to hire temporary staff to process those water-use permits. They're stalled there. Right now, nothing's going to happen in West Maui until CWRM acts. The second is what's on Councilmember Cook's agenda tomorrow, which is to prioritize recycling water use to free up potable water in the West Side particularly, but also in other parts of Maui. We totally support that, and you guys are working on that. And then the third thing on water is, I've become convinced listening to the Board of Water Supply meetings, that we...we...we really don't know what the sustainable yield is of water in...in West Maui aquifers, and we need new deep monitoring wells to do that. And there's no reason why DWS isn't issuing RFPs right now to get those well projects started, even though there may be negotiations if he has to...who's going to fund all that in the long run, but they need to...they need to get underway. Then the last point I want to make is, if there is a water shortage, as it looks like there is for West Maui, then--and we're not going to get any new housing units there for years, all we can do is use existing housing units. And the Minatoya phase-out bill is certainly something we favor that should happen, certainly for West Maui condos, but what we suggest is--because that bill will not require owners to convert to long-term rentals, they can certainly just leave the condo as a second home, and we're afraid many will--we think the County should start looking to buy some of those condos, the cheapest...the cheapest ones probably to start with, and...and...and take advantage of existing housing for West Maui residents. And with that, I...I...again, I want to thank Director Remi and all the other Directors for their tremendous efforts to work on affordable housing. Thank you very much.

CHAIR KAMA: Thank you, Mr. Williams, for that very comprehensive report and for all the paperwork that you sent forth to eComments. I'm sure we'll take a look at it. Right now, Member Johnson has a question for you.

COUNCILMEMBER JOHNSON: Thank you, Chair. Clarifying question for you, Mr. Williams. I appreciate your testimony. You said that the...you would support the County purchasing some of the cheaper units on the Minatoya list. Do you or any of your team--you have so many groups that you work with--anybody has suggestions on who would manage those rental properties? Because right now, we...the County owns a property we use by CBG [*sic*] money purch...purchase, and has been sitting vacant for six months. And that's unacceptable, in my opinion. So, do you have anybody that you think that could be a property manager for that scenario?

MR. WILLIAMS: I don't...I mean, I don't have anybody to...to suggest. But I think the County, you know, should issue a request for proposals for, you know, property management companies, including the...surveying the ones that should be potentially purchased. Eventually, the County may need to use eminent domain to get some of those. I mean, if there's no other way to get housing for the West Maui residents than to use existing housing, then eminent domain may be required in the long run. But I think voluntary purchases is the way to go to begin with.

COUNCILMEMBER JOHNSON: Thank you, Mr. Williams. Thank you, Chair.

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

October 9, 2024

CHAIR KAMA: You're welcome, Mr. Johnson. Any other Members have questions for Mr. Williams? Seeing none. Thank you so much.

MR. WILLIAMS: Thank you.

CHAIR KAMA: Staff?

MS. MCKINLEY: Chair, the next testifier is Michael Trotto, to be followed by Leonard Nakoa.

MR. KRUEGER: Michael Trotto, you're unmuted on our end. You'll need to unmute on your end.

MR. TROTTO: Aloha, Chair Kama.

CHAIR KAMA: Aloha.

MR. TROTTO: And ahaw to you and the Members of the County Council present today. My name is Michael Trotto, and I presently am the Vice President of Nā Hale O Maui.

CHAIR KAMA: Oh, yes.

MR. TROTTO: I wanted to acknowledge Director Mitchell's comments today and his presentation, and thank him very much for that comprehensive report. I look forward to meeting you in person, Mr. Mitchell, in...in the near future, and we can talk to you about Nā Hale O Maui and what we do here for our residents in Maui County. We have been operating since 2006, and we've seen some excellent results. We are a community land trust, and we do provide homes for our working families in perpetuity, and we've been very successful in that. So, I thank this Council. Mostly I thank this Council for your support in the past, and...and going forward, we cannot do what we do without partners, and you have been a big partner in that, so we appreciate that. One of the things that I look at outside of Nā Hale O Maui in...in getting affordable housing online and built--you did a really good job in...in allowing for the...for folks to build 'ohana units or auxiliary dwelling units on existing properties. That process needs to be tweaked a little bit in the permitting side of it. You did a really good job in allowing that to happen, but now we need to get the permits done quickly...a lot more quickly. And so, hopefully, we can look at that because these properties, after all, have infrastructure in place, so it shouldn't be...somebody . . .(timer sounds). . . shouldn't have to wait months and even years to get that permit in hand. So, I hope we can look at that because it is a good thing, and it will provide housing for our residents. Again, I just want to say thank you. Thank you for the efforts that are going forward. Thank you, County Council, for your support of Nā Hale O Maui. And we will continue to provide affordable housing to our residents in perpetuity, one house at a time if that's what it takes. Thank you for your...for allowing me to testify today.

CHAIR KAMA: Mr. Trotto, Member Paltin has a question for you.

MR. TROTTO: Yes. Yes.

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

October 9, 2024

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Mr. Trotto, for your testimony. I'm getting a lot of complaints from West Maui Nā Hale O Maui residents that had their houses burnt down about the roadblocks of Nā Hale O Maui in the rebuilding. I was wondering if you guys would consider allowing them to take advantage of the free plans instead of just railroading them through your one mainland architect, who's double charging them for the plans that they already had, charging them for inspections and things like that. Because there's 15 Nā Hale O Maui landowners...or house owners in West Maui, and I'm just getting a whole ton of complaints.

MR. TROTTO: Thank you, Member Paltin, for that. We...we've been working diligently with that. A lot of the issues and--came from misinformation between the County and 4LEAF and...and the architect. We're working through that. We've seen some...we've...we've seen in the last few days where we can work through that. And some of that...some of those problems are going to be going away, and people are going to be able to go on and get their homes rebuilt. I...I--this is all new for us too. That whole process of rebuilding and dealing with this is all new for us too, and so we...we're just...we're on it. We're not letting that just slide. So, I...I understand the frustration. People were traumatized to the max when this occurred last year, and so you're going to see those complaints coming. But we are working on it, and we'd be happy to discuss this in...in...with you whenever you want to talk to us about it.

COUNCILMEMBER PALTIN: Okay. Thank you. Because the complaints have been months and, you know, I...I met with the...some of the board, and SBA can give loans to DHHL, which is a similar situation. So, I guess, you know, the main complaint was that Cassandra had been going around telling people who are giving the free plans don't help Nā Hale, telling SBA don't help Nā Hale tenants, and they haven't been getting help from you folks. So, I...I don't know what to say, but it's...it's very frustrating that they're coming to me, and there's nothing that I can do, you know?

MR. TROTTO: Yes, I understand that exactly. And that's...that's the process. The people will...will contact the Council and their Councilmember on this, but we are working on these. We are dealing right now with SBA. We're trying to get that program with SBA has to be compatible with the...with our land trust. And so, once we can get all those things aligned, that may be a...that may be something they can do. But right now, we have to work with that, and...but we are. And I will just mention to you, our former Executive Director has left, has retired, and we're working through that also. So, we...we are constantly--this is our daily thing at Nā Hale O Maui, to get these issues taken care of, and I...and I promise you, we will get this done. It's going to take some time, but it...it'll get done.

COUNCILMEMBER PALTIN: Okay. Thank you. Just...I've also had reports that they go down to Nā Hale's office and wait for hours, and nobody comes out to speak with them since Ms. Abdul has resigned. So, it's just very disheartening, but thank you for working on it.

MR. TROTTO: Thank you.

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

October 9, 2024

CHAIR KAMA: Members, any other questions for Mr. Trotto? Member Sugimura?

COUNCILMEMBER SUGIMURA: Thank you. Mr. Trotto, thank you very much. And I was just going to ask...I was going to ask you how many homes has Nā Hale been able to complete?

MR. TROTTO: We have more than 50 homes in our...that we have provided for our residents, Councilmember.

COUNCILMEMBER SUGIMURA: Okay. Thank you.

MR. TROTTO: And we are looking--in the future, there...maybe starting next year--we hope we can start next year on the Fairways project, and that'll be seven homes now and possibly five more following. So, we're continuing to do that work. I...I ask people to be patient with...what all that has happened. Everything that transpired last August in 2023 is new for everybody. You know, there's so many things, there's so many moving parts in...in what's going on, and it's taken a lot of our attention, but it's important that we do that and try to get those homes re-established and rebuilt. So, hopefully, we can...we can make good progress going forward.

COUNCILMEMBER SUGIMURA: Thank you. Appreciate your commitment, and for testifying today, and educating us on all that you're doing. I was going to mention SBA also, but it sounds like you have everything that you're considering. Thank you.

MR. TROTTO: Thank you.

CHAIR KAMA: Any other Members have questions? Seeing none. Thank you so much, Mr. Trotto. Staff?

MS. MCKINLEY: Chair --

MR. TROTTO: Aloha.

MS. MCKINLEY: Chair, the next testifier is Leonard Nakoa, to be followed by Carrie DeMott.

MR. NAKOA: Oh, morning. You guys can hear me?

CHAIR KAMA: Yes, we can hear you loud and clear.

MR. NAKOA: Yessah. No more echo, eh?

CHAIR KAMA: None.

MR. NAKOA: Okay. Serious, yeah, brah? Right now, I stay ovah here, stay watching my grandbaby, my grandson, okay? Okay, I watching this buggah. We stay at this...my daughter stay in this hotel...this condo place, yeah, because of the FEMA direct thing.

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

October 9, 2024

I been here for five days in a row because I come watch this buggah. Plenty of these guys is on...on that...the STRs, yeah? So, they running into the wrong guy, yeah, at this place. But they--like, I talking story to them, they understanding. They know...you know, they know all da kine, where we coming from. But we got to make this...we got to make this thing work 'cause my daughter said that if she had more choice, she would...she would live in this place. It's a one-bedroom little condo. Get, you know, two parking stall and da kine. I know all the complaints about people saying that we no can, yeah? So, yeah. So, the...the Minatoya list, we got to work on that buggah right away. Yeah. Director Mitchell, ho, brah, you're stepping it up. But I love it, bu, that you inside this Department because I think we going get some action right now, now that you're inside that Department because the other buggahs, they never do nothing. Mahalo for the report. I went listen to them. My grandson was screaming, and he...I think he agree with me, you did good job on that buggah. But...and then all the other Departments, you know, that went come and support, and say they want to help expedite this permitting process and make 'em happen. You guys know I've been involved with this whole permitting process where one certain group get plenty...you know, get...get away with plenty stuff, and us locals, we get shafted, yeah? I'm trying to rebuild my mother's house in Nāpilihau, okay? Get the house, get the...get all the infrastructure, get everything. I just got to knock them down and build . . .(timer sounds). . . the buggah. But according to somebody inside that...inside the County, they told me it was going take me six...no matter...going take me six months for even get the permit. So, why...why is that? I get the water, I get the sewage, I get the electrician here, I get everything. The...my...my product I going use, I went present 'em to the...to the...to Departments for try...try make sure they can. They said, brah, they--I can...I can use this plan. I went send the floor plans, I sent everything ahead of the time, ahead of going through this permitting...permitting process. But tell me, as a local guy, how come it's going to take six months when I get everything all in line? Eh, wastewater, chick, check. Oh, regular water, ho, check. Electrician, check, you know? Everything. I get everything. So, it's not where I...I got to, you know, go get the...go get the--plenty things done, all I got to do is work on my house. Just give me the permit, you know what I mean, and . . .(timer sounds). . . I'll build my house, and I...I'll show you guys how we can make it work. I...I'm glad, Mr. Mitchell--Director Mitchell, my bad--the...the...that you...your report was awesome. But kind of tired, talk, talk, talk, talk. It's time for action, action, action. Let's prove that all your...all your guys' talking can work. Eh, use...use my mother's house as a...as a...as a stepping stone 'cause I'm ready. I'm ready to build. Like I said, I get everything, so why is it going take me six months?

CHAIR KAMA: Mr. Nakoa?

MR. NAKOA: You guys tell me. I been working on this thing for a while.

CHAIR KAMA: Mr. Nakoa?

MR. NAKOA: And so--but you know about all the other guys. You know about the other guys. You never cut off the other guys. Let me talk a little bit, okay?

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

October 9, 2024

CHAIR KAMA: No, no. No, I was...no, I was going to tell you...I was going to tell you --

MR. NAKOA: Okay. So...so --

CHAIR KAMA: -- that --

MR. NAKOA: So, what I'm saying, the permitting this is awesome, guys. Eh, work with all the Departments. I...I did my due diligence. I went to all these--the...the programs before I went to get my permit, so let's work together.

CHAIR KAMA: Mr. Nakoa?

MR. NAKOA: I know--eh, every...everybody keep on talking about...everybody keep on talking about, oh, this is all new to us. We didn't know this...of course, the buggah new to us, too. We, the people. The people, the community.

CHAIR KAMA: Mr. Nakoa?

MR. NAKOA: We took cracks. We the one took cracks, but we still moving on. We're not going stay...we not going stay stagnant.

CHAIR KAMA: Mister --

MR. NAKOA: We going move to the next thing. We went from supplying people...supplying people the supplies, then we went to...then we went to make sure everybody's good, then we went...we went go make sure they got housing, you know, at the time, we went make sure all this stuff. We...we...we...we moving. So, please, all you guys --

CHAIR KAMA: Mr. Nakoa?

MR. NAKOA: -- all you guys, move forward. Start moving, huh?

CHAIR KAMA: Mr. Nakoa?

MR. NAKOA: Try...try make things happen and get this permitting process. Use Mr. Mitchell's ideas and put it to action. No just talk, because--and, you know, we frustrated. We frustrated, we're tired. I know Tamara, she...Tamara taking cracks from the guys in...in...in Lāhainā. I not even one Councilman. I not a woman or nothing. I'm nothing. I'm just Junya Nakoa. I'm the CEO of Junya Strong, okay?

CHAIR KAMA: So, thank you.

MR. NAKOA: And I get all the questions.

CHAIR KAMA: So, what I wanted to say to you, Mr. Nakoa --

MR. NAKOA: I get . . . *(inaudible)* . . .

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

October 9, 2024

CHAIR KAMA: -- if you would stop talking --

MR. NAKOA: I get the same questions, too. I get the same questions that is asked by the community.

CHAIR KAMA: -- and allow the Chair to take hold, that --

MR. NAKOA: I'm trying to...I'm trying to just get the --

CHAIR KAMA: Mr. Nakoa?

MR. NAKOA: -- this message to you guys --

CHAIR KAMA: Can you mute his mic, please?

MR. NAKOA: -- is that we're...we're...we're frustrated. Yeah, buddy, yeah? Ka'alowai (*phonetic*), yeah? You...you tired too.

CHAIR KAMA: Mr. Nakoa, what I was trying to tell you...you have been muted because I want to be able to tell you that the Department of Planning is on this call. And when the Members have time to ask questions of the Departments, they will ask that question for you on behalf of your mother, and we'll be able to get you an answer. So, that is the Chair's response to you. And yes, your time has--up, and you have gone over like most people have today, and I've allowed that to happen. But you want us to be able to respond, and we are responding. So, thank you very much. Staff, next testifier.

MS. MCKINLEY: Chair, the next testifier is Carrie DeMott, to be followed by Johann.

MS. DEMOTT: Aloha, County Councilmembers and community. And I want to acknowledge Junya Nakoa expressing his frustration with the challenges. I've definitely been on the...heard a lot of that and...and seen how challenging the permitting process has been for all of our homeowners in Lāhainā. I am Carrie DeMott, and I am the interim Executive Director over at Nā Hale O Maui. And I do want to say that I very appreciate the County and all they've done to help our organization since 2006. I am actually a Nā Hale O Maui homeowner, so I've seen what affordable housing can do for a community and a family. We had 14 of our 15 affordable homes burn in the Kahoma Subdivision, and I would like to emphasize the need to expedite the rebuilding grants and loans available to our current affordable housing members who are struggling with a need to build now, and the need for gap resources right now. The gap insurance resources are being set up, but from what I've found out, they're likely going to take months to be able to be available to individuals who need them. And we have homeowners who are in the middle of their build, but running out of resources. I also want to circle back to Director...Director Mitchell's presentation, as he acknowledged those challenges with the permitting process as well. I've definitely been on the front end of...of trying to get that clear information, and...and been trying to set up checklists for our individual homeowners who have been working through this process. It is new. We have a lot of

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

October 9, 2024

different agencies getting information and requiring different steps, and that has been really confusing for everyone...the homeowners trying to get the permitting, and the advocates that are trying to assist. So, clear information from all agencies collaborating would be very helpful. Additionally . . .(timer sounds). . . we have been working with SBA to provide low-interest loans for our families to rebuild. But their current contract language will affect our ability to ensure the land stays in trust, affordable in perpetuity. And that affordability and perpetuity is our mission. We need the language changed. I've been working with SBA and Fannie Mae to do that, and this is taking a long time to resolve. So, any assistance the County can provide in expediting resources for families rebuilding on community-land trust land would be greatly appreciated. Thank you.

CHAIR KAMA: Thank you very much for your testimony. Members, any questions for our testifier? Ms. DeMott, we have a question from Member Paltin and Member Sugimura.

MS. DEMOTT: Okay.

CHAIR KAMA: Member Paltin?

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Ms. DeMott. Is there opportunity for them to go with the free architect, or do they have to use that same architect?

MS. DEMOTT: That's a great question. There's been a lot of swirling information regarding all of that, and I was recently met with the architect that we've been using last week. The plans for the original houses are free to use, and if a homeowner were building that same home, it would be free. All of it. We are also...we have looked into what the architectural and engineering inspections, the structural inspections, would be, and it would just be one architectural inspection, and the program, Nā Hale O Maui, has...we put money aside to be able to cover that architectural inspection. There was confusion, information from the County telling homeowners they did not need any additional inspections, that they could...the County would cover all the inspections. But to ensure that these homes are built structurally sound, and can withstand future storms, and can be standing, you know, hopefully hundreds of years from now for families in the future, we need to have inspections. So, those plans were free, and we would be covering the architectural inspection. So, there was confusion regarding that. Definitely, though, I saw the back and forth with it. It was very confusing. Now, for families that have chosen to change their architectural plans, those plans do require an architect to make changes, which they have to pay for. Additionally, I really highly recommend that anybody trying to change their plans go into that meeting with whatever architect they are using...because we are permitting them to use other architects, and go with their contractor, and really find out what the cost will be at...at building a different plan. I mean, just extending the roof will add...can add \$50,000 onto a rebuild. And you might think that on the front end, you're saving money by making some change in plans, but unless you really talk to a contractor and get cost estimates upfront, you could end up running into a build that's going to be 200,000 or more, more. So, yes, they can use another architect. I would say that when something is told to be free plans, that you might want to look into that a little bit more. Free is rarely free. And to always double

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

October 9, 2024

check with the contractor if those costs are going to be more. I hope I answered that right. . . .*(laughing)* . . .

COUNCILMEMBER PALTIN: Yeah. Thank you. So...so, they are able to use an architect of their choice?

MS. DEMOTT: They are able to use an architect of their choice. However, the build must meet the affordable housing system that...like the...the build that we had before. We can't have somebody building a million-dollar house on that property because then it won't be affordable in perpetuity for the next family. So, we're not doing --

COUNCILMEMBER PALTIN: So, like square footage and room number, basically it has to be the same, but other than that, is it okay?

MS. DEMOTT: Basically. I mean, there has been some discussion about adding an additional room, which could happen, but they just...there has to be some understanding that they're not going to reap some large benefit financially from that.

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

CHAIR KAMA: You're welcome, Ms. Paltin. Ms. Sugimura?

COUNCILMEMBER SUGIMURA: She answered my question. Thank you.

CHAIR KAMA: Oh, okay. Well, Ms. Sugimura's question was answered by your answer. So, thank you very much --

MS. DEMOTT: Excellent.

CHAIR KAMA: -- Ms. DeMott.

MS. DEMOTT: Okay. You're very welcome. I would be happy to discuss our program and our needs with any of the Councilmembers, or the Department heads, or Director Mitchell in the future. I am available. I'm in the office all the time. . . .*(laughing)* . . .

CHAIR KAMA: Well, thank you for that offer. I'm sure Members will take you up on it. Thank you. Staff?

MS. DEMOTT: You're welcome.

COUNCILMEMBER SUGIMURA: Chair, before you move on --

CHAIR KAMA: Yes.

COUNCILMEMBER SUGIMURA: -- can we ask for her email address --

CHAIR KAMA: Oh.

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

October 9, 2024

COUNCILMEMBER SUGIMURA: -- if she's new?

CHAIR KAMA: Okay. Ms. DeMott, can you submit to the Committee your contact information?

COUNCILMEMBER SUGIMURA: Thank you.

MS. DEMOTT: I sure will.

CHAIR KAMA: Okay.

MS. DEMOTT: Do you want me to put it in the chat?

CHAIR KAMA: That would be helpful.

MS. DEMOTT: Okay.

CHAIR KAMA: Oh, no, you want it in the Committee?

MR. KRUEGER: Chair, yeah. Apologies. We do...we do usually leave the chat disabled.

CHAIR KAMA: Oh, the chat's--yeah.

MR. KRUEGER: Perhaps, Ms. DeMott, if you could just email the Committee at hlu.committee@mauicounty.us, that might be the best way.

COUNCILMEMBER SUGIMURA: Thank you.

MS. DEMOTT: Okay. I sure will. Thank you so much for your time and for having a robust conversation about affordable housing.

CHAIR KAMA: Thank you. Staff?

MS. MCKINLEY: Chair, the next testifier is Johann, to be followed by Krizhna Bayudan.

MR. LALL: Aloha. Johann Lall, testifying on behalf of myself. Unfortunately, I missed most of the presentations, including the one by Director Mitchell, but I just wanted to comment overall on the housing issue. And I want to quote Marcus Garvey. And I think a lot of people think this quote is by Bob Marley, but it's actually Marcus Garvey. He said, "none but ourselves can free our mind." And he said this not that long after slavery was abolished, and he was saying that you can be physically free from slavery, but then your mind can be stuck in a way of thought that is effectively enslavement. And I think in many ways, we are in that situation now. Because we're in a society that is built on colonialism, and the plantation economy, and of all that stuff, and we still have a lot of those ways of thinking. And this is in Hawai'i, and it's in America, it's the Caribbean, it's, I guess, all over the world in...in different ways. But one way that it...that I see that manifesting is in how we talk about housing, and how we look at housing. And I've seen

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

October 9, 2024

several big projects where folks will say, well, the 25 percent affordable we're getting is...is better than nothing. And, you know, it's...it's kind of--and/or folks will be opposed to...to regula...including people at the...the Planning Department, Public Works, the actual regulators, they'll say, well, we don't want to put too many regulations, like requiring sidewalks, or requiring solar, or having 150-foot setbacks so people are living on the highway, or making them build affordable housing where the jobs are. We don't want to put too many restrictions because it's going to reduce the amount of affordable housing. So, it's like we keep thinking and we keep talking about affordable housing like it's something . . .(timer sounds). . . we should be thankful for, even the bare minimum. So, I hope that we can kind of get out of that somehow. Mahalo.

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

MS. MCKINLEY: Chair, the next and currently last testifier signed up is Krizhna Bayudan.

MS. BAYUDAN: Hi, everyone. My name's Krizhna with the Maui Tenants & Workers Association. I truly appreciate these discussions...that's--it's a step forward in the right direction, but talk alone isn't enough, and we need to speed up the process. And while we're all sitting here discussing solutions that should have been in place a long time ago, people are struggling just to keep a roof over their heads now. I'm working on a survey with Filipino survivors of the Lāhainā Fire, and one of the questions I ask is, how can you feel better supported in the recovery process? Time and time again, the answer I hear is financial help. And when I asked how they'd use the money, the response is always for rent. My own family is about to run out of our insurance money, and we have no idea what's going...going to happen next. The cost of living is out of control, and people like Desi are facing the same uncertainty. And just yesterday, I heard about a single mom signing a lease for \$4,000 a month. How is anyone supposed to survive that? People are dealing with housing instability right now, and we can't afford to wait for slow-moving solutions. We don't have time to sit around waiting for the solution that we needed years ago. We need to get people into housing that already exists and make it affordable. And when we talk about affordability, it's not just about income. It's about the full picture. People are paying for childcare, for schooling, car payments, food, gas, and that has inflated over the years by so much, and all of that needs to be considered. Many homeowners in Lāhainā have already exhausted their insurance payouts and are now stuck trying to cover both their mortgage and the rent. And on top of that, they're waiting to pay their building permit fees and other construction costs for their rebuild that may not be covered by insurance. It's simply impossible for most people . . .(timer sounds). . . and we need immediate action to stop even more families from leaving this island. In conclusion, we need bold, immediate solutions to address this housing crisis. This is not just about numbers or policy, it's about real people, real families, and the survival of our community. We need to act now to prevent a deeper crisis and provide stability for all of Maui. Thank you.

CHAIR KAMA: Members, any questions for our testifier? Krizhna, could you please come back? Member Sugimura has a question for you.

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

October 9, 2024

COUNCILMEMBER SUGIMURA: Thank you very much for testifying. So, the survey that you're doing, I wonder when you're completed...when you complete it, could you share it with us?

MS. BAYUDAN: Oh, of course.

COUNCILMEMBER SUGIMURA: Thank you.

MS. BAYUDAN: Yeah.

CHAIR KAMA: Thank you. Staff?

MS. MCKINLEY: Chair, the next testifier is Lehua.

MS. SIMON: So, I was mostly putting up my hand to praise Krizhna. I know her very little, I just met her, but she's such a remarkable young person in our community. And thank you for speaking the way that you do.

CHAIR KAMA: Lehua...could you please speak up, Lehua?

MS. SIMON: And I want to give a shoutout--yes.

CHAIR KAMA: It's difficult --

MS. SIMON: I want to give out a shoutout to--so, thank you, Krizhna, for--can you guys hear me now?

CHAIR KAMA: Yes, we can.

MS. SIMON: Okay. So, thank you, Krizhna, for what you shared and how powerful those words are, that you would bring them to the table, And also Johann, with a spiritual...well, he was being more spiritual in his testimony. And so, I'm going to go there a little bit. There's this thing called kauhale. There is land that the County can get, and they can get land. And I think the easiest way to explain, a kauhale is a low-key infrastructure housing place, okay? And it is...is culturally-developed housing system from ages, from the Hawaiian people. And so, kauhale...you know, going on the long-term, slow processes to build housing developments and affordable housing, kauhale is an immediate solution that, I'm going to say, we can go out with the Hawaiian population. Because in the bones...if I can just say, in the bones, the Hawaiian people know how to live kauhale. It's not normal. It's not like you get to live in an apartment with walls, and, you know, there's collective kitchen places and things like this. It...it may be the only way to really immediately do something. And there is a way called kauhale. And there is four mana wāhine on this Council that know, in their bones, that kauhale works. And I think we can do that. That's my spiritual testimony, that our County can do a kauhale. We have in our means, and that may be a way to fast kine get people in shelter and stuff like this. That's all I'm going to say. Aloha. Thank you

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

October 9, 2024

guys so much. You guys are warriors for being in this County Council position during the wildfire, each one of you in your own way. Thank you.

CHAIR KAMA: Lehua? Lehua?

MS. SIMON: Yes. Yes.

CHAIR KAMA: Can...would you...would you --

MS. SIMON: Aloha. Yes.

CHAIR KAMA: -- like to share your last name with us?

MS. SIMON: My name...my last name is Lehua Simon. I come from Pukalani. I was born and raised in Pukalani.

CHAIR KAMA: Thank you so very much. Members, do you have any questions for our testifier? Seeing none. Thank you so much, Lehua. Staff?

MS. MCKINLEY: Chair, someone is approaching the podium.

MR. LAW: Aloha kakahiaka, ‘Aha ‘o ke Kalana O Maui (*phonetic*). Aloha kākou. Aloha, *Akakū*.

CHAIR KAMA: Aloha, Jasee.

MR. LAW: . . .(*laughing*). . . Good morning, Ka Luna Ho‘omalū and kuini Kahului Kama. Mahalo for being here ma kanaka, in person. It’s Jasee Law. Ke Ke‘ena...oh, live and direct, Ke Ke‘ena ‘Aha Kalana, from the County of Maui building. So, I save all my gospel preachings for your Committee meetings, Sister Kama, and this one comes from Mark, Chapter 11, Verse 17. As he taught them, he said--and he is Jesus, Jesu Cristo--is...is it not written, my house will be called a house of prayer for all nations? But you have made it a den of robbers. Standard disclaimer, nine out of ten people who goes to church on weekends is good, but watch out for the ones who get the keys, and they lock the doors after. With 300-plus churches on Maui not paying property tax, how are they helping with housing? In my experience, the Roman Catholics of Kula, the King’s Cathedral--and that’s Kula and down below Kahului--and the Salvation Army now--they’re added to the list--the churches--and that’s the administrations, not the congregations--the churches, they’re the robbers. So, the churches tell people they’re not allowed to sleep there, but if you sleep outside the gate of the church, then they call the cops on you. That’s kind of weird. At Māmalahoe Kānāwai, right, Junya? As...and one more parting shot, this seems to me that giving the churches funds for housing is like giving . . .(*timer sounds*)... money to the Israelis to build housing for the Palestinians. Tell Evan he’s doing a good job, Chair Kama.

CHAIR KAMA: Members, any questions for Mr. Law? Seeing none. Thank you so very much. Staff?

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

October 9, 2024

MS. MCKINLEY: Chair, there is currently no one else signed up to testify. If anyone would like to testify, please approach the podium or raise your hand on Teams. Chair, seeing no one.

CHAIR KAMA: Thank you. Members, seeing as how there are no more individuals wishing to testify, without objection, I will now close oral testimony. And as a reminder, written testimony will always continue to be accepted into the record.

COUNCILMEMBERS: No objections.

. . . CLOSE PUBLIC TESTIMONY FOR ITEM HLU-3(21) . . .

CHAIR KAMA: Thank you. So, now we'll proceed with discussing HLU-3(21). Members, I will now call upon you for the questions you have for our presenters and the Administration. So, all of our resources who are not in the front of you are all online. They all said they would be here, and they are now waiting for all of us to ask. So, I'm going to ask the Staff to set a three-minute timer for each of our Mem...for each of us so that all of our Members can get our questions asked and answered, and will continue to do that until the time runs out. So, I want to call upon...Chair Lee left already, yeah? Oh, okay. So, I want to call on Committee Vice-Chair Cook. Questions for our presenter, please.

VICE-CHAIR COOK: Thank you, Chair. My questions would be for Director Stufflebean from Director...Department of Water Supply, if he's online.

MR. STUFFLEBEAN: I'm here.

VICE-CHAIR COOK: Hi, Director. Aloha. And the...the comment about drilling test wells, could you explain how does it work with CWRM as far as the--who's...who's testing? How...how do you drill the well and test it for the quality and whatnot? Is that their responsibility, what they're doing? Or are they solely the entity to review and approve someone's application to do that?

MR. STUFFLEBEAN: Right. So...so, a test well is...is different than a production well, monitoring well. A test well is a...they're essentially done by the USGS. And there's one on the West Side currently, and it's...it's a very deep well. And the purpose of the well is to determine essentially to what extent the saltwater is intruding into the...into the freshwater aquifer. So, they...they test the salinity as they--goes down the borehole, and then you can...and you monitor that over time, and it can tell you to what--how the aquifer is being impacted by...by drilling. And there's now in the works to drill a second test well on the West Side that will give additional information on kind of the status of the aquifer, and we're participating in that with the USGS and...and the...the State as well.

VICE-CHAIR COOK: So, that's a USGS-funded and...funded- and -implemented and -executed task?

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

October 9, 2024

MR. STUFFLEBEAN: Right. And we assist with that, both in terms of assistance and...and...and finances as well. Yeah.

VICE-CHAIR COOK: That--is there any...that sounds like a good thing to have pretty much in any aquifer. Is that planned for the South Side or Upcountry or anywhere else, or are they simply doing it in West Maui because it's at such a sensitive level?

MR. STUFFLEBEAN: No, they do it...they do it all throughout the island, at other places as well.

VICE-CHAIR COOK: Thank you, sir.

CHAIR KAMA: We're going to continue with Councilmember U'u-Hodgins.

COUNCILMEMBER U'U-HODGINS: Thank you, Chair. And thank you, everyone, for being here. Thank you, Director Mitchell, for your slew of solutions. I don't disagree that we need everything in our power, in our tools...in our toolbox to make this all work. I wanted to talk to you about...where did my notes go? The three parcels that was mentioned in the Affordable Housing Plan, page 35. So, Central Maui Baseyard, I think you said Lāhainā--or Lāna'i-Pā'ia-Kīhei community...Kīhei Police Station. What is...what's the current zoning of each of those places, and how quickly can you get them entitled?

MR. MITCHELL: I don't have the current zoning in front of me, and I don't have a quick answer to how long we can get them entitled...how long it will take to get them entitled, but I can certainly get that information to you. I'd rather not speculate on the length of the entitlement process. As you know, we don't necessarily control the timing, but certainly we can guesstimate, and I can provide it to you in writing.

COUNCILMEMBER U'U-HODGINS: Okay. I did look up the Pā'ia one, obviously...the soccer field. So, half of it...or just a little bit over half is...is a park in Kuau Bayview, and then about the other half is kind of this old remnant of what used to be a cane field. So, would we do half of it, and would we lose this entire park? Because Pā'ia doesn't have many parks. Or would we--I know I'm asking hypotheticals--develop that small section, and we would then lose about half of the acreage--I think it's about 11 acres--so the County would have the ability to rezone that. You wouldn't have to ask the State for permission.

MR. MITCHELL: So, that was a bit of a compound question.

COUNCILMEMBER U'U-HODGINS: I know.

MR. MITCHELL: Member U'u-Hodgins, I'm not too sure which you'd like me to address.

COUNCILMEMBER U'U-HODGINS: I would just like you to confirm if we would be able to keep our park, and we would be able to just develop on the open space as existing now.

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

October 9, 2024

MR. MITCHELL: Thank you for the question and clarification. What I would recommend we do as we go through an analysis of the parcel, is not only to figure out how to best utilize the parcel, but obviously how to not impact the community with the loss of the park. So, that's something I would task our Housing Community Development Division to take a look at --

COUNCILMEMBER U'U-HODGINS: Okay.

MR. MITCHELL: -- and work with the community on that. I'm not going to state, as we speak now, what precisely we would do without having first sat down and said, okay, how can we utilize the site, and how do we mitigate . . .(timer sounds). . . the impact to the community, given, as you've indicated, the loss of the potential park.

COUNCILMEMBER U'U-HODGINS: Yes.

MR. MITCHELL: But I hasten to add, too, having worked my way through the Comprehensive Affordable Housing Plan that I didn't see anything in the plan that highlighted that concern.

COUNCILMEMBER U'U-HODGINS: Okay.

MR. MITCHELL: And I know there was significant community outreach as this plan was developed several years ago, and so I thank you for making that observation.

COUNCILMEMBER U'U-HODGINS: No worries. I have plenty more questions about Pā'ia Town and future housing developments because I'm a yes-in-my-backyard kind of person for Pā'ia Town. So, we will continue to have this conversation.

CHAIR KAMA: Yes, you will. Member Sugimura, you're next.

COUNCILMEMBER SUGIMURA: Thank you very much. Director Remi--so, I'm glad I coined that phrase.

MR. MITCHELL: You coined a new phrase.

COUNCILMEMBER SUGIMURA: Yes. Because that's what we call you. So, I'm...I'm very excited to hear what the Departments has shared, and then to see how you all are going to work together.

MR. MITCHELL: I'm excited too. It's...it presents a unique opportunity. One of the things I have done, because all the other Directors are my colleagues, is ask that we include the Managing Director or his Staff in our collaborative meetings as we pull together projects, and seek the support of the other Departments so that we have the leadership of the Mayor's Office, the Managing Director's office, on these projects. So, I'm looking forward to being able to stand up our Housing Community Development Division, and have them tasked with looking at those for properties identified in the Comprehensive Affordable Housing Plan, and begin to work to get those developed.

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

October 9, 2024

COUNCILMEMBER SUGIMURA: Sorry, that was my phone. Okay. Good. The...the Housing Community Development Authority is --

MR. MITCHELL: That's the new division with the develop...the Department of Housing.

COUNCILMEMBER SUGIMURA: And that is to --

MR. MITCHELL: Housing and Community Development Division within the new Department of Housing.

COUNCILMEMBER SUGIMURA: Okay. Sorry, I don't know that. So...

MR. MITCHELL: So, when...at bifurcation, we shifted the old housing section over to its new Department, we also created a new division.

COUNCILMEMBER SUGIMURA: Okay.

MR. MITCHELL: So, we have the --

COUNCILMEMBER SUGIMURA: Okay.

MR. MITCHELL: And I should...I should--Before I go any further, I should acknowledge that my colleagues, Deputy Director Saumalu Mataafa, and Administrator Buddy Almeida, for the County Housing programs, are in the gallery, and I appreciate them being here--and parts...I wanted them to hear the entire discussion and to be available if there were any questions. But at bifurcation, we took the old Housing section and essentially trifurcated it. So, you have a County Housing Programs Division, a Federal Housing Programs Division, and a Housing Community Development Division. The third one that I just mentioned is the brand-new division because it's still being stood up with personnel. And we also created an Administrative Division, which really is myself, the Deputy Director, and our Administrative Assistant, our Secretary, and a couple of other Staff members.

COUNCILMEMBER SUGIMURA: Okay. Thank you. So, in the audience and testimony were residents that are concerned about rent stabilization. They have their own organization. Do you have something you would want to say? I...I think...it sounds like that it is not a dead subject because I believe that what you said in the past and what you're doing today is trying to figure out how all the many pieces will fit together. Could you maybe address some of the concerns?

MR. MITCHELL: So, thank you, Member Sugimura. I did, in fact . . .*(timer sounds)*. . . meet with the Maui Tenants & Workers Association --

COUNCILMEMBER SUGIMURA: Okay.

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

October 9, 2024

MR. MITCHELL: -- before our second-to-last HLU meeting. And then I had an opportunity to be at an engagement at Mr. Williams' house, where I spoke to Mr. Lloyd also about the proposed rent-stabilization legislation. I looked at it in detail and discerned that it was based upon a California audien...ordinance, and then identified over a dozen significant policy issues that need to be addressed, policy issues that I anticipate would be considered when the Council takes up what I understand to be a proposal that's being developed by one of your colleagues. And so, one of those policy issues is the breadth of rent stabilization, and is it mandatory, and for whom, and for what time of projects? Because--what projects in terms of the data construction--because if it's a blanket policy, obviously, it engenders the fears of the development community and others, that it will have a chilling effect. But if it is for properties built during a certain time, then you're limiting the impact, and you're limiting the cost implications for the owners of the property if you're stabilizing the rent. But those are all policy decisions, so one would have to just work through the proposal as it is introduced in the Committee to address some of the concerns that perhaps, as I understand, Member Kama has expressed. But also to provide, to some degree, the immediate relief that members of the Association is asking for.

COUNCILMEMBER SUGIMURA: Okay. Thank you. Very good, and I hope it answers some of the concerns that were expressed. Thank you.

CHAIR KAMA: Thank you. So, we're going to continue on with Member Paltin.

COUNCILMEMBER PALTIN: Thank you, Chair. You know, in light of...of what folks like Krizhna was saying, and what people in West Maui are facing, and...and the need for immediate solutions, you know, to stop the hemorrhaging of our people off island...I have a friend that says her new weekend hobby is to look up, on the County tax record sale, price information for people who are advertising rentals for extraordinary prices on Facebook, calculating what their max mortgage is likely to be, comparing that to the rent they're charging now, and then outing them. For example, if a person bought the property in 2021 at \$875,000 when three percent interest rates were standard, even with zero down at those rates, the monthly mortgage is \$3,670. So, he bought this house with the intention to rent it out for a total of 6,800 a month. In terms of rent stabilization, I'd like to ask either Director Mitchell or an attorney if...if it's okay to cap what it is based on what somebody's mortgage is, you know? If...if their mortgage is likely under four grand, and they're trying to rent it out for 6,800, would that be lawful to cap it at, like, you know, one percent of what...like, a one percent kind of profit versus, you know, what's going on?

CHAIR KAMA: Yes, Mr. Mitchell.

MR. MITCHELL: Thank you, Member Paltin, for the question. I can't speak to the lawfulness of the percentages of caps. But what I will speak to is the portion of any rent stabilization bill that tries to determine what the appropriate rental amount is. And that would require obtaining from the property owner, landlords, a significant amount of information in order to determine what that reasonable rate is. And then there's also a policy decision in the rent stabilization bill that deals with rent increases, and what a

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

October 9, 2024

reasonable increase amount would be over what period of time. And then there's also another policy decision in dealing with appeal rights, if the tenants disagrees with what was being proposed for the increase. So, there are a lot of steps that one needs to . . .*(timer sounds)*. . . manage and consider when looking at that rent stabilization proposal, the what...the first being, how do you establish what the appropriate rental rate is? But as I indicated in the beginning, I can't speak to whether there...it's lawful or unlawful to cap it at a certain percentage. I just don't know the answer to that.

COUNCILMEMBER PALTIN: Shoot. For my next round, I would ask you if you support paying those...or subsidizing those inflated rents because that just is more money going into an investment speculator's pocket.

MR. MITCHELL: As a personal matter, Member Paltin, I don't support subsidizing inflated rents.

CHAIR KAMA: That would have been her second question at the next round, right, Ms. Paltin? Okay. We're going to continue on with Member Johnson.

COUNCILMEMBER JOHNSON: Okay. Thank you, Chair. I'm going to try to respect the time because I have a lot of questions, so pardon me if I cut you off. So, Director Mitchell, you...can you talk about the Housing and Community Development Division that I proposed three years ago, and that we...we...this body supported three years ago? What...what's the...how many positions are...are full and how many are empty?

MR. MITCHELL: Thank you, Member Johnson, for the question. The Division has four positions, and we currently have one position filled, that's the Housing Development Coordinator position. We still have the Division Administrator vacant. We have a Planner IV position that is still vacant, and a DHHL Liaison position that is also vacant. We are currently going through the reorg process so that we can get an additional position in that Division --

COUNCILMEMBER JOHNSON: Okay.

MR. MITCHELL: -- for the . . .*(inaudible)*. . . --

COUNCILMEMBER JOHNSON: What's the friction? Why...why is it so long to hire? Is that just the...the way the County works, it just takes so long, or is there something specific having a hard time finding people?

MR. MITCHELL: So, great question. So, on July 1, after I came on board as the Director, there were many things I obviously...as you can imagine, I had to address, and one was identifying what we need to do to fill vacant positions. The first thing I had to do before I could even post the four positions was go through the DPS reorg process. That takes some time to get a finalized reorganization chart.

COUNCILMEMBER JOHNSON: Okay.

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

October 9, 2024

MR. MITCHELL: So, then you have to go through the process of getting the position description developed, and making sure it's consistent with the class specification. . . .*(laughing)*. . . And then --

COUNCILMEMBER JOHNSON: All right. I...I understand.

MR. MITCHELL: -- you have to . . .*(inaudible)*. . . It is...it takes...regrettably --

COUNCILMEMBER JOHNSON: . . .*(inaudible)*. . .

MR. MITCHELL: -- it takes time, and I would like --

COUNCILMEMBER JOHNSON: Yeah.

MR. MITCHELL: I would have liked if we could have had this all done in sort of a click of my heels within days of my arrival, but that's just not the process.

COUNCILMEMBER JOHNSON: . . .*(laughing)*. . . Okay. I...I have to move on. Thank you, Director. All right. So, why do developers say that the 30 percent of one's income creates uncertainty? The County will subsidize the prices down, so what's the uncertainty? There's two things that are...are guaranteed in life, and that's death and taxes. If the County subsidizes those...those homes down to what a person can afford to actually get those FHA loans, the USDA loans, first-time-home-buyer loans. That's how most people get their first house. So, why--I don't see the uncertainty.

MR. MITCHELL: If I may, I would invite our County Housing Programs Administrator, Buddy Almeida, to come down to the rostrum, if that's okay with you, Chair Kama.

CHAIR KAMA: Absolutely. I think we probably have to make Mr. Almeida --

MR. MITCHELL: Yes.

CHAIR KAMA: -- a resource according to Rule 18. So, Members, without objections, I'd like to have . . .*(timer sounds)*. . . Mr. Almeida be a resource under the Rules of our Council.

COUNCILMEMBERS: No objections.

CHAIR KAMA: Thank you.

MR. ALMEIDA: Thank you, and good morning, Chair. Good morning, Councilmembers. Thank you for the question, Mr. Johnson. What we found, as Director Mitchell alluded to a little bit in his opening remarks, were what we've...what...when you have a project development, you're going to have different things that are associated with different projects. Property taxes are not going to be the same across the board. Dependant upon how much the individual needs to borrow or--will affect how much insurance is required on the property. Some properties have homeowners' association fees. Others don't. So, it's hard for the developer, upfront, to know exactly what the total mortgage

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

October 9, 2024

payment is going to be when they're qualifying someone. You're kind of trying to back into that number for each buyer, which is extremely difficult. Also, certain buyers have a little bit more to put down than others, so even if all things remain the same, the payment amounts will still be different because the amount they're financing will change. So, it's just difficult to try and...again, back into that number and make it precisely a percentage of the overall mortgage payment.

MR. MITCHELL: And...and --

COUNCILMEMBER JOHNSON: Well, doesn't --

MR. MITCHELL: Member Johnson, if I could just --

COUNCILMEMBER JOHNSON: Okay. Go ahead.

MR. MITCHELL: -- supplement Administrator Almeida's response there. The other thing to consider is that developers are trying to identify that number before the project is developed. They're trying to figure out per unit what that sales price is so they can go into financing. But that sales price now has a significant number of variables in it that they can't control, and they have no way to know what it is until after they've built it, and then they're qualifying the potential buyer or tenant.

COUNCILMEMBER JOHNSON: Okay. Well, I just think that the County is there to, you know, fill in that puka, so there shouldn't be any concern. But I'm out of time. I just want to ask Councilmember Kama, when...why do you...or when do you plan to introduce Bills 103 and 104, or even 105? I know that the Departments mentioned that. Is that on your agenda?

CHAIR KAMA: It is in my...it is on my master agenda, and I'm waiting for the Office of Council Services to review them, get it back to Corp. Counsel, and get it back to me.

COUNCILMEMBER JOHNSON: Okay. I...all right. Thank you. My time's up. And I just think the County should subsidize the difference of...of the...to stabilize the sale price of those homes. So, I'm out of time. Thank you, Chair.

CHAIR KAMA: You're very welcome. We're going to continue with Member Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Mahalo, Member Johnson. That was a good segue into one of the points I wanted to make before I launch into my questions. I think...mahalo, Chair, for this discussion to comprehensively discuss ideas to affordable housing from this meeting. And it...I understand that you said that we may also recess so that we can continue this really important discussion. I think if we can develop together because the Committee--together, we're all equals--as Councilmembers should develop what the next steps are together. So, if the next steps are prioritizing Bill 105, for example, then I think together, we can...let...let's try to figure that out. I understand that you're the Chair, but as the Chair, you're the facilitator of the meeting, and we, the body, make decisions together. So --

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

October 9, 2024

CHAIR KAMA: You're absolutely correct.

COUNCILMEMBER RAWLINS-FERNANDEZ: What I heard in a...mahalo, Chair. And...and so, what I heard from a lot of our resource people that I just wanted to, like, hit is time, carrying capacity, and the consequences of commodification of our housing. I also wanted to hit on what I...what breaks my heart when I hear in testimony is the greed from financial and banking institutions because, really, they're the ones that win. The other winners of this terrible housing system that we have are realtors, where the system of having realtors make commission off of housing. A system that rewards realtors when housing increases because their commissions increase at the expense of residents paying more. I...I...I wanted to just highlight a few things about the banking and financial institutions that continue to make record profits, you know, \$1.7 trillion last year...86 percent of listed companies around the world either increased dividends or maintained them at current levels of 2023. They are just profiting, like, disgustingly off of our suffering, and it...it just...it sickens me. My questions are for Mr. Mitchell. Okay. First, I wanted to...I was...I was going to point out again that the--mahalo for establishing or, you know, inheriting, and then working your way to filling the positions of the Development and Community Housing Division, which was created by Council, which was Member Johnson's budget priority three years ago. So, for two-and-a-half years, it was...it...it--they...the Administration refused to fill those positions. So, mahalo, Director Mitchell, for making that a priority when you got in in July. So, you discussed County-owned and -managed...or County-owned lands and...and...and developing housing there. That study was done . . .(timer sounds). . . before we acquired the 23 acres in Pu'unēnē, so we can also look to land to acquire. We...we...we aren't shackled to the lands that we currently have. I did hear the timer, Chair. I do have questions, but--and I see that we have 35 more minutes, but I'll...I'll...I'll stop, I guess.

CHAIR KAMA: Now we'll continue with Member Sinenci. Welcome back.

COUNCILMEMBER SINENCI: Mahalo, Chair. If Director Mitchell would want to answer Member Rawlins-Fernandez' question, I can oblige some...some of my time for that.

COUNCILMEMBER RAWLINS-FERNANDEZ: Chair? Mahalo, Member Sinenci. I will take one of our...one of your minutes, just one minute. So, is...is the housing...is...is your Department looking at also acquiring land, and not just limiting ourselves to land that we currently have, and have you explored the 23 acres in Pu'unēnē?

MR. MITCHELL: Thank you, Member Rawlins-Fernandez, for the question. I have not asked anyone in our Department yet to, in a speculative sense, look for additional parcels, but yes, that is in my field of view. And in fact, I have had some conversations with a number of property owners myself, looking to develop infill properties in town. I have simply not had the chance to discuss that with our Department because it's...or Division rather, because it's a Division of one right now. But when we are fully staffed, that will be part of our approach to how the Housing Community Development Division will attack this challenge. And no, I have not looked at . . .(timer sounds). . . the 23 acres that you referred to.

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

October 9, 2024

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Director Mitchell. Was that really three minutes --

CHAIR KAMA: No, you...

COUNCILMEMBER RAWLINS-FERNANDEZ: -- Chair?

COUNCILMEMBER SINENCI: : One.

CHAIR KAMA: You said --

COUNCILMEMBER RAWLINS-FERNANDEZ: Or --

CHAIR KAMA: You said one, and Member Sinenci just said one.

COUNCILMEMBER RAWLINS-FERNANDEZ: Oh, okay. Okay.

CHAIR KAMA: So, he'd like his two, I'm sure. . . .(laughing). . .

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. I was going to say, I...I felt bad I took all of Member Sinenci's three minutes. . . .(laughing). . . Okay.

CHAIR KAMA: No, it's only one. . . .(laughing). . .

COUNCILMEMBER SINENCI: Yeah. And --

CHAIR KAMA: Okay.

COUNCILMEMBER SINENCI: And I only--because my question was of the...a similar nature. We understand that the State had acquired the Front Street Apartments. And so, talking about acquisition, I am aware of several Lāhainā residents that...their properties that burnt were, I guess, condo complexes. So, they're having a hard time to...to rebuild, and so they're looking--is that something that the Department can also--you know, instead of infill or instead of acquiring outside the...the original footprint, can you look at those properties with willing sellers who just cannot, you know, rebuild these large housing complexes that they own?

MR. MITCHELL: Thank you, Member Sinenci, for the question. And the simple and shortest answer is yes. I'll expand just a little bit, but I don't want to eat too much of your time, and that is for the condo owners. The problem I referred to earlier on with the gap between their insurance proceeds and the actual value of their property is magnified. In a single lot, where you have had a mortgage on a home and land, but now all you have is the land but you're upside down on the mortgage, the gap between what you got from insurance and what you can actually...what you need to build is significant. With condos, it's even worse because I look at condos as an association of partners. Every

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

October 9, 2024

single condo owner is in partnership with each other, and yet still, they're not in control of redeveloping their residential units, the...the --

COUNCILMEMBER SINENCI: Right.

MR. MITCHELL: -- the collective is. And so, yes, that is an opportunity for us to consider.

COUNCILMEMBER SINENCI: Yeah. There are some properties, Director, that are owned by certain residents, but the condos or the...I guess, the...the...the houses were leased, so you have now owners that...that had . . .*(timer sounds)*. . . owned the property, but then those who leased it, you know, they work, so now they're stuck with...you...you know, with those properties that burnt down and the leases that were to those condo owners on...on the leased property. So, those are just some of the--I don't know if those owners you'll be able to address, but I can find out more and let the Department know. Thank you, Chair.

CHAIR KAMA: You're welcome, Mr. Sinenci. So, we're going to go back and...get back to Vice-Chair Cook. Do you have any more questions for our presenters? No forget, Water's on the line too, and DEM, and Transportation, and --

VICE-CHAIR COOK: Thank you, Chair.

CHAIR KAMA: Planning.

VICE-CHAIR COOK: My...my question's for the Planning Department. And what are some of the challenges and barriers for comprehensive zoning to match the Community plans so that we don't have sort of a chop suey review process to get in alignment for more expedited building?

MR. PFOST: Thank you. Thank you, Councilmember Cook, for the question. I think barriers-wise is...I mean, part of it is, I think, the--to initiate and move forward with the comprehensive process to actually combine those, you know, with--and...and actually, staffing to be able to do that within the Department and initiate that process. It's...that's an extensive process to do, but it takes staffing, and takes time to do that. So, I...I think just from an initiation standpoint, that...that would be the...the--one of the big barriers is...is from a staffing standpoint in being able to initiate that process, which does take a lot of time. Yeah.

VICE-CHAIR COOK: Thank you.

MR. PFOST: I think that's all that I can think of at the time.

VICE-CHAIR COOK: Is there the opportunity and the appetite for the Planning Department to outsource that?

MR. PFOST: That's a good question. I'd have to get back to you on that and probably consult with the Director on that. I...I mean, in my past experience, I have outsourced. In other

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

October 9, 2024

jurisdictions I worked for, I've had...have outsourced things like that and products like that in order to get it expedited when you don't have the staffing to do that. I think there is the opportunity, but I'd have to consult with the Director on what that actually means here. So...

VICE-CHAIR COOK: Okay. Thank you. I would just...it seems that the...all across all the Departments, staffing is a perennial challenge. With the new Department, with experienced people in place, with new leadership in place, they're having challenges staffing to implement the plans. So, from my perspective, it seems that outsourcing is a path forward, and I would strongly encourage and support that for virtually all the Departments. So, if you could talk to the powers that be and possibly at the next meeting, be prepared with some hopeful prospectus for how we could expedite that. Because the zoning is the first step to be able to enable to plan a development, and do...do you have any comments or suggestions of how we could speed the affordable housing with the structure that we have now?

MR. PFOST: . . .*(laughing)*. . . That's a...that's a good question. That's a pretty broad question. I...I think...I think, as...as Director Mitchell mentioned at the very beginning in his presentation about collaboration between Departments, I think is probably the most imperative, in my...in my opinion. In my experience in...in producing affordable housing in other jurisdictions that I've worked in is a collaboration working...in having...in making sure that the Departments are working really closely together to ensure the expediting of those permitting and permitting processes early on. So, I...I...I'm not sure I can provide much more than that. I agree that, you know, the...the...the inconsistency of zoning with community plan is an important aspect, that perhaps that is one activity that the Department can initiate if it's got the staffing or the outsourcing ability to be able to do that to get ahead of the game so we don't have to waste time with those extensive long processes and...and...and long-range planning efforts that the... . . .*(timer sounds)*. . . the more you have those long-range planning efforts already in place makes it easier, obviously, for the development activity to occur through a permitting process.

VICE-CHAIR COOK: Thank you, sir. I heard the bell, and I very appreciate your responses. So...

CHAIR KAMA: We're going to continue with Member U'u-Hodgins.

COUNCILMEMBER U'U-HODGINS: Thank you, Chair. We have about what?...25 more minutes, and I know that everybody still probably wants their opportunity to ask questions. Are we going to defer this item and reschedule it another time?

CHAIR KAMA: Deferral definitely is because it's a 7(B).

COUNCILMEMBER U'U-HODGINS: Yeah.

CHAIR KAMA: Yes.

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

October 9, 2024

COUNCILMEMBER U‘U-HODGINS: And then are we going to reschedule it though and have this...continue this conversation?

CHAIR KAMA: We could, I’m sure. And when we do, we usually make sure that all the people who are here today come back again.

COUNCILMEMBER U‘U-HODGINS: Okay.

CHAIR KAMA: I’m not sure what that date would be, though.

COUNCILMEMBER U‘U-HODGINS: Okay. Thanks. I would...I would like to say a couple of things. As someone who has done a few affordable housing projects before this job, I would be hesitant to over-subsidize the housing market when, more often than not, it’s typically expensive because it takes too long to go through our government process. So, we’re really subsidizing the home provider and the home buyer from our process. So, overly subsidizing that process financially doesn’t get to the root of the cause. We’re just adding money to more money and to time. So, if we can figure out how to best actually expedite this process with respect to all the regulations that we need for environmental and cultural factors, it would cost less, and we would have subsidize it less, and we would have more money to invest in all the other things that we would like to see in this Community. So, I understand Member Johnson’s point, but creating a subsidy for home buyers to go through our...our process is ass-backwards to me. So, I would caution everyone when we consider how we develop our homes. So often, people have ideas in theory, but less in application. We only have so few home builders left because we...we demonize homes. And I understand that we have had several people for a very long time doing stupid things. Honestly, stupid things. But we do have good home providers, that we have local home providers that are accountable to our community, and we need to better work and partner with these actual home providers so we can understand what the process works like in application, not in theory. We take advice from people who’ve never built homes. How is that going to work here? When they’ve never built a home, that’s like asking a man what childbirth feels like. They...I don’t need that advice. I really don’t. We need to figure out how this works in our house so that we can figure out how to make it best work for everybody else to actually have a house. With that being said, back to Pā‘ia. So, around . . .(timer sounds). . . Skill Village--oh, shucks. Around Skill Village, there’s a Kaheka condominium for Skill Village 2 that is appropriately-zoned Interim and Ag, and we can figure out how to make housing there, and we can figure out how to make more housing in Pā‘ia with our County-owned land near and around Doris Todd. I don’t disagree with Member Rawlins-Fernandez that we should probably figure out where else is best, and entitle that land, and have developers and us go to the housing creators instead of waiting for them to come to us. Thank you, Chair.

CHAIR KAMA: Did you want to respond to that, Director Mitchell?

MR. MITCHELL: Thank you, Member Kama. And thank you, Member U‘u-Hodgins, for your observations. They reminded me of some comments I made at the last HLU meeting, where I indicated we have a housing pricing market that’s similar to San Francisco, but

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

October 9, 2024

we have an economy that's vastly different than it. It also ties into the comment of our second testifier. What she said was--and I jotted it down ever so quickly because it resonated--she said, this is an island, not California. And my comment at the last meeting was that our prices are similar to San Francisco's, but if you look at the distribution of industries in San Francisco versus the distribution of industries and where the majority of people work in Maui, the industries in San Francisco are very diversified with very high incomes. Majority of people are earning very high incomes. Whereas we have a concentration of our workforce in resort, hotel, recreation activities, which is very low income. So, we have a very expensive housing market, but an economy that is insufficiently diversified so that workers are concentrated in a low-paying job. That's part of the problem, the big macro problem. I'm not charged with solving that problem, but I'm aware that that's part of the problem. Your comments also triggered another thought in my mind that I was reacting to and whispering to Administrator Almeida, which is, I asked a few days ago, and again this morning, I need to get a list of all County properties, not just those in the Comprehensive Affordable Housing Plan, and regardless of how we're currently using them, to take an intense look at how they can be potentially used so that we have not only the four that have been targeted in the Affordable...Comprehensive Affordable Housing Plan, but others as well. So, I look forward to having the time to get to that step as well. Thank you.

CHAIR KAMA: We're going to continue and proceed with Member Yuki Lei Sugimura.

COUNCILMEMBER SUGIMURA: Thank you, Chair. So, if I could, Director, I wanted to bring up Haggai Institute, which is now called something else. And Haggai, if you think about it, is a responsibility of the County of Maui now. It's in our hands to do the renovations. And I'm not too sure what we're going to end up with, but it's 218 rooms there that was a hotel in the past, and the renovations would then be for teachers and workforce. And I believe the Legislature put in 25 million to do the purchase, and we put in, I want to say, close to 7 million, which was in our budget at that time to supplement that. But I believe that it's in our...it's in our hands to take it to the next steps. As we're talking about, you know, infill or need for housing and all that we're talking about, to me, that's...that's...that's sitting right there and available. What are we doing?

MR. MITCHELL: Thank you, Member Sugimura, for that question. I...I do believe I gave my best effort at a comprehensive summary by email to you on how they will lay the old Haggai facility on Lipoa in Kihei. We were required to issue, under the memorandum of understanding and RFP, to redevelop the Haggai Institute by September 29th. Once it became clear to me that we had this obligation, we requested an extension of time because of all the many things we were doing to stand up the new Department...to issue that RFP. We received from HHFDC, an extension...a verbal extension with no particular date in mind, and we are working with them collaboratively to develop the RFP. We have Bowers + Kubota on board through the Mayor's Office and to assist us with the preparation of that RFP, and we have specifically looked at each of the floors with regard to structural walls so that to the extent we are redeveloping those as single occupancy hotel units into housing units for multiple individuals, we're not interfering with structural walls so we can efficiently redevelop. As of last week, our...our loan staff, who are in our Housing Community Development Division, had been meeting with

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

October 9, 2024

HHFDC and Paramount Hotels, who is the contracted property manager, to discuss the redevelopment ideas. And that staffer is now out of the office, I believe, on the East Coast addressing family issues, but as soon as they come back, I'll have a better sense of where we are on the preparation of the RFP. But I was last told that we were soon to get a draft of it. But I anticipate getting one soon so that we can get it issued. . . .(timer sounds). . . I do share a couple of other observations with you. The first floor and the ground floor of Hale 'O Lā'ie, the Open Spaces, are going to present some challenges. While the residential floors for workforce housing, teacher housing, I think, are easier to address, the first and the ground floor are going to be hard to develop and generate revenue in. There's lots of auditorium spaces and storage spaces and very odd spaces you can't put housing in. So, we're going to have a comprehensive RFP that deals with the housing floors and what I'm characterizing as the economic development opportunity floors. So, it could be a childcare center, or it could be a preschool or something. But that...those would fit better in the lower floors. And so, I'm looking forward to getting that draft RFP...RFP, which we'll issue sometime in...in the near future.

COUNCILMEMBER SUGIMURA: Thank you. I know I went over my time, but I wonder if you could put this on your agenda for a future update as we get closer because it's a...it's a project that we can do that's sitting there, and basically paid for by the State of Hawai'i, and is looking at us to finish it. And if there's any more budget needs, I'm sure you'll come back and tell us also. Thank you.

CHAIR KAMA: Okay.

MR. MITCHELL: Thank you, Member Sugimura.

CHAIR KAMA: Okay. And so, we're going to go back to all of our Members who are online, beginning with Member Paltin.

COUNCILMEMBER PALTIN: Thank you, Chair. I wanted to follow up on something that Mr. Almeida said, and ask him and maybe Member U'u-Hodgins about, you know, when you were saying that property tax plays into uncertainty for developers, and...and one time, Chair Lee was talking about when people move into an affordable house and they can't...they have to wait that amount of time to get the owner-occupied status, maybe one year for local residents and a little bit longer for those that move from the continent, which I'm okay with that, but if...if folks are building affordable housing, whether it's 25 percent, 50 percent, or 100 percent, would you support a set period of time where the property taxes were waived for developers? Because sometimes they're paying nonowner-occupied, and we're kind of looking at nonowner-occupied as, like, maybe a vacancy tax if they didn't subscribe to long-term rental, but if they're in the process of building something that is meant to be affordable. And...and I'm not talking about, you know, the kinds that have, like, 30 years of entitlements on the book with nothing to show up for it, but like, you know, maybe some sort of trigger where they're building the affordable housing and we waive the property taxes so that's not a unknown, I guess, expense. I just was wondering, for Mr. Almeida and Member U'u-Hodgins, thoughts on those ideas...that idea.

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

October 9, 2024

COUNCILMEMBER U‘U-HODGINS: Well, thank you so much, Member Paltin. I don’t consider myself a resource, so I would have to ask them, but I did work on 100 percent affordable housing development, and in those situations, I think that would be great so that we can exempt that entire project. If we were to do something similar, if they were using 2.96 or 201H, if we could exempt probably just the affordable housing section and not the entirety of the project, that would be something I would completely support.

COUNCILMEMBER PALTIN: I just was asking you because of your comment about excessive--what is that called--when you pay...subsidize --

COUNCILMEMBER U‘U-HODGINS: Subsidies.

COUNCILMEMBER PALTIN: Yeah, excessive subsidies, if that was counting as excessive subsidy.

COUNCILMEMBER U‘U-HODGINS: So, one thing I think we should remember, like if you’re going to do a 2.96 project through the County system, you don’t pay building permit tax when you file your permit. I think we talked about this during budget when we were talking about your gap financing. So, there’s certain sections in there that we can just...you know, like it’s our own subsidies. That makes sense, instead of like just throwing money at a project. . . .*(timer sounds)*. . . That would...that...that kind of stuff makes sense to me. So, when we don’t charge building permit fees, which I don’t think they should if it’s an affordable housing project, or having a break on property tax. You know, those are the things that I feel are fair, completely fair, to be exempted. But collecting money, and then throwing it at something when it’s going through our process is just what I was talking about. But thank you for allowing me to clarify, and I...I think I ran into Mr. Almeida’s timer...Administrator Almeida’s time.

CHAIR KAMA: Go ahead, Mr. Almeida, you can answer.

MR. ALMEIDA: Thank you, Chair. And thank you, Member Paltin, for the question. That would be a...a policy decision. I think that there...there’s merits there that we could definitely take a look at it to incentivize. We need more incentives. But I would defer to my Director and to the Administration with regards to what type of policies it would feel be best in that situation. But I appreciate the question. Thank you.

CHAIR KAMA: Okay. We’re going to continue with Member Johnson.

COUNCILMEMBER JOHNSON: Thank you, Chair. You know, Members, I don’t have much time, and we can talk about this, you know, for quite some time because it’s very complicated, so I’m just going to go off some of my notes here and it might be all over the place. So, basically, I have some bills in the pipe that we’re working on, and I...and when it comes time, when they’re ready, I’ll show them, you know, we’ll give them to the proper Committee, the rent stabilization bill, the vacancy tax bill, a water fixture bill. Those are our bills that hopefully we can get done and, you know, have good discussions on, and...and really kind of tackle the issues that we’re discussing today. The Haggai

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

October 9, 2024

Institute is, I think, an excellent model that shows that...that--how important it is that we look at...you know, we answer that question of, oh, those HOA fees are so high. Well, if the County is taking care of those HOA fees, then it does be--actually come down to our residents. Because that's the problem. We...or we have to look at this problem through the lens of our residents, not our builders, not our developers. It's the residents that we need to, first and foremost, keep here and give them a place that is actually affordable. You know, I'm really glad Director Mitchell talked about not only the costs of housing, but our wages don't match, you know? So, what we do? We take two jobs, we take three jobs. That's not the folks in San Francisco. They don't do it that way. We do it that way, and that's just killing us, right? We're working ourselves to death. Please don't approach this problem in this housing emergency is--from a position of scarcity. We have the lowest property taxes in the nation. We have A-plus-plus bond rating. We have an affordable housing fund. We have a Minatoya list that we could look at and say, look, in the Minatoya list, we could do a vacancy tax in A-1 districts. We can look at ways to...I mean, we...we're a wealthy County, you know? This...this really is something that we have to look at helping folks that--because their wages aren't keeping up. So, I think that when we look at this problem, we have to look at it in totality and look at it through the lens of our people. We know that...that the...the folks that are leaving, we can go through the statistics, but that's really what I want to try to focus on. I want to ask Director Mitchell, on that one person you hired in the new...the new Division. Who was it? Do you have a name?

MR. MITCHELL: Thank you for the question, Member Johnson. We actually didn't hire the person that's in that Division, they continued from the old Housing section.

COUNCILMEMBER JOHNSON: Do you have a name?

MR. MITCHELL: Yes, it's Phil Anderson.

CHAIR KAMA: Oh.

COUNCILMEMBER JOHNSON: Okay.

CHAIR KAMA: Okay.

COUNCILMEMBER JOHNSON: Okay. I...I--that's it. Thank you, Chair.

CHAIR KAMA: Okay. And we're going to continue with Member Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Okay. I just have a couple more questions for Director Mitchell. Oh, and so, the RPT, it...it...it likely wouldn't just be like an exemption, it'd probably just be like a minimum tax, and that would be a matter of policy, and that's in Title 3 if you want to amend that. And then for Mr. Mitchell, Director Mitchell, when you were with Kaua'i County Director Adam Roversi, did he share who manages their leaseholds? I know they acquired some houses, that they do shared...a shared-equity model. Is it managed in-house or contracted? I think he said

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

October 9, 2024

that they had, like, about 30-something at the time when I talked to him a couple years ago.

MR. MITCHELL: Thank you for the question, Member Rawlins-Fernandez. No, I did not ask the question who managed the properties, but I could easily get the answer to that and get it to you. Thanks.

COUNCILMEMBER RAWLINS-FERNANDEZ: Yeah. Okay. Mahalo. I...because I have a feeling they probably--I think they do it in-house. Because it's like a...there was, like, 30-something, plus the Lima Ola project that...that will have some leaseholds as well. And then --

MR. MITCHELL: If I could supplement --

COUNCILMEMBER RAWLINS-FERNANDEZ: -- for --

MR. MITCHELL: -- my response there, Member Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Go ahead.

MR. MITCHELL: They...they have a very different structure than we do for their housing community development, or their Housing Division. And so, they have incredibly more nimbleness to their hiring practices to fill vacancies. They're all at-will positions. So, it's...it's a very, very different structure, that they can...they can adjust as needed, and bring people in as needed, so that...that also has helped them react a little quicker.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo. Okay. And then, Member Cook, I...I think, you know, outsourcing is another...is...is an idea, but when we come to budget, we need to also remember that if...if we're going to be asking a Department to outsource, that we need to adequately fund them with professional services. And then for our Director Stufflebean, your response to Member Cook regarding a monitoring well in South Maui, I...I didn't think that we pumped water there. I...I know that there are private wells, but I think the County itself had...had a well on that side. I thought most of the water that comes from the County to South Side comes from the Wai Side. And I was looking in the...the Maui WUDP, and South Maui doesn't have its own aquifer sector, it's divided between Central and Kahikinui. There's the Wailuku, Central, Ko'olau, Hāna, Kahikinui, and Lāhainā aquifer sectors. So, I...there's no monitoring well . . . *(timer sounds)* . . . in South Maui?

MR. STUFFLEBEAN: So, I...my response was that there are monitoring wells in other places on Maui, not specifically on South Maui. That's correct.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. Because Member Cook did ask specifically if there was one in South Maui and if there's only in West Maui, and so it sounded like you only answered his question about everywhere else. But there isn't any in South Maui because the water that --

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

October 9, 2024

MR. STUFFLEBEAN: That's correct.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- South Maui . . . *(inaudible)*. . . is from Wai Side.

MR. STUFFLEBEAN: That's correct.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Director Stufflebean. Mahalo, Chair.

CHAIR KAMA: You're welcome. So, we're going to continue with Councilmember Sinenci.

COUNCILMEMBER SINENCI: Thank you, Chair. I just had one more question, but I did kind of want to preface my question with some historical precedent. I know...I understand that when Maui County was an agriculture economy, the plantations...plantation owners actually provided and built the homes for their workers. And the problem is when we switched to a tourism economy, that practice stopped. But what did happen was with the event...you know, creation of all these golf courses, then the luxury home industry started to come, and that's where we're...we're finding ourselves in this conundrum now. My question for Director Mitchell is if some of these housing projects have used affordable housing funds, and they came to us and they had these set rates for their rents, are they required to keep to those affordable rents, and is the Department checking to see if they keep to...those to those rent...AMI rents?

MR. MITCHELL: Thank you, Member Sinenci, for the question. And to the extent they are subject to workforce housing agreements, they are subject to certain rent amounts, and it is the Department's responsibility to monitor that. But I'll let Administrator Almeida supplement my response if he has anything else to add.

MR. ALMEIDA: Thank --

COUNCILMEMBER SINENCI: And...and...and are you hearing otherwise from residents?

MR. ALMEIDA: Thank you for the question, Member Sinenci. Not really much to add to Director Mitchell. He is correct. The affordable units, workforce units that are restricted, deed restricted to rental limits, we do monitor and make sure that they are renting at the...the required limits for each AMI category that's applicable to the project. Thank you.

COUNCILMEMBER SINENCI: Right. And...and again, that's another example of government-subsidized housing, where we're not seeing those incredible ballooned rents. I mean, that's the only way it seems for now that's working that we can keep rent stabilization at this point. Thank you, Chair.

CHAIR KAMA: So, thank you very much, Mr. Mitchell and Mr. Almeida. Thank you, Members, for being here. So, I have a question for all of you. It seems like this discussion leads from Member U'u-Hodgins, that she must have a lot more questions. Do you all have a lot more questions that you'd want to ask our resources that are in front of us and who are online? When I thought about today's meeting, I thought that I might have to recess

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

October 9, 2024

until my next HLU meeting, which is on the 23rd of this month. So, I'm asking all of you, if you want, we can recess this meeting until that day, and if folks have more questions, we could. And I see Member Paltin's hands.

COUNCILMEMBER PALTIN: Thank you, Chair. I...I would like to continue a discussion, but not at the expense of Bill 105, which my community is impatiently waiting for. So, if Bill 105 were to be ready by your next community meeting, that would be my preference just because people are...have been waiting for that --

CHAIR KAMA: Okay.

COUNCILMEMBER PALTIN: -- for a long time.

CHAIR KAMA: I hear that. I haven't gotten anything from OCS back from me...to my Committee yet, so I wouldn't know that answer. And even if it did come back, we'd still have to get it through Corp. Counsel, right, James? Is that so?

COUNCILMEMBER PALTIN: Chair.

CHAIR KAMA: Yes.

COUNCILMEMBER PALTIN: I...I'd be okay with holding off on Corp. Counsel review until first reading, just in case there's changes made in Committee. A lot of changes.

CHAIR KAMA: Yeah. So, until I get it from OCS, I won't know, Member Paltin.

COUNCILMEMBER PALTIN: And is the holdup that their...I mean, can they--are--I'm not sure what the holdup is. Like is it bad formatting, or is it illegal stuff, or...

CHAIR KAMA: Go ahead, James.

MR. KRUEGER: Chair, I think for now, just for Bill 105, we did have some questions for Planning. We...we did...the Chair did send a correspondence to Planning, and...and we're waiting...we're waiting on response to that before continuing further with our review and...and what...what we need for Bill 105. Thank you.

CHAIR KAMA: Yes, Member Sugimura?

COUNCILMEMBER SUGIMURA: I have a noon meeting.

CHAIR KAMA: Okay.

COUNCILMEMBER SUGIMURA: Are...you're almost done, right?

CHAIR KAMA: Yeah, yeah.

COUNCILMEMBER SUGIMURA: Okay.

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

October 9, 2024

CHAIR KAMA: That's why I'm trying to figure out, if --

COUNCILMEMBER SUGIMURA: Yeah.

CHAIR KAMA: -- we want to recess this meeting until the 23rd or no.

COUNCILMEMBER SUGIMURA: Yeah, recess.

CHAIR KAMA: And Member--recess?

COUNCILMEMBER SUGIMURA: I'm fine. Yeah.

CHAIR KAMA: Okay. Anyone else?

COUNCILMEMBER U'U-HODGINS: Sounds good.

CHAIR KAMA: Member U'u-Hodgins says sounds good.

COUNCILMEMBER RAWLINS-FERNANDEZ: Chair?

CHAIR KAMA: I heard a Chair. Yes, Member Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. I'm supportive of a recess, but...or rescheduling without super-extensive presentation the next time we schedule it because we had --

CHAIR KAMA: Oh, definitely. No, it would just be --

COUNCILMEMBER RAWLINS-FERNANDEZ: -- the presentations today.

CHAIR KAMA: -- your discussions. It would just be your discussions and your questions.

COUNCILMEMBER RAWLINS-FERNANDEZ: For Bill 105, I heard Mr. Krueger say that he had questions for Planning, and so I guess I...I don't understand why those responses are necessary before we schedule it for Committee. Can't we just have Committee...the Committee meeting on that and have Planning explain the responses to those questions that OCS has?

MR. KRUEGER: Chair? Yes, Staff...Staff would defer to Chair's direction on how...how she'd like to proceed. It's just for...for us right now, the...the last thing that we've worked on for Bill 105 is after our...our initial review, that there were several questions that stuck out. And working with the Chair, we...the Chair transmitted our...a letter to Planning to request a response to those questions. Thank you.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Mr. Krueger. Because we...we did promise the Lāhainā community that we would prioritize their needs, and we've been

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

October 9, 2024

holding up Bill 105 for a while. And we have Mr. Pfof here in the meeting, if there were questions, you know, like perhaps Planning could just have explained the responses to those questions today instead of like continuing to hold up the bill.

CHAIR KAMA: Okay. So, Members, I was trying to take a poll on a recess for this meeting until the 23rd. So, can we just do that, and then take care of the other things later? Okay. So, Mr. Cook?

VICE-CHAIR COOK: I'm okay with that.

CHAIR KAMA: Okay.

VICE-CHAIR COOK: The Chair's discretion.

CHAIR KAMA: Member Sugimura? Okay. Okay. So, Members, this is what we're going to--yes, Member Johnson?

COUNCILMEMBER JOHNSON: Thank you, Chair. Does that hold true for Bill 103 and 104 as well?

CHAIR KAMA: Pretty much, yes.

COUNCILMEMBER JOHNSON: I'd like to see if we could act with some kind of urgency on these issues. These are--you know, just like what Councilmember Paltin said is, our communities are waiting. So, if it's us or if it's our processes that are slowing things down, I'd like to kind of lean into it and push...push it faster rather than later.

CHAIR KAMA: Okay. So, I have a couple of people with okay with doing recess on the 23rd. So, Member Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Are...you know, I'm...I'm supportive of us continuing to talk through ideas and create a plan for the next action steps, but what...what I heard in testimony and what we hear in the community is, there's a lot of talk and there's a lot less action. And with bills that are, you know, waiting in our . . . *(inaudible)*. . . those are bills we can take action on. And I would really like to take action and show, you know, the survey takers of *Civil Beat Survey* that we are performing well, that we are listening to the community's needs, and we are prioritizing them so that maybe the next time we get scored, we'll be scored a little higher. That we're not just talking, that we're doing, that we're taking action. And I...and...and Chair, I'd be happy to give you my meeting time. I had something planned, but I would totally scrap it for you. No, I'm serious --

CHAIR KAMA: Oh, I know that.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- because I would be happy to continue --

CHAIR KAMA: And I'm so grateful.

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

October 9, 2024

COUNCILMEMBER RAWLINS-FERNANDEZ: -- to have this conversation.

CHAIR KAMA: Okay. So, this is what we're going to...this is what I'm going to do. I'm going to defer this discussion, right? So, this Housing Solution meeting is going to be deferred. On the 23rd, we can put it back on the agenda, as well as 105 if it's ready, right, and then we'll just do that. Does that work for you--everybody? Does that work? Is that a good compromise?

COUNCILMEMBER RAWLINS-FERNANDEZ: . . .*(inaudible)*. . .

CHAIR KAMA: But I'm still going to take you up on that offer if I need in the future. Yes, Ms. Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: Is...is that going to be enough time? Because that's only three hours, and then we're going to have to take testimony again.

CHAIR KAMA: Yeah, we are.

COUNCILMEMBER RAWLINS-FERNANDEZ: And there is a lot of interest --

CHAIR KAMA: Yeah.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- in, you know, this broad subject matter of affordable housing solutions. . . *(laughing)*. . .

CHAIR KAMA: Well, today's testimony wasn't too bad. It was pretty light, didn't you think so? We only had about six.

COUNCILMEMBER RAWLINS-FERNANDEZ: Oh, no. I...I mean, I...I...I love hearing from our community members.

CHAIR KAMA: Yes.

COUNCILMEMBER RAWLINS-FERNANDEZ: But I'm just saying that it does take time.

CHAIR KAMA: Yes, it does.

COUNCILMEMBER RAWLINS-FERNANDEZ: And there's only three hours.

CHAIR KAMA: Yes, it does.

COUNCILMEMBER RAWLINS-FERNANDEZ: So...yeah.

CHAIR KAMA: Yeah.

COUNCILMEMBER RAWLINS-FERNANDEZ: Again --

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

October 9, 2024

CHAIR KAMA: Member Johnson?

COUNCILMEMBER RAWLINS-FERNANDEZ: If --

CHAIR KAMA: Sorry.

COUNCILMEMBER RAWLINS-FERNANDEZ: If you want...if you...if DRIP wanted to take my meeting time so that you can have the whole day for the next Committee week, I'm...I'm happy to also do that. I'm happy to accommodate however we can to get the work done.

CHAIR KAMA: Okay. Mr. Johnson?

COUNCILMEMBER JOHNSON: Thank you, Chair. I...I would support your...you taking over Councilmember Rawlins-Fernandez's Committee slot, and...and maybe we could put in some more of those bills, 103 and 104, in addition. Thank you.

CHAIR KAMA: Okay. So, I think...so, right now, nothing's planned. So, I'm going to defer this, right? And then I think what's going to happen between now and the next meeting is that I think there's going to have to be a poll. I mean, if Member Paltin says, okey dokey, you know, we can take her day, then there'll have to be a poll for when you all want to change, and then do all the background that needs to get done to all...to make it...to make the magic happen, okay. Is that good? Okay. Thank you, Members. So, do we have anything else on our agenda that we need to dispose of?

MR. KRUEGER: No, Chair.

COUNCILMEMBER RAWLINS-FERNANDEZ: No objection to deferral.

CHAIR KAMA: Oh, okay. Thank you very much. When I get to that page. . . .*(laughing)*. . . Okay. Turning the page here...okay. Without objection, I will be deferring this item. I thank you for your --

COUNCILMEMBERS VOICED NO OBJECTIONS (excused: ALL and YLS).

ACTION: DEFER pending further discussion.

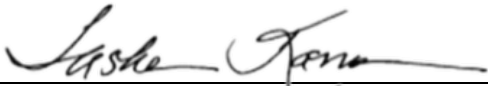
HOUSING AND LAND USE COMMITTEE MINUTES
Council of the County of Maui

October 9, 2024

CHAIR KAMA: -- no objections. So, we have no further business for the Committee today. Thank you, everyone, for attending today's meeting. I so do appreciate all of our online resource...resources, as well as our Housing Department being here. And it is now 12:09 in the afternoon, and today's HLU meeting is now adjourned. . . .(gavel). . .

ADJOURN: 12:09 p.m.

APPROVED:



TASHA KAMA, Chair
Housing and Land Use Committee

hlu:min:241009:lt

Transcribed by: Logan Tsuji

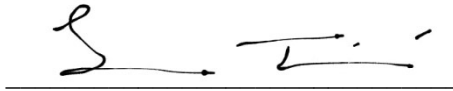
HOUSING AND LAND USE COMMITTEE MINUTES
Council of the County of Maui

October 9, 2024

CERTIFICATION

I, Logan Tsuji, hereby certify that pages 1 through 60 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 31st day of October 2024, in Wailuku, Hawai'i

A handwritten signature in black ink, appearing to read "Logan Tsuji", is written above a horizontal line.

Logan Tsuji