

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

**M I N U T E S**

**February 7, 2024**

**Online via Teams Link**

**CONVENE:** 9:03 a.m.

**PRESENT:** Councilmember Tasha Kama, Chair  
Councilmember Tom Cook, Vice-Chair (In 9:11 a.m.; Out 10:30 a.m.)  
Councilmember Gabe Johnson, Member  
Councilmember Alice L. Lee, Member (In 9:27 a.m.)  
Councilmember Tamara Paltin, Member  
Councilmember Keani N.W. Rawlins-Fernandez, Member (In 9:19 a.m.)  
Councilmember Shane M. Sinenci, Member  
Councilmember Yuki Lei K. Sugimura, Member  
Councilmember Nohelani U'u-Hodgins, Member (In 9:15 a.m.)

**STAFF:** Ana Lillis, Legislative Analyst  
Paige Greco, Legislative Analyst  
Carla Nakata, Legislative Attorney  
Pauline Martins, Senior Committee Secretary  
Jennifer Yamashita, Committee Secretary  
Lenora Dinneen, Council Services Assistant Clerk

**Additional Staff:**

Executive Assistants to Councilmember Kama  
Lei Kama-Sickels

Executive Assistants to Councilmember Cook  
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Executive Assistants to Councilmember Paltin  
Angela Lucero

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Executive Assistant to Councilmember Rawlins-Fernandez

Sarah Sexton  
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Dawn Lono  
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Executive Assistants to Councilmember U'u-Hodgins

Laura McDowell  
Susan Clements

Zhantell Lindo, Council Aide, Moloka'i Residency Area Office  
Roxanne Morita, Council Aide, Lāna'i Residency Area Office  
Mavis Oliveira-Medeiros, Council Aide, East Maui Residency Area Office  
Jade Rojas-Letisi, Council Aide, Makawao-Ha'ikū-Pā'ia Residency Area Office

**ADMIN.:** Kristina Toshikiyo, Deputy Corporation Counsel, Department of Corporation Counsel  
Lori Tsuchako, Director, Department of Housing and Human Concerns  
Clyde "Buddy" Almeida, Assistant Housing Administrator, Department of Housing and Human Concerns

**OTHERS:** Jeff Ueoka, Attorney, Mancini, Welch & Geiger LLP  
Dave Michael, Executive Director, Pacific Development Group  
Jasee Law

Additional attendees: (9 total)

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

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CHAIR KAMA: . . .*(gavel)*. . .Do countdown.

UNIDENTIFIED SPEAKER: Okay.

CHAIR KAMA: Okay. Thank you. So will the Housing and Land Use Committee meeting of February 7th, 2024, come to order. It is now 9:03 a.m. I am Tasha Kama, Chair of the Housing and Land Use Committee. Welcome to the brave new world of Microsoft Teams. If we have some technical issues, as we navigate this new platform, we are asking for your patience. And I believe that this new platform will be a little better than our previous experience that we've had with the late, great BlueJeans. 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 any

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was...anyone is in your workspace with you today. Minors do not need to be identified. Do we have any questions before I begin? Seeing none. This morning, I'd like to say aloha kakahiaka to our Members in the chamber. Committee Vice-Chair Tom Cook will be along a little later. But I do want to say good morning to those of you who are here. Councilmember Alice Lee, Chair, I do not see her, but I assume that you'll be on. But for now, aloha kakahiaka to Yuki Lei Sugimura.

COUNCILMEMBER SUGIMURA: Aloha kahakiaka [sic].

CHAIR KAMA: Kakahiaka.

COUNCILMEMBER SUGIMURA: Kakahiaka. Getting there.

CHAIR KAMA: Oh, good for you.

COUNCILMEMBER SUGIMURA: Good morning, everybody. And, yeah, this new Teams, I love the platform. The color, I was just commenting, is --

CHAIR KAMA: Vibrant.

COUNCILMEMBER SUGIMURA: Yeah.

CHAIR KAMA: Yeah.

COUNCILMEMBER SUGIMURA: It's very vibrant.

CHAIR KAMA: Yeah.

COUNCILMEMBER SUGIMURA: Good morning, everybody.

CHAIR KAMA: I want to say aloha kakahiaka and good morning to Councilmember Tamara Paltin.

COUNCILMEMBER PALTIN: Aloha kakahiaka and good morning.

CHAIR KAMA: Also want to say good morning and aloha kakahiaka to Councilmember Gabe Johnson.

COUNCILMEMBER JOHNSON: Aloha Chair, Councilmembers, Committee Members. Good morning.

CHAIR KAMA: Member Keani Rawlins-Fernandez will be arriving when she gets here. And we're going to excuse her for now. And we have Councilmember Shane Sinenci. Aloha and kakahiaka.

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COUNCILMEMBER SINENCI: Aloha kakahiaka, Chair, and hau'oli lā Poakolu kākou.

CHAIR KAMA: Yes, happy Wednesday to everyone, too. And Councilmember Nohe U'u-Hodgins will be along shortly. For now, she's excused. And we have with us from the Department of Corp. Counsel, Kristina Toshikiyo, our Deputy Counsel. Good morning, Kristina. *(Audio interference)* from the Department of Human Concerns I have Director, Lori Tshako. Aloha. I see you there. And we have other resources with us. We have Jeff Ueoka, attorney with Mancini, Welch & Geiger LLP in the chambers in the galley. Aloha to you. And we have Dave Michael, Executive Director of the Pacific Development Corporation [sic]. I don't see him, but I'm sure he'll be around at some point in time. Okay. So we have our Committee Staff with us this morning. We have Ana Lillis, our Legislative Analyst. Good morning.

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

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

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

CHAIR KAMA: And we have our Senior Committee Secretary, Pauline Martin [sic]. Good morning. I know you're here; I see you. We also have our Assistant Clerk Lei Dinneen. I'm sure she's out there. And we have our Legislative Attorney, Carla Nakata. Good morning, Carla.

MS. NAKATA: Aloha, Chair, Members

CHAIR KAMA: *(Audio interference)*, good morning and welcome. So, thank you, Members, for attending today's HLU Committee meeting. We really have a full agenda. We have three items. We have HLU-3, and we have HLU-3(13), HLU-(3)11, and HLU-3(12). So under the Sunshine Law, I'm going to be calling for testimony for each item...for each agenda item, as that item is called up on the agenda. We're going to receive a presentation from the Administration or from our resources prior to receiving testimony today. So, Members, I ask that you hold all your questions for the presenters until after testimony is closed.

**HLU-3(13)      AIKANAH, A 212-UNIT MULTIFAMILY WORKFORCE HOUSING RENTAL  
PROJECT WITHIN THE WAIKAPU COUNTRY TOWN DEVELOPMENT,  
WAIKAPŪ, MAUI (Rule 7(B))**

CHAIR KAMA: So, this morning HLU-3(13) is Aikanaha, a 212-unit multifamily workforce housing rental project within the Waikapū Country Town Development in [sic] Waikapū, Maui. So, Members, we have before us a presentation on the first housing development proposed within the Waikapū Country Town project that we approved previously, previous, previous. If you were with us in the beginning, you remember that. So the project proponents are here to brief us on the nature of the project. It is my understanding

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that the Administration is recommending funding from the Affordable Housing Fund to assist with the funding for this project. This project is also seeking low-income housing tax credits, through LIHTC, to Hawai'i Housing Financing & Development Corporation. The Affordable Housing Fund grant request may be coming to us at Council soon, and I wanted us to have the opportunity to see the project before the budget amendment arrives at Council. My hope is that we can expedite housing development in this time of critical need. And so for this project, we have Jeff Ueoka from Mancini, Welch & Geiger LLP; on behalf of the developer, Dave Michael, Executive Director of Pacific Development Group. And he's also here as well. I would like to designate both as resources under 8...Rule 18(A) of the Rules of the Council based on their experience and their expertise as representatives of this project, if there are no objections, Members.

COUNCILMEMBERS: No objections.

CHAIR KAMA: Thank you. So, Mr. Ueoka, could you please proceed with your presentation? Presentation is on Granicus number 1.

MR. UEOKA: Thank you, Chair.

CHAIR KAMA: You're welcome.

MR. UEOKA: Jeff Ueoka. Dave Michael is online. He's the principal for Pacific Development Group. So just so we understand...so we're clear, I'm wearing my Aikanaha hat today. This project is within Waikapū Country Town, but this is a separate developer. Coach (ph.) is the master developer, and his partner is for Waikapū Country Town. Pacific Development Group and Dave are the developers of Aikanaha. So, we're hoping that it'll be the first...well, it's going to be the first build out, if we can get these LIHTC credits, in Waikapū Country Town. 212 units, 60 percent AMI and below for 60 plus years; that's the goal. So now if you'll share the slides. So this is an overall, general concept sheet. As you can see in that bottom corner--I'll do another map, but it's located adjacent to the school...the school site and the park site. So, it's kind of a perfect location for this (*audio interference*) multifamily project. A little closer up, the parks on the top of the screen, the school site is on the right. It's that gray area with that lighter orange wraparound. The L is going to be the expansion for the school, 25 acres instead of 12. So this is a closer up of the park. As you can see, there's the Makai Parkway (ph.). That road is going to dead end into the park for Waikapū Country Town, and on the right is the school. So the project site is next to the park, like I said, main entrance will probably be to that main street zoning subdistrict. That'll probably be the main entrance into the area until it's developed out, and Makai Parkway will probably be a separate entrance. So Dave and his group, they broke the site up into three areas: Phase 1, Phase 2, and Phase 3. This project is encompassing Phase 1 and Phase 2, so a total of six buildings, two community buildings, playgrounds, and parking. If all goes well here, they're looking at putting another 75 units on Phase 3, multifamily. So it's just breakdowns. The project was phased, initially, but we're going to do it all in a single phase now, if possible. So just a rendering. Again, these are renderings. Things will be subject to change, but the overall

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buildings will be the same, probably just relocated and you know, throughout the site for various site conditions as we move forward. This is a general building layout. So there's going to be two building types. This is building type 1. This is building type 2. In the entire project there's going to be 30 studio units, 76 one-bedroom units, 102 two-bedroom units, and 4 three-bedroom units. So the rents will be 60 percent and below, so it depends. So the max rent for the studios will be, as of today, you know--as we all know, those numbers change annually, of course--1,111 would be the max rent for a studio, 1,190 would be the max bedroom...max rent for a one bedroom, 1,428 would be the max rent for a two bedroom, and 1,651 would be the max rent for a three bedroom. So as you can see, those are good numbers. It'll--you know, and that's the max. So, as the lower . and depending on what the groups come in (*audio interference*), that'll be changing there. Just a little closer up of the building layouts, side view, side view. This is a conceptual rendering. Typical front...building front. This is the community rooms or buildings. So you can see there's a maintenance area, a community room...1,000 square foot community room where classes can be done, and all kinds of other good stuff, laundry facilities, a restroom, and a reception, and an office. The plan right now is, I believe, Dave and the Group are working with...or looking into working with Hale Mahaolu for management. So we're excited about that partnership as they're excellent managers. Side view of the building, and that's it. I guess, I promised I'd be quick. Generally speaking, the plan is...the hope is we'll get the LIHTC award from HHFDC around end of September this year, move in all the...you know, start all the processing shortly thereafter. And if all goes well, hopefully, the first units can be occupied in August of '27. And if things roll along smoothly, 100 percent occupancy by December, maybe January 2000...or '27...December 2027, January 2028; that's...that's the hope. Dave's taking a little bit of a risk here, and normally you wait until you get the LIHTC award before you start doing all your construction drawings and all of that. He's excited to get this started. He knows there's a huge need on Maui that was exacerbated by the wildfires. So he's actually working with his Group right now to get that process started. And there's...it's kind of creepy for him because there's no guarantee that he'll get the LIHTC funding or...you know, the affordable housing funds are still up for you guys to approve also as a budget amendment. That's it for me. Dave, did you want to add anything?

MR. MICHAEL: Good morning. Thank you for allowing us to present this morning. I hope you can hear me well. Like Jeff said, we're eager to get started on this. We're optimistic that we'll be competitive in the tax credit round. We're...we are aggressively working on those applications now, which are due in one week. So we'll finally get those in, and then we'll initiate engineering for the groundwork, and immediately jump into architecture. The renderings that you saw are just preliminary. We like to show a little more quality in the exterior elevations. You know, the ones you saw are...are kind of plain, and we'd like to fix them up. We're going to be involved in this project for the next 65 years, and so...or my grandkids will be anyway. But so we'd like to build a quality property that's going to last a long time and support our reputation because we're...you know, we've been in...in Hawaii building for 14 years, and we plan to be there for another 100 years. So we want to build high-quality projects that our residents can appreciate and call a home rather than, you know, just an apartment. So we're eager to get started, and we appreciate

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your...your hearing us out this morning.

CHAIR KAMA: *(Audio interference)* very much, Mr. Michael. At this time, I just want to acknowledge Vice-Chair Tom Cook. Welcome and aloha kakahiaka.

VICE-CHAIR COOK: Aloha, Chair. Good morning.

CHAIR KAMA: I also want to recognize Councilmember Nohe U‘u-Hodgins. Good morning and aloha kakahiaka to you.

COUNCILMEMBER U‘U-HODGINS: Good morning, Chair. Good morning, everyone.

CHAIR KAMA: Thank you for being here.

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

CHAIR KAMA: Staff, do we have any testifiers signed up to testify?

MS. LILLIS: Chair, no one's currently signed up to testify. If anyone would like to testify on BlueJeans or in the...oh, on Teams, thank you, or in the Council chamber, please raise your hand in Teams by clicking the raise your hand button, and Staff will add you to the list. If you'd like to sign up in the Chamber, please let us know. I'm going to give a brief countdown; three, two, one. Chair, it appears no one wishes to testify.

CHAIR KAMA: So, seeing that there are no individuals wishing to testify, without objections, I'd like to close oral testimony for this item.

COUNCILMEMBERS: No objections.

**. . .END OF PUBLIC TESTIMONY FOR ITEM HLU-3(13). . .**

CHAIR KAMA: Now, as a reminder, written testimony will be continued to be accepted into the record. So now we're going to continue with our...discussing our first item on the agenda. Members, I'm going to call upon you for the questions you have for our presenters and the Administration. I ask that Staff do set a three-minute timer for each Member so that all Members can get their questions asked and answered. And if we need to do a few rounds, we can do that. But I'd like to go back and ask Director Tsuhako for any comments regarding the presentation we just saw.

MS. TSUHAKE: Good morning, Madam Chair, Members.

CHAIR KAMA: Morning.

MS. TSUHAKE: The Department has heard the presentation before from the developers of Aikanaha. We've supported it. And as you mentioned earlier, Aikanaha participated in a

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competitive bidding process for affordable housing funds. They were scored competitively against all the other bidders, and scored high enough to receive a notice of award from the Department.

CHAIR KAMA: Good.

MS. TSUHAKO: So, we are certainly supportive of the program and eager to see this project move forward. Thank you.

CHAIR KAMA: Thank you very much, Director Tsuhako. So now let's continue with any questions that you might have. And...well, let's begin with Vice-Chair Cook.

VICE-CHAIR COOK: Thank you, Chair. My question would be for the developer. The...quite a bit of work has gone into this to get the...a presentation to this stage. May I ask...inquire to the approximate cost that a developer invest in a project like this to get it to the stage to be able to do the competitive financing?

MR. MICHAEL: Yes, right now, we're at about \$160,000. And with the studies we're doing now, and the updates on the market study, and the Phase 1, and the different reports that we do, we'll probably be at about 180,000 by the time we submit the app. next week.

VICE-CHAIR COOK: Well, thank you for your commitment to move forward with projects like that. And it's...it's an education. Thank you for educating me what it takes to just bring a project forward. So that's my questions for now.

MR. MICHAEL: Yeah, thank you.

CHAIR KAMA: Thank you, Mr. Cook. At this time, I'd like to acknowledge our Councilmember from Moloka'i, Ms. Keani Rawlins-Fernandez. Good morning and aloha kakahiaka to you. And thank you for joining us.

COUNCILMEMBER RAWLINS-FERNANDEZ: Aloha kakahiaka, Chair. *(Audio interference)* kakahiaka kākou. Mai Moloka'i nui ahina. I'm at the Moloka'i District office. Alone on my side of the office. E kala mai for my tardiness. My truck wouldn't start this morning, so I apologize.

CHAIR KAMA: 'A'ole pilikia. So we're going to continue with our Council Vice-Chair Sugimura for questions that she may have for the presenter or our Director.

COUNCILMEMBER SUGIMURA: Thank you. Great project. Glad to see that Coach's vision is moving forward. I think that's the most exciting thing, as we've been standing by him...I don't know how many years. How long has it been, Mr. Ueoka?

CHAIR KAMA: Too long. No, I'm kidding.



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MR. UEOKA: I want to say Coach started, like, nearly 20 years ago.

COUNCILMEMBER SUGIMURA: Oh. Oh, that's more than I thought. But thank you for not giving up, Coach. He's sitting in the Chambers. So, this is my question. This is going to come before us for budget for Affordable Housing Fund. So, can you, either one of you, answer what it is you'll be asking for, and it sounds like it's going to be in this fiscal year, not next. And...and...okay. And I have more questions.

MR. UEOKA: Thank you. So we...we requested \$14 million as a loan for this project and from the Affordable Housing Fund for this project. And we also requested that rather than throw it in the FY'25 budget, we kind of run through a FY'24 budget amendment. Our goal is to be under contract for...as in--I shouldn't say contract--grant agreement with the County for the Affordable Housing Funds by July...before July 1st, naturally. And the idea is, assuming we get the LIHTC award in August, September of this year, Pacific has to be ready to roll full blast...full steam ahead at that point. LIHTC has a lot of limitations on how quick you need to spend the money. So that's the plan right now or the hope.

COUNCILMEMBER SUGIMURA: So by...okay. So this is going to be Affordable Housing Fund for '24. So this is going to come back to us in terms of, you know, getting all of that in place. Affordable Housing Fund, can you give us a summary with...based upon your estimates, how much is in there that is available?

MS. TSUHAKE: Thank you, Councilmember Sugimura. The...the Department and Finance had to work out kind of an audit to just check and balance against what our balances were for each department because we account for things differently, right. I think recently we found out that we had a little bit less money than we...we, meaning the Department, work with Finance, work with the Budget Department, and we'll pursue budget amendments to include a \$10 million grant to Hale Pilina from Catholic Charities, as well as Phase 1 and Phase 2 of Aikanaha. And we'll be asking to revert some of the previously allocated funding for the purchase of the Travelodge in Lahaina, . . . *(timer sounds)*. . . for example so that we have enough money to cover approximately \$24 million in...in Affordable Housing Funds. So we'll...we'll...all...all of that...all of that business will be transmitted to your Committee.

COUNCILMEMBER SUGIMURA: Okay. And I think I heard the buzzer. Okay. I'll wait for a second round. Thank you.

CHAIR KAMA: Thank you. So let's continue with our Member Paltin.

COUNCILMEMBER PALTIN: Thank you, Chair. Under your signature, if you don't mind, I'd like to ask questions for answer from the Department of Housing and Human Concerns. When they mentioned that it was scored competitively, I'd like to know the full criteria on which any affordable housing project is scored on, as well as the members of the committee that do the review, and their professions, if they're not County employees.

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CHAIR KAMA: We can certainly make that happen. Staff will make sure that happens. And as the day wears on, if you think of anything else you'd like to add, just let us know that.

COUNCILMEMBER PALTIN: Thank you. My next questions would be for the developer or Mr. Ueoka. Thank you for meeting me...with me about this project beforehand. And I just was wondering about the suggestions I'd made and the feasibility of those moving forward. I think one was making the community centers to the emergency hurricane standards; backup batteries, solar-covered parking or EV...or PV...PV. Is...is there any traction on any of those, and whatever else I suggested that I didn't mention?

MR. MICHAEL: Yes, we--hi, Jeff. This is Dave. So we have not talked to the architect and engineer about the hurricane standards on the community buildings, but I don't see that as a problem. And then the...we did speak about the carports. Right now, the buildings are in the center of the property, and the carports are on the exterior, and we have to move those to the interior for planning. And we do plan on doing solar and carports, and that will give us more LEED points as well. We're going to try and achieve LEED gold status on this property by doing that. So we really appreciate those suggestions.

COUNCILMEMBER PALTIN: Thank you. And then the other one was that the school crossing be a forethought instead of an afterthought.

MR. MICHAEL: Yes, on the back road we had spoken about putting, I think, three different crossing areas, one in the middle, one at the end...one at each end and one in the middle. And we are planning to do that. Definitely.

COUNCILMEMBER PALTIN: Would those be with *(audio interference)* and flashing crosswalks?

MR. MICHAEL: We could do that. That's not a real big expense for us to do, so it'd be helpful to do that. Yes, we can incorporate that. As we go...as we go forward, after we turn in the app. in one week, then we can more...get more focused on architecture, and get more renderings out, and have more discussions about those items as well. So we'll get those to you probably . . .*(timer sounds)*. . . in about a month.

COUNCILMEMBER PALTIN: Yeah, I'll...I heard the buzzer. I'll wait till my next round. Thank you, Chair.

CHAIR KAMA: You're welcome. So at this time, I'd like to introduce Chair Alice Lee. And welcome and aloha kakahiaka to you.

COUNCILMEMBER LEE: And same to you. Aloha, kākou.

CHAIR KAMA: Thank you. Okay let's continue with our questions, and let's go to Member Johnson.

COUNCILMEMBER JOHNSON: Thank you, Chair. I only have three minutes, so I don't...if I get

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the answer, I'll cut you off. I don't mean to be rude, I apologize. The...the question is for Hale Mahaolu. Being the manager of the property, have you discussed what type of wraparound services they'll be providing?

MR. MICHAEL: I'm sorry, what do you mean, wraparound services?

COUNCILMEMBER JOHNSON: Well, besides --

MR. MICHAEL: As far as resident services?

COUNCILMEMBER JOHNSON: I...so...oh, I guess, you know, besides managing, what...what services would they be providing? Are they going to help people get any of the services that are available to folks that are in that income range?

MR. MICHAEL: Yes, they...so Hale Molei [sic] and grant do...do conduct some resident services, and we will also implement services as the developer. We like to always put a computer lab and try to put in after school programs for our kids.

COUNCILMEMBER JOHNSON: Great.

MR. MICHAEL: That has been really beneficial. Adults can use the computers too. And then Grant also conducts other resident services just as a normal part of management, but not a real in-depth resident services program because they're just managing the property.

COUNCILMEMBER JOHNSON: Um-hum.

MR. MICHAEL: And then we try to find a local, maybe, high school tutor that could help the grade school kids to work in the property, things like that. So, whatever our residents need help with. And they do have access to those computers for internet access as well, the adults do.

COUNCILMEMBER JOHNSON: All right. Thank--I know your schedule is really tight. You said you had to apply by HHFDC by this month in, like, maybe a week or two. So, I guess so --

MR. MICHAEL: Yes, on the 15th.

COUNCILMEMBER JOHNSON: Yeah, that's concerning. I...I know...I...I hope all your ducks are in a row, and everything. But I...I wonder...because it keeps going on as predicated that, you know, if we get the LIHTC funding then we go forward. So my question is, is what happens if you don't get the LIHTC funding?

MR. MICHAEL: Then we would have a chance to reapply in one year. Unfortunately, there's only one round per year, in February. And so you...you know, and we applied last year as well knowing our chances --

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COUNCILMEMBER JOHNSON: Okay.

MR. MICHAEL: -- were not likely, but we took a shot at it anyway, because we didn't have the gap financing that we've been awarded now. Thank you for that. So we're pretty confident we can get award.

COUNCILMEMBER JOHNSON: Director Tsuhako, how does this work if these folks don't get the LIHTC funding? Is there...in the process, do we give them...we pull the money back? Or we...we wait until they get the LIHTC funding, then give them the loan? Can you explain that?

MS. TSUHAKO: Thank you, Councilmember Johnson. We would be judicious about how that grant agreement...the timing of the grant agreement. Part of the prioritization for the use of the Affordable Housing Fund was evaluating how ready projects were . . .*(timer sounds)*. . . to begin. So that will play into the timing of the actual execution.

COUNCILMEMBER JOHNSON: Okay. Thank you so much. Thank you, Chair, my time is up.

CHAIR KAMA: Thank you, Mr. Johnson. So we're going to continue with Councilmember Rawlins-Fernandez with questions.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. And mahalo, Mr. Ueoka, for the presentation and for meeting with me prior to this meeting. I let him know that I would ask some of the same questions that I asked in...in our private meeting in this meeting today so that the public would have the benefit of hearing the responses that I received from him. Some of the questions have already been asked, so I won't ask them again. So my first question is...okay. For the...for each...so 213 units, and for \$113 million, it'll turn out to be about \$472,000 per unit. Would...would you speak to the...that cost per unit? Like, why is it so much?

MR. MICHAEL: It's --

MR. UEOKA: I'll let Dave go.

MR. MICHAEL: Oh, go ahead. Oh. Okay. Thank you. So you know, everything that adds up in affordable housing. There's a lot of soft costs associated with affordable housing, you know, attorney's fees, and studies, and various soft costs that may be present in affordable housing that are not so much present in market-rate housing. And I think we've got...you know, we...we use Layton, Nordic PCL, and Moss Builders *[sic]* for our construction projects. And so they...we get bids from all three of them, and they're pretty dialed in. We may be looking at using panelized housing systems for this property to help lower the cost a little bit. It'll...it'll reduce our framing costs and shorten the construction time so we can open faster. So that'll save some costs there too. We're looking at those two options. We inspected a project on Kauai that is using that system, and it looks pretty

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good. So....but yeah, those costs seem to be high, but the materials have gone up drastically over the last 18 months or so. So yeah, we've really cut the fat out of the budget. And it's part of the competitive process for tax credits as well.

COUNCILMEMBER RAWLINS-FERNANDEZ: And then, Mr. Ueoka, did you want to add anything more?

MR. UEOKA: Not really. Just want to say it --

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay.

MR. UEOKA: -- it's just expensive to build things here. It's just expensive.

COUNCILMEMBER RAWLINS-FERNANDEZ: Yeah. Yeah, it's expensive. And I think, what you were sharing with me yesterday was that the...the goal is to build a higher quality so that it's...it lasts a little longer as well. So I...I thought that was an important point. And so I...I may have missed it, but you said that the 213 units is the...the first of the . . . *(timer sounds)*. . . entirety of the project.

MR. MICHAEL: Yes, in the overall master plan, especially that Coach is doing, they're also, in the future, contain single-family homes...the park, and the school, plus single-family homes. You know, and our goal is to provide additional amenities like a bike path and a walking path around the whole subdivision, things like that as well.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Mr. Michael. Mahalo, Chair. I'll wait for my next round.

MR. MICHAEL: Thank you.

CHAIR KAMA: So let's continue on with Councilmember U'u-Hodgins.

COUNCILMEMBER U'U-HODGINS: Thank you, Chair. The other day--hi, Jeff. The other day, we learned that drywall and concrete is going up, like 20 to 30 percent for drywall and then 30 percent for concrete. Did you guys include that price estimate increase in this breakdown?

MR. MICHAEL: Yes, I believe the contractors did when they did it knowing, you know, that those prices were anticipated to go up. Hopefully they won't go up too much, but we...they did anticipate knowing that this property is, you know, a year away from construction.

COUNCILMEMBER U'U-HODGINS: Okay. Yeah, I heard that the cost of construction has gone up a lot in the last 18 months, which we were talking about the other day as well. And I want to thank you guys for meeting with me the other week too to discuss this project. So I don't have too many questions except, however, to ensure that you guys are, one, going to be paying prevailing wage since you guys are taking government funds and that

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you'll be submitting weekly certified payroll.

MR. MICHAEL: Yes, we will be doing that. And our contractors are, you know, very familiar with that.

COUNCILMEMBER U'U-HODGINS: Cool. Right on. Thank you.

MR. MICHAEL: Thank you.

CHAIR KAMA: So let's continue on with Councilmember Sinenci.

COUNCILMEMBER SINENCI: Thank you, Chair. I know the...and mahalo for that presentation, Mr. Ueoka. I know the developer mentioned 65 years. Was he referring to the deed restriction?

MR. UEOKA: Yes, Councilmember.

COUNCILMEMBER SINENCI: 65 years?

MR. UEOKA: Yeah. Yes.

COUNCILMEMBER SINENCI: Okay. And then for Director Tsuhako, so 14 million for the projects, would that...how much left in the Affordable Housing Fund?

MS TSUHAKE: Councilmember, we approximately have 25 million in there. So with the...assuming the Council's approval of the budget amendment to award Catholic Charities Hale Pilina Project 10 million, we'd have 14 million...15 million left, which would cover the total anticipated \$14 million loan.

COUNCILMEMBER SINENCI: So this would pretty much empty this with a million left in the fund.

MS TSUHAKE: Those two allocations would wipe out what we have on our books, yes.

COUNCILMEMBER SINENCI: Okay. I was just wondering if there were any projects coming up in...in West Maui that that might warrant some of the...the funding.

MS TSUHAKE: I'm not aware of...we had projects submit applications, but they did not receive scoring high enough to be issued awards --

COUNCILMEMBER SINENCI: Oh.

MS TSUHAKE: -- for the amount of money we had left.

COUNCILMEMBER SINENCI: Okay. Yeah. All right. Thank you for that. And then

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just...there...is there a need--I don't recall. I know there's the Waikapū Stream. Is there any need for mitigating drainage on the site? Or if there's any designs to...to accommodate water running through the site?

MR. UEOKA: Thank you, Chair. So as part of the Waikapū Country Town, like, master drainage plan, that'll be coordinated, of course. And, fortunately, between this site, there's a park and then the stream.

COUNCILMEMBER SINENCI: Oh, okay.

MR. UEOKA: Yeah. So, got...got some real estate in between.

COUNCILMEMBER SINENCI: Right, right. So yeah, you guys strategically put the park along there...there.

MR. UEOKA: Yes, sir.

COUNCILMEMBER SINENCI: Okay. Thank you. And then access to public transit...bus stop?

MR. UEOKA: That won't...we...we might try to work something in into this specific project. But as a general...as we get closer for the Waikapū Country Town actual build out, we'll probably be working in. There's a school nearby and everything, so that'll probably be more of a master development.

COUNCILMEMBER SINENCI: Within the master --

MR. UEOKA: Yeah.

COUNCILMEMBER SINENCI: -- plan. And then native...native tree plants...planting.

MR. UEOKA: When they come in for building permit, they'll need a landscape planting plan approval. And I'm sure they'll be very cognizant of those types of things when creating their landscape planting plan.

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

CHAIR KAMA: You're welcome, Mr. Sinenci. And now we're going to go all the way back to Chair Lee. Questions?

COUNCILMEMBER LEE: . . .*(Inaudible)*. . .

CHAIR KAMA: Okay.

COUNCILMEMBER LEE: . . .*(Inaudible)*. . .

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CHAIR KAMA: Okay. So we're going to continue on with round two. I think other...I think you all had questions. Round two. So let's go back and start with Member Cook. Sorry. Yes.

VICE-CHAIR COOK: Thank you, Chair. My question for the developer. 60...65 years is a long time. What is the maintenance budget and how is that structured?

MR. MICHAEL: Well, the...there's two items. 65 years is a long time. So we would have our normal operating budget for ongoing regular maintenance. We also have a...an operating reserve account that the financing requires us to put up. I forget what amount that is. I think it's about 400,000. And then we also have a replacement reserve account, which comes out of the construction budget, initially. And there's a deposit every month into that account for replacement of roofing, and refrigerators, and things like that over the years. You know, roofing as it comes up in 20 or 30 years, whatever that might be. Before the 65 years is up, maybe between years 20 and 25, we would do a...look at a re-syndication where we take out the old investors, and bring in new investors, and completely rehabilitate the property, and then put it back in service with the existing residents in place. So that's typically the plan.

VICE-CHAIR COOK: Okay. So is there...for a project like this, is it a schedule to, like, repaint the structures every so many years?

MR. MICHAEL: It is. It's...it's not on an annual basis. It's on an as needed basis. And we want to use high-quality materials going in so we don't have to repaint in five years. We like to use hardy siding, if possible, stucco, long-lasting types of materials so that it stays nice for a longer period of time. But those reserve funds that we set aside every month out of the rents would pay for that. Hopefully, we'd build up maybe \$1 million in the first six or eight years in that...in that fund.

VICE-CHAIR COOK: Thank you, Chair.

CHAIR KAMA: You're welcome. So let's continue on down. Going back to Member Sugimura. Any questions for round two?

COUNCILMEMBER SUGIMURA: Yeah. Thank you. So...so Department, when...because you mentioned it, Catholic Charities, Project Hale Pilina. When they came before us, I asked if they would be coming to us for funding, and they said, no, they got everything paid. So your \$10 million that they're asking you for, I don't...I think when they...well, I know when they...I asked, like, their...their staff person the question--but because that's not on the agenda, we can talk about it later. I have a concern about that. And it's nice to hear what the...what this project is going to be doing and how...the foresight they have and how you handle a for rental project in the long-term future.

UNIDENTIFIED SPEAKER: Yeah.

COUNCILMEMBER SUGIMURA: So I'm going to ask this question, but it sounds like you've



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done this before for a rental project. And can you...we might use this as a...in my mind, the format for what to do in the future for other projects.

MR. UEOKA: I'll answer for Dave. Yeah. He has a whole bunch of units that...they actually used to manage units before. Now, they just do the development and ownership. They have separate management. But he's done this for a long time for a lot of units on the mainland, and he has a bunch recently on Oahu.

COUNCILMEMBER SUGIMURA: Oh. Very good.

MR. UEOKA: So yeah, he's experienced in this area. That was part of the reason, like...putting on my Waikapū Country Town hat, that was kind of the reason Coach was signing up with Dave, is the experience.

COUNCILMEMBER SUGIMURA: Oh.

MR. UEOKA: As much as, you know, Dave's going to be owning this for 65 years, you know, this is Coach's vision. He doesn't want to...he doesn't want to give portions...or sell portions of it to someone who doesn't have a good track record. So --

COUNCILMEMBER SUGIMURA: Okay.

MR. UEOKA: -- thank you.

COUNCILMEMBER SUGIMURA: Yeah, very good. So--oh, there he is.

MR. MICHAEL: I might add to that. So we've been developing since 1981. We used to manage about 5,000 units in a few states until we sold. The management company wanted to focus just on development. So we're well experienced when a property needs work to be done and there's no funds in the project, the developer has to come out of pocket. And we have a lot of people looking at us from HHFDC, to the syndicator, and the conventional lenders. And so we have a lot of expectations of us. So we want to make sure the property is financially healthy going forward, definitely.

COUNCILMEMBER SUGIMURA: Yeah, *(audio interference)* much. And I look forward to seeing this project forward and going to the groundbreaking. Thank you.

MR. MICHAEL: Thank you.

CHAIR KAMA: Okay. We're going to continue on. Member Paltin.

COUNCILMEMBER PALTIN: Thank you, Chair. Following up on Member Johnson, I think it was about if you didn't get the LIHTC funds, and we still have the 14 million. If you didn't get one phase, you mentioned about the possibility of moving forward on the workforce. If you don't get both phases, would that 14 million then go all to the workforce? Is that

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single-family homes?

MR. UEOKA: I'll...I'll try give this a shot first. So LIHTC is the number...that's our first priority, of course. And...because that...it's a great project, and if we can move it forward. It was split into two, like you said, Councilmember, two phases. Housing was able to accommodate both phases. If the LIHTC from HHFDC splits, we did discuss with you the idea of our limitation sewer, right now. So Waikapū Country Town allocated some of the interim sewer allocation given to it from the public/private partnership to Aikanaha because this was a priority for everyone. So we could try and rework that. They have 212 single-family units. That's on the...that's on the board. They have the 75 multifamily in Phase 3. So those...it would be possible to maybe...it...well, we'd probably have to come back and talk with Director Tsuhako, of course, about reallocating the 14 million to possibly help one of those projects. And, naturally, if nothing's going to happen, and that would be the worst-case scenario, I'm sure we could work something into the Affordable Housing Fund loan agreement, saying we'll give the money back...or, you know, we'll...we'll never get the money. But, you know, we will --

MS TSUHAKE: Release it.

MR. UEOKA: -- basically terminate the loan or whatever the...because I think we all understand that the money can't just sit there doing nothing for years on end. Thank you.

COUNCILMEMBER PALTIN: Okay. So 212 single family, 75 multifamily. In addition to this 212 low income, I guess...you know, part of the...I don't know who made the agenda item, if it was our own Staff or what, but I mentioned it before, I think, with Catholic Charities, when you say multifamily workforce housing rental project on the agenda, that means something different than low income, right? I mean, low income is 60 percent and below, right, AMI?

MR. UEOKA: At the risk of being super --

MR. MICHAEL: Yes.

MR. UEOKA: -- technical, residential workforce housing per 2.96, it basically covers everything 140 and below; in theory, you know per 2.96. . . .*(timer sounds)*. . . But you are correct, generally speaking, most developers say the 140 to around 60 is workforce, and 60 and below is low income. But as far as...if you want to get into 2.96, it's all covered under the term residential workforce housing.

COUNCILMEMBER PALTIN: Okay. That's kind of a problem because, you know, the workforce housing at Kaulana Mahina is...rents very different than what a LIHTC project is. And there's so much confusion about affordable housing, workforce housing, low-income housing that we're just perpetuating it with these kind of titles, it feels like. And so I don't know how we fix that, but I think we should.

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MR. UEOKA: And if I may, Chair, sorry. Just...and it gets even more complicated because 201H is lower-income housing, and it has different categories for below moderate, above moderate. So yeah, we all should be speaking the same language. Hopefully, one day it does happen.

COUNCILMEMBER PALTIN: Thank you, Chair, I heard my bell.

CHAIR KAMA: You're welcome. Let's continue on with Member Johnson.

COUNCILMEMBER JOHNSON: *(Audio interference)*, Chair. So I have a question about the \$14 million loan, but I often...I also heard you guys call it a grant agreement. Is it...is it just...am I getting confused here? Was it a loan agreement? Is a grant agreement? Or that...the loan actually follow under a grant agreement? That's my confusion.

MR. UEOKA: We'll be doing a loan agreement. Sorry, I --

COUNCILMEMBER JOHNSON: Okay.

MR. UEOKA: -- I misspoke because it's all...yeah, sorry I misspoke. Loan.

COUNCILMEMBER JOHNSON: Okay. All right. I...I just...okay. So my next question is for Director Tsuhako. So, the...by doing this, we basically drain the funds...the Affordable Housing Funds down to \$1 million. The...the...after budget, in July, we're going back up to 58 million? It...will the...the fund be brought back up? And after that, when that happens, the projects in the pipeline are...are they able to apply right after, you know, July 1st? And...and how does that affect, like, the HHFDC deadline of February? That seems to be every year, the same thing.

MS TSUHAKE: Thank you, Councilmember Johnson. So the 24 million that we're proposing to award to the two projects discussed will deplete the fiscal year '24 allocation, what exists right now. And we expect that when fiscal year '25 begins, there'll be another allocation added to the Affordable Housing Fund. I don't know exactly how much that is. It just depends on what percentage of the real property taxes are...are set aside for that. The plan is for us...for...for the Department...it'll be the Department of Housing, at that time, to issue another competitive process so that projects who've made internal progress on their own readiness and their leveraging of other funds can then submit applications at that time. So that...that is the plan.

COUNCILMEMBER JOHNSON: Right after July 1st?

MS TSUHAKE: Not immediately --

COUNCILMEMBER JOHNSON: Okay.

MS TSUHAKE: -- after July 1st. I believe that it will be sometime in August --

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COUNCILMEMBER JOHNSON: Okay.

MS TSUHAKE: -- that that will be made available.

COUNCILMEMBER JOHNSON: So, all the developers that are waiting right now, they know that they can...they have to wait until after July 1st, and in August they can apply?

MS TSUHAKE: There's not have...there's not...there...there has not been an announcement made about that.

COUNCILMEMBER JOHNSON: Okay.

MS TSUHAKE: And partly I think it's because the new department will be established --

COUNCILMEMBER JOHNSON: Right.

MS TSUHAKE: -- and will be responsible for that process. But also we need to be able to verify how much funding is going to be --

COUNCILMEMBER JOHNSON: Of course.

MS TSUHAKE: -- set aside in that. There...there's no sense in doing a competition for funding if you don't know how much you have to offer.

COUNCILMEMBER JOHNSON: Right. So do you expect the new housing department being ready . . . *(timer sounds)*. . . to hit the ground running? And, you know, that August deadline is...is all of a sudden, hey, we're a new department. We need September. We need, you know, later...more time. Do you...do you find yourself thinking that we may...may need more time for the Department to get set up?

MS TSUHAKE: I...I don't believe so, Councilmember.

COUNCILMEMBER JOHNSON: Okay.

MS TSUHAKE: I think that the Staff who will be excised from the existing department and added into the organization of the new department have all had experience with --

COUNCILMEMBER JOHNSON: Great.

MS TSUHAKE: -- the process, so I...I don't anticipate that it will be any more lengthy.

COUNCILMEMBER JOHNSON: All right. You heard it here first, folks. Thanks so much. Thank you, Chair.

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CHAIR KAMA: You're welcome. Let's continue on with Member Keani Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Okay. For this project would you be able to share what the proposed profit margin is?

MR. MICHAEL: The...thank you for that question. The...the...so the cash flow on the property on an annual basis, 75 percent goes to repay the debt to the rental housing trust funds from HHFDC. And then another ten percent or so would go to the limited partner as their cash...priority cash distribution, who buy the credits. Another amount, and I don't know what it is offhand, goes to our nonprofit partner as administrative fee. So whatever's left would go to the general partner. So it's...it's minimal. We usually don't take much of a cash distribution from affordable housing, you know, given...given those...those requirements. So there's not a lot that comes out to the general partners on an annual basis.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. Mahalo, Mr. Michael.

MR. MICHAEL: Thank you.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. And then...okay. So for the LIHTC, it's...you'll find out this month? Or the application is due this month?

MR. MICHAEL: No, the application --

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay.

MR. MICHAEL: -- is due this month. We, historically, found out in June or July. Last year it was a little later in October. So we're hoping to find out before October so we can, you know, have confidence to get things going. We're going to start anyway, anticipating that we will get an award, so *(audio interference)* --

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. Thank you. And then...so you said earlier that this project will connect to the Kahului Wastewater Treatment Facility *[sic]*.

MR. MICHAEL: Yes.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay.

MR. UEOKA: Interim...interim connection.

COUNCILMEMBER RAWLINS-FERNANDEZ: Inter...okay. Mahalo for that clarification. And then the...the neighboring parcel will be that parcel that the County had agreed to build affordable housing for partnership with the wastewater treatment construction. Was it 256 units? Please correct me if I'm wrong.

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MR. UEOKA: Oh. I...I...that's on the County land...the County 100 acres.

COUNCILMEMBER RAWLINS-FERNANDEZ: Oh.

MR. UEOKA: Wait. No, I'm not sure.

COUNCILMEMBER RAWLINS-FERNANDEZ: No.

MR. UEOKA: Sorry, sorry. Oh, for the PPP?

COUNCILMEMBER RAWLINS-FERNANDEZ: Yes.

MR. UEOKA: Oh. Okay, okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: Thank you.

MR. UEOKA: Sorry. Okay. So there's...oh. Directly . . .*(timer sounds)*. . . adjacent to this project is the park, and then below it is the school, and then like across Main Street, which is like the main east-west road for the project. So West Maui Mountains to Halekaka Way [sic], across that street will be the 212 single-family residential workforce housing units.

COUNCILMEMBER RAWLINS-FERNANDEZ: Oh, okay. Mahalo for clarifying that. Mahalo, Chair.

CHAIR KAMA: You're welcome. So let's continue on down the row with Member U'u-Hodgins.

COUNCILMEMBER U'U-HODGINS: Thank you, Chair. Director Tsuhako, forgive me for my quick and public math. I hate it. But just in case...so we have \$25 million now in the Affordable Housing Fund. And, again, ten will go to Hale Pilina and then the two phases of Aikanaha. But on Monday we just awarded Kilohana another \$5 million. Do we not have space for all three projects? Unless I'm...unless one of them is in some other fiscal year.

MS TSUHAKE: Councilmember U'u-Hodgins, we had already accounted for that five million request --

COUNCILMEMBER U'U-HODGINS: For the additional five?

MS TSUHAKE: -- to...to the Kilohana project --

COUNCILMEMBER U'U-HODGINS: For the...okay.

MS TSUHAKE: -- prior to...prior to getting to that \$25 million grant.

COUNCILMEMBER U'U-HODGINS: Oh, okay. Cool. That's good to know, because we just

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awarded them on Monday. Good. Okay. Cool. Before this letter came out. Mr. Ueoka, thank you. So for the next 65 years, who's going to be paying for the maintenance on these buildings?

MR. UEOKA: They'll be owned by...well, 65 years is a very long time, but --

COUNCILMEMBER U'U-HODGINS: Yeah.

MR. UEOKA: -- by the owner. So right now it's going to be Pacific, and their partners will be the owner, so they'll be responsible for it. And whoever buys it will be subject to all of these restrictions. So it's...the payment, like Dave said earlier, it should be covered in the reserves. If things go sideways and the building does need to be fixed up, it is the owner's responsibility to make sure it's...you know, it's habitable.

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

COUNCILMEMBER SINENCI: Okay. I...I was just going to ask clarification on...you mentioned loan from the Affordable Housing Fund, meaning...would that monies come back to the fund?

MR. UEOKA: Without getting into the details, as we still need to work out the specifics of the loan agreement --

MS TSUHAKE: Yeah.

MR. UEOKA: -- I'll answer, yes, eventually. Without getting into too much of it, but there...there's a...there's a lot of...there's the housing...the...oh, what's it called? The Rental Housing Revolving Fund loan from HHFDC, so that one usually gets paid back first, as part of the LIHTC process. And the Affordable Housing Fund repayment will be around there. And we're hoping to get all those periods and terms worked out in the specifics with housing as we get closer to the grant...loan agreement.

COUNCILMEMBER SINENCI: Is there a timeline for that? Or like any other loan, you know, you'll have the...that same, I guess --

MR. UEOKA: Typically, for these LIHTC projects, the goal is to defer the gap financing for...we'd hope for 20 years. That...that would be good. . .*(timer sounds)*. . . and then pay it back slowly, thereafter, cash flow allowing.

COUNCILMEMBER SINENCI: Okay. All right. Thank you. Thank you, Chair.

CHAIR KAMA: Okay. So I just have a question for Director. So by charter, three percent of the revenues received during tax time is what...is how we fund the Affordable Housing Fund. But Council also has the opportunity, or even the Administration, to increase that percentage. Is that correct?

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MS TSUHAKE: Madam Chair, that...that is my understanding as well.

CHAIR KAMA: Okay. I just wanted to get that into my head that, you know, we're not limited by just so much amount. I mean, the Council can make other determinations at that time. But thank you so much for that. Members, do you need another round of questioning? Yes, Member Sugimura.

COUNCILMEMBER SUGIMURA: Not really a question for the resources, but for you.

CHAIR KAMA: Yeah.

COUNCILMEMBER SUGIMURA: I wonder if...because we all have questions about what's in the Affordable Housing Fund. And, you know, housing, in general, is very critical now.

CHAIR KAMA: Yeah, yeah.

COUNCILMEMBER SUGIMURA: I wonder in...if one of your meetings you could have what is in the Affordable Housing Fund, what is the status of all the projects that were approved, is it going to be funded, is it going to happen. And maybe call...you know, call the developers and find out if they're really doing their funds. Or is just sitting in our...in our bank, you know.

CHAIR KAMA: Um-hum. Um-hum.

COUNCILMEMBER SUGIMURA: Because if...if they're not going to use it, let's take it.

CHAIR KAMA: Okay.

COUNCILMEMBER SUGIMURA: I mean, I don't mean to say like that, but --

CHAIR KAMA: Yeah.

COUNCILMEMBER SUGIMURA: -- if they're not going to use it --

CHAIR KAMA: Yeah.

COUNCILMEMBER SUGIMURA: -- we have such great needs now because of the wildfires.

CHAIR KAMA: Yeah.

COUNCILMEMBER SUGIMURA: And we all sit in the same place know...we...knowing that --

CHAIR KAMA: Um-hum.



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COUNCILMEMBER SUGIMURA: -- we need housing, so --

CHAIR KAMA: Yeah.

COUNCILMEMBER SUGIMURA: -- I wonder if you could --

CHAIR KAMA: Yes.

COUNCILMEMBER SUGIMURA: -- before budget?

CHAIR KAMA: We'll go ahead and schedule that --

COUNCILMEMBER SUGIMURA: Yeah.

CHAIR KAMA: -- before budget.

COUNCILMEMBER SUGIMURA: Thank you.

CHAIR KAMA: Thank you. Members, is there a need to have a third round of questions? If not...okay. Thank you. So is there any discussion on what we've talked about today that you all have? Because if not, Members, I'd like to make a recommendation to defer without your objection.

COUNCILMEMBERS: No objections.

**ACTION: DEFER pending further discussion.**

CHAIR KAMA: Thank you.

COUNCILMEMBER SUGIMURA: Good project.

CHAIR KAMA: Very good project. So thank you very much, Director and Mr. Ueoka, for your presentation and hope to see you at the next go round. Okay. So thank you.

**HLU-3(11) ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE**  
**INTERGOVERNMENTAL AGREEMENT WITH HAWAII HOUSING FINANCE**  
**AND DEVELOPMENT CORPORATION (Rule 7(B))**

CHAIR KAMA: So, Members, we're going to continue with HLU-3(11), Analysis of Impediments To Fair Housing Choice, Intergovernmental Agreement With Hawaii Housing Finance And Development Corporation. So, Members, at the Council meeting of January 26, we were asked by the Administration to act on Bill 15, which would authorize the Mayor to enter into an intergovernmental agreement with HHFDC for funding the analysis of

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impediments to fair housing choice. We passed Bill 15 on first reading, but wanted to have a discussion with the Administration on what would result from this analysis and its role in planning for meeting our future housing needs. So Director Tsuhako, do you have any opening comments for us today?

MS TSUHAKO: Thank you, Madam Chair. The Department requests Council action on Bill 15, which would allow our Mayor to sign an agreement that's a multi-jurisdictional agreement to provide our County share of the cost to perform a analysis of impediments to fair housing, which is a --

CHAIR KAMA: Um-hum.

MS TSUHAKO: -- study required by HUD.

CHAIR KAMA: Yeah.

MS TSUHAKO: It's a joint purchasing agreement between many jurisdictions across the State, the other counties. And I believe that the Hawaii Housing Finance Development Corporation is waiting on the County as the last jurisdiction to authorize the contract for this study to be conducted. So we ask for your favorable consideration. Thank you.

**. . .BEGIN PUBLIC TESTIMONY FOR ITEM HLU-3(11). . .**

CHAIR KAMA: Thank you. Okay. Staff, do we have any testifiers?

MS. LILLIS: Chair, we currently have no one signed up to testify. If anyone would like to testify on Teams, please click the raise-your-hand button at the top of the screen. If anyone would like to sign up in the Council Chamber, please let staff know. We will give a brief countdown. Oh, we do see...oh, yeah. So no one in Teams appears to be willing...wanting to testify. So, Chair, it appears that I'll do the last countdown; three, two, one. No one wishes to testify.

CHAIR KAMA: Oh, Members, seeing that there are no individuals wishing to testify, without objection, I'd like to close our oral testimony for this item. And as a reminder, written testimony will continue to be accepted into the record.

COUNCILMEMBERS: No objections.

CHAIR KAMA: And if there are no objections, I thank you.

**. . .END OF PUBLIC TESTIMONY FOR HLU-3(11). . .**

CHAIR KAMA: And we're going to continue to proceed with discussing this item on the agenda. So I'm going to ask you...and we're going to start again from the Vice-Chair, and then we're going to go down the row to ask your questions, so...of our Administrators today.

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So Vice-Chair Cook, questions for Director Tsuhako.

VICE-CHAIR COOK: Not yet.

CHAIR KAMA: Okay, very good. Okay. Then why don't we continue on with Member U'u-Hodgins.

COUNCILMEMBER U'U-HODGINS: Sorry, I was moving on to the next...Homeowner Assistance Fund. I was getting ahead of myself. I'm okay for now. Thank you, Chair.

CHAIR KAMA: Okay. Member Sinenci.

COUNCILMEMBER SINENCI: Thank you, Chair. Director, so our contribution is the 33,363 from the County?

MS TSUHAKE: That is our pro rata share, yes.

COUNCILMEMBER SINENCI: Oh, pro rata share. And then we're...we're not...Chair, we're not voting on this today? We already did --

CHAIR KAMA: No, we are not.

COUNCILMEMBER SINENCI: Okay. All right. Thank you for that clarification. Thank you.

CHAIR KAMA: Yes, it is up...your turn, Member Lee.

COUNCILMEMBER LEE: Oh, thank you so much. We already voted on this --

CHAIR KAMA: Yes, we did.

COUNCILMEMBER LEE: -- from the past...first reading.

CHAIR KAMA: Yeah.

COUNCILMEMBER LEE: So we're not voting on this today, but it would be voted on in Council.

CHAIR KAMA: Correct.

COUNCILMEMBER LEE: Okay. Just --

CHAIR KAMA: So --

COUNCILMEMBER LEE: -- in case...maybe Member Sinenci didn't know that.

CHAIR KAMA: Right. So at the last meeting we said, yeah, let's go ahead and pass it out. And

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then Members had other questions, they could use this opportunity to ask those before second reading.

COUNCILMEMBER LEE: Yes.

CHAIR KAMA: Okay. So --

COUNCILMEMBER LEE: I have no questions. Thank you.

CHAIR KAMA: Go right ahead. Okay. Thank you. So let's continue on with Member Sugimura.

COUNCILMEMBER SUGIMURA: I have really no questions. I mean, it's something that we...we must do and, I guess, the Department, you can...you can tell us something that we'll advocate, and definitely we're going to vote yes on second reading.

MS TSUHAKE: It's a requirement, Councilmember. And any delays that we experience here will hold up the contracting for HHFDC because they...they...they'll do the master contract for all the other jurisdictions. And HUD requires us to have this analysis done to address any impediments to fair housing across the State. So we...we just ask for your favorable consideration.

COUNCILMEMBER SUGIMURA: Okay. Thank you.

CHAIR KAMA: Okay. Continue on with Member Paltin.

COUNCILMEMBER PALTIN: Thank you, Chair. I...I don't know that I understand exactly what is meant by fair housing choice. It says, regarding the analysis of impediments --

CHAIR KAMA: Yeah.

COUNCILMEMBER PALTIN: -- to fair housing choice. And I was wondering if you could explain that to me. It's a...it's whatever is stopping fair housing choice. But what is meant by that? Like --

CHAIR KAMA: What are the impediments?

COUNCILMEMBER PALTIN: Or what...what are we meaning by fair housing choice? Like --

CHAIR KAMA: Okay. So we'll ask the Director. I...I...and I think added to that, I want to add...my question, Director, is impediments to fair housing sometimes are not necessarily the people who are renting and the problems that they're having trying to go through that process but also the Government side of impeding housing. So I...I think I had...I wasn't understanding clearly, at the previous Council meeting, what...what are we looking at? And I think that's what Member Paltin is...is asking too. Is that, what actually is HHFDC looking for in terms of impediments? And who are the impediments with, or against,

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or...and...and --

COUNCILMEMBER PALTIN: Like is it our local people can't --

CHAIR KAMA: Yeah.

COUNCILMEMBER PALTIN: -- find housing because--

CHAIR KAMA: Yeah.

COUNCILMEMBER PALTIN: -- people from the mainland --

CHAIR KAMA: Right.

COUNCILMEMBER PALTIN: -- are grabbing up --

CHAIR KAMA: Right.

COUNCILMEMBER PALTIN: -- their LIHTC housing? Or what...I...I don't understand.

CHAIR KAMA: Okay. And that's the question.

MS TSUHAKEO: Yeah, thank you, Madam Chair. So fair housing is a...is a...a standard for HUD. And it says that we try, as much as possible, for people to have equal access and not be discriminated upon based on their race, their gender. I don't...I don't know, specifically, if sexual orientation is one of the criteria, but essentially the --

COUNCILMEMBER RAWLINS-FERNANDEZ: It is.

MS TSUHAKEO: -- oh. Okay. Thank you.

COUNCILMEMBER RAWLINS-FERNANDEZ: Chair.

MS TSUHAKEO: Thank you.

CHAIR KAMA: Yes, Member Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Chair.

CHAIR KAMA: Yes.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. So we...we discussed this at the last Council meeting, and I shared the...the past report of this, and I explained what some of the questions and surveys are. And that I asked Director Tsuhako if this fund...this report is required in order for our County to qualify for continued HUD fund...funding.

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The chat function is disabled, so I can't share the report. But I did share screen at my last Council meeting, and I did share some of the...the questions. And it...it...it is some of the protected class under the Constitution. It does ask like if some of the...the staff that's managing the...these programs are properly trained, and they do surveys to our own government staff to find out, like, what are some of the questions that are being asked. All the different protected class, like . . . *(timer sounds)*. . . place of origin, so where a person is from; what gender they are; race. And I'm happy, if the chat function could be enabled, to...to share the...the past report so everyone can kind of, like, check it out. And if you'd like me to share screen so the public can see what we're seeing, I'm also happy to...to...to share that. And maybe it can be uploaded to Granicus so that in...in future, people who are doing research want to see what the past report look like, they can...they can see it for themselves. I'm sorry I took up your time, Member Paltin. You can have mine.

COUNCILMEMBER PALTIN: Yeah, I was wondering about, you know, a big discrimination seems to be people with children and pets in anecdotally, and if those were going to be addressed...addressed.

MS TSUHAKEO: I don't know that those having pets are necessarily a protected class. I think a status of children is. Let me just give you an example of...of some of the ways the...the Department has, over the years, tried to accomplish more education in terms of fair housing. And that is every year we sponsor training. And we invite...not just different landlords, but we invite property managers to come so that we don't have...because we get the fair housing complaints first when they happen. So we have an interest in, of course, not allowing that to proliferate. So we do annual fair housing training, I believe, in April, which is Fair Housing month. And make sure that...I think last year we had over 200 people attend that. And they--so I think that the more people are aware of how to conduct their business, whether they're renting or whether they're landowners with leases to different people, can keep their businesses compliant with what's expected of us.

COUNCILMEMBER PALTIN: And...and then my other question is if...if...if an individual is renting a room in their house, or a ADU, or something like that, is this fair housing applied to them? I mean, say you have 20 applicants to the house and you choose based on your own biases or whatever, is that in...is that what is being studied as well? Or is it just like LIHTC projects, or Hale Mahaolu, or whoever kind of things? Is it like government-sponsored things, HUD things, or individual/private landlords renting out a room in their house or a cottage?

MS TSUHAKEO: The...the study would look at both. I think the...the larger mega landscape, including government-funded projects or privately-managed projects, like you mentioned. But I think the...the inclusion of special individual, anecdotal information, like you're offering, would also reach the researchers. Because the agencies who receive...like, for example, Maui County, we keep a log of our fair housing complaints. And so that gets included into the...the data that the researchers are looking at. So if every jurisdiction submits their log of what they're tracking, in terms of fair housing complaints, then that

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information becomes part of what they look at when they do their analysis.

COUNCILMEMBER PALTIN: So for this upcoming year, would all of the FEMA complaints to the AG, and like that, also be included? Like, we still have close to 500 pets in the shelter because those folks are not able to find housing. And you are not sure if pets are included? Or you know for sure that pets aren't a protected class?

MS TSUHAKE: I do not know for sure --

COUNCILMEMBER PALTIN: Oh.

MS TSUHAKE: -- Councilmember, if they are. The...if the complaints are made to the HHFDC, or to the County Housing office as a...as a fair housing complaint, then those should be logged. I'm not sure where...I'm not sure if the Attorney General's receipt of any complaints were logged as fair housing complaints. I'm...I'm not sure about that.

COUNCILMEMBER PALTIN: Shoot, because, you know, they tell us at the Wednesday meeting that FEMA won't contract with folks that are evicting current tenants. But then we hear from the tenants, when they reach out to FEMA and the AG, that they can't handle this kind of situation. So as, like, decision makers making these decisions, we're getting the story we kind of want to hear from FEMA and the Administration, but from the people that are actually being affected, it's a totally different story. And so without that real, true information, it's...it's...we're put in a difficult situation. And I think that what...what is going on in West Maui, right now, with the thousands and thousands of people looking for housing, and then the people that are in housing having...rental housing having these fears, and getting evicted, and not being able to renew their leases; this is...I mean, that's all the work done for them. It's...it's a microcosm of the bigger situation in this County. I guess my other question is, as we're paying our pro rata share, we're definitely unique from Hawai'i Island, O'ahu, Kaua'i, all these other jurisdictions. And so how do they individualize the results when they're taking all of our money in a big lump sum? But I would say that we...each county jurisdiction is...is definitely unique in the challenges that we face. And how do they...how do they take our money and make sure that our individual, unique circumstances are addressed?

MS TSUHAKE: And I...I think that's a very valid question. We definitely...the...we, meaning the County, definitely have a seat on the discussion table when it comes to this actual analysis being done, and what kind of parameters, and what kind of lenses to use to, particularly, evaluate the situation on Maui. And I think we have colleagues from HHFDC who are involved in that process listening in on the conversation today. And so we can...during...during the pre-meetings that'll...that will occur as the study is being formulated and the parameters drawn up, we can certainly advocate for a particular focus on how the emergency has impacted housing, and how people access housing, especially on the West Side. And I mean, you know, we could...we could also ask that if you and your Staff have that contact with anecdotal information about what's happening to people that maybe is not being reported, the researchers may be willing to talk to you directly to

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hear that, and that might be very useful to them in terms of how they are able to analyze the information that you provide them balanced against everything else.

COUNCILMEMBER PALTIN: I'm just small potatoes. I mean, really, they should be talking to CNHA and Red Cross and with the Bridge Assistance Program, FEMA Direct Lease and continued rental assistance. Since I'm on Councilmember Rawlins-Fernandez' time, I'm all in favor of posting the previous reports to Granicus and letting everyone be able to see it. Thank you.

CHAIR KAMA: Thank you. And that was going to be my request to Member Rawlins-Fernandez; she would send it to the Staff, and then they'll put it on Granicus, and everybody will be able to --

COUNCILMEMBER RAWLINS-FERNANDEZ: Chair.

CHAIR KAMA: -- have a copy of it.

COUNCILMEMBER RAWLINS-FERNANDEZ: Chair, I would like to put it in the chat now so that everyone can see it now. But Staff said that they need your direction in order for me to put it in the chat. What...what it is, is the Analysis of Impediments to Fair Housing: Phase 1 Report. And this was published on April 2020 by the University of Hawaii at Manoa, the Department of Housing and Urban Development for the...for HUD. And then the table of contents...the different components of this report is the...the data and methods for the report, demographics of Hawaii. Part 1 is assessing staff knowledge and fair housing. Part 2 is review of policies and procedures. And so that's where, maybe, Member Paltin was speaking about including, you know, organizations like CNHA who's been helping our community directly. And then it has the different fair housing assessment survey instrument, and the list of documents that were reviewed. All in this 53 page report. And so the information that Member Paltin was speaking to can be included in this. So, if you would like to enable the chat, I can put it in. Then everyone can see what it look like.

CHAIR KAMA: Okay. *(Audio interference)* want to enable the chat right now because I'd rather that you put it into Granicus because I don't want all of my chickadees over here going into reading that report. I want us to get through this second item, and then get to the third. So, if you wouldn't mind, Member Rawlins-Fernandez to just, please, send it to our Staff. I'd appreciate that.

COUNCILMEMBER RAWLINS-FERNANDEZ: Their...their questions are all about the content of the report. And so if I put it in the chat, they can see the report themselves. And then Staff can just take the report, and then upload it to Granicus. Otherwise, I'm going to have to go into my email and I'll be distracted too.

CHAIR KAMA: Okay. Put it into the...open the chat, put it in, and as soon as it's in, we'll close it out. Members, please do not read the 53-page report.



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COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair.

CHAIR KAMA: I'd like you to just continue to ask your questions. And I'm sure Member Rawlins-Fernandez, if she can't get an answer, --

COUNCILMEMBER RAWLINS-FERNANDEZ: It's in.

CHAIR KAMA: -- will tell it to you. Thank you.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair.

CHAIR KAMA: Thank you. You're very welcome. Let's go to Member Johnson, and then we'll go to Member Sugimura, and then back down to the left side. Okay. Member Johnson.

COUNCILMEMBER JOHNSON: Thank you, Chair.

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

COUNCILMEMBER JOHNSON: Every time we have the discussion about what is fair, and fair housing --

CHAIR KAMA: Yes.

COUNCILMEMBER JOHNSON: -- and the Fair Housing Act, it always takes me back to my time as a school teacher when we were dealing with children with different abilities. Some kids needed more of my time as a teacher, some people needed less of my time as a teacher. And that's what fair is, that their needs are met, not that everyone's treated equal, right. It's not...that's a big revolving definition of what is fair is that we make sure everyone's needs are being met. And if you talk to folks in Councilmember Paltin's district, their needs are not being met. So I really support this study, and I hope that they look at it in that lens. That it's not just the Fair Housing Act is everybody needs to be treated fairly. Is that everyone's needs must need...need...need to be met. You know, on the Lānaʻi we have the Hale Kupuna senior housing. There is a...a year...year's waitlist to get in there because they took LIHTC funding, which is Federal funding, which opens it up to all the people on the mainland, all the kupuna on the mainland. So now all of a sudden, the little housing, the little place is totally...we have to wait in line to get into our community's Hale Kupuna. And that's not fair to our kupuna on Lānaʻi. It's because they're taking that LIHTC money, because they have to open it up for the Commerce Clause, and all of those reasons. I really hope that this study takes a look at that. Those issues that are here--we're not the mainland. We don't have this huge capacity, these big cities for all this. We need...we are very small, very rural, and isolated. So I think when we look at these Fair Housing Act, they really should take in that consideration. We...either through exemptions or whatever they decide. But the study should look at how we help those folks meet their needs, because right now the kupuna are moving away. The people in

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West Maui are moving away. Their needs are not being met. So that's what I want to say is maybe there's some way in the study, it looks at the way that we can find developers that can fund projects without LIHTC money, so they don't have to have--you know, you can't do Bill 111, for example, right. Because you don't...you can't...if you take Federal money, then all of a sudden it opens it up to everybody, and you can't get residential preference. So that's...that's the kind of concerns that I have that I hope the study addresses. We can't just keep building homes for the mainland folks to come and live here. We got to take care of ours first. So those are my statements. Director Tsuhako, do you have anything to add to that? Thank you.

MS TSUHAKO: Thank you, Councilmember. I think, you know, in theory I agree with you that the acceptance of that Federal funding, in any shape or form, sort of opens us up to having to have people who are citizens of America move to...move to our islands to live here because that housing is...should be accessible to anyone. I think the alternative is that the County funds those...those projects totally so that developers don't need to get LIHTC and don't need to have that financing. Now, whether we have that capacity or not --

COUNCILMEMBER JOHNSON: Um-hum.

MS TSUHAKO: -- I think is...is for a different committee and a different debate. But I think that's...that's what you're looking at. If you want developers to build housing and...and have the ability to restrict the residency when people apply, then you're going to have to pay for it. Well, we --

COUNCILMEMBER JOHNSON: Yeah.

MS TSUHAKO: -- we collectively are going to have to pay for it.

COUNCILMEMBER JOHNSON: I like some of the song that you're singing

MS TSUHAKO: Yeah.

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

CHAIR KAMA: You're welcome. Okay. Let's continue on with Member U'U (*audio interference*).

COUNCILMEMBER U'U-HODGINS: Thanks, Chair. I don't have any questions for now.

CHAIR KAMA: Thank you. Member Sinenci.

COUNCILMEMBER SINENCI: Thank you, Chair. You know, yesterday at the Legislature, they heard legislation about possibly addressing foreign investments and...and buying up our very limited housing inventory. So I'm hearing from my fellow Councilmembers and...and, of course, we always have, both, Kula and Lāhainā at the top of our priority list. One of the reasons why we are making our trip to D.C. is to look for funding that we can help

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our West Maui community. So I'm hoping that this study can address some of our...our efforts with rebuilding West Maui, Chair. Mahalo.

CHAIR KAMA: Thank you, Mr. Sinenci, for that. Member Sugimura, you had your hand up.

COUNCILMEMBER SUGIMURA: Yeah. No questions. We'll just read the report.

CHAIR KAMA: Okay.

COUNCILMEMBER SUGIMURA: And thank you, Keani --

CHAIR KAMA: Okay. Okay.

COUNCILMEMBER SUGIMURA: -- for submitting it. And it'll be in Granicus, right?

CHAIR KAMA: Okay. And...and I skipped over you, Mrs...Ms. Keani Rawlins-Fernandez. Do you have any questions for Director Tsuhako?

COUNCILMEMBER RAWLINS-FERNANDEZ: I don't, but --

CHAIR KAMA: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- I wanted to read one of the scenarios. So it...it said that...scenario 11, Laurie (ph.) has a service dog that notifies her when she has to take her insulin. The landlord tells Laurie that she will be evicted if she keeps the dog, because she never disclosed that she had a service animal prior to signing the lease. There are no pets allowed in the apartment complex. So the...the question is, is this discrimination. And the correct answer on this report says, the correct answer is yes. It is likely that the scenario represents illegal discrimination, and then it provides a legal explanation. The service dog would be considered a reasonable accommodation. It is discrimination to refuse to make reasonable accommodations in rules, policies, practices, et cetera. So that's kind of what the survey looks like for the public that's wondering what...what this report is. And then it does an analysis of all the different policies and procedures under HHFDC and the different organizations to ensure that, like Member Johnson and Member Paltin were saying, that the...the needs are truly being met. And then, you know, particularly for the protected classes, and then it says what the protected classes are. Under Fair Housing Act, protected classes is race, color, ancestry or national origin, religion, sex, familial status, disability. And in State of Hawaii additionally prohibits discrimination based on marital status, HIV status, sexual orientation, and age. Mahalo, Chair.

CHAIR KAMA: You're very welcome. Okay. Chair Lee, did you have any questions?

COUNCILMEMBER LEE: No. Thank you.

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CHAIR KAMA: Okay. Member Cook. Okay. So we're all questioned out, right? And I'm sure Laurie's answered out too. So Members, if you have no more other questions, I just have one question, and then without your objections, I'd like to defer this item. Director, what would be the impact if the Council does not choose to authorize the Mayor to enter into this intergovernmental agreement?

MS TSUHAKE: Thank you, Madam Chair. I think the impact of not --

CHAIR KAMA: Signing.

MS TSUHAKE: -- signing off on this would be pretty significant because not only would our County be affected, meaning we wouldn't be eligible to receive HUD funding, but we're also impacting the ability of the other counties in the State to receive that assistance. And I think that we'd have to all put ourselves behind paper bags when we walk around. Okay.

CHAIR KAMA: Okay. Well said, well done. Thank you. So, Members, without objections, I'd like to defer this item.

COUNCILMEMBERS: No objections.

**ACTION: DEFER pending further discussion.**

CHAIR KAMA: And it is 10:30, and it is time for our morning recess. So, we're going to call morning recess. We have one last item on our agenda. So I think ten minutes is good. What do you think? Okay. So we're in recess until 10:40 a.m. HLU meeting is now in recess. . . .(gavel). . .

**RECESS:** 10:30 a.m.

**RECONVENE:** 10:51 a.m.

CHAIR KAMA: . . .(gavel). . . The HLU Committee meeting of February 7, 2024, will now reconvene. It is now 10:51. We had some issues with our cameras, and we have reconvened a few minutes late. So, pardon us, Member Rawlins-Fernandez, for showing up late.

**HLU-3(12) UPDATE ON THE HOMEOWNER ASSISTANCE FUND PROGRAM UNDER THE AMERICAN RESCUE PLAN ACT (Rule 7(B))**

CHAIR KAMA: Okay. So Members, at--we're going to take on HLU-3(12). The Update On The Homeowners Assistance Fund Program Under American Rescue Plan Act. Members, at our Council meeting on January 26<sup>th</sup> when the prior item, Bill 15, was before us, Councilmember Paltin asked the Administration about the status of the Homeowner

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Assistance Fund that was created by the American Rescue Plan Act. Rather than trying to adjust Committee matters at Council, I placed this item on our agenda today to provide the opportunity for discussion with the Administration on the status of that program. So Staff, do we have anybody coming from the Mayor's office? Or *(audio interference)* --

MS. LILLIS: Chair, we were able to contact them, but they were not available on...on the short notice.

CHAIR KAMA: Okay.

MS. LILLIS: Apologies.

CHAIR KAMA: Thank you. So, Director Tsuhako, do you have any opening remarks before we take public testimony?

MS TSUHAKE: Thank you, Madam Chair. I have a update to offer the Committee. But I'm happy to defer my comments and my update until after the testimony is offered.

CHAIR KAMA: Okay. Okay. We can do that. Okay. Do we have testifier, Staff?

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

MS. LILLIS: Chair, we currently do not have anyone signed up to testify. If anyone would like to testify, please raise your hand on Teams, and we will add you to the list. If anyone would like to sign up in the Chamber, please let us know. Oh, I do see a Chamber testifier, Chair.

CHAIR KAMA: Okay. Just for you, Jasee --

MR. LAW: Thank you, Sunshine Kama.

CHAIR KAMA: -- I'll go back to page 1. Let me go back to page 1. I'm sorry --

MR. LAW: Oh, you got to read all that stuff. That's right.

CHAIR KAMA: -- I have to read all of this. So I say just for you. I didn't. I didn't because we didn't have anybody testifying, so I just skipped over that whole part. So testifiers wanting to provide oral testimony to sign up in the Chamber, and join the online meeting, or call in onto the phone number noted on today's agenda. Written testimony is encouraged and can be submitted with the eComment link [@mauicounty.us/agendas](mailto:@mauicounty.us/agendas). For individuals wishing to testify, please click the raise your hand. For those calling in, please follow the prompt of your phone. Press star five to raise your hand, and press star six to mute and unmute. Staff will enable your microphone and video when your name is called for you to testify. Oral testimony is limited to three minutes per item. When you reach the two-minute mark, you will hear an audible notice. If you are still testifying when the

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notice sounds, please complete your testimony within the remaining minute. When testifying, we ask that you state your full name for the record. Anonymous testimony is also accepted. Decorum will be maintained throughout this meeting. Violation of decorum may result in being removed from the chamber or the online meeting. Once you are done testifying, or if you do not wish to testify, you can also view the meeting on *Akakū* Channel 53, Facebook Live, or [mauicounty.us/agendas](http://mauicounty.us/agendas). Thank you all for your cooperation. So at this time, we going to call upon our first testifier to testify on HLU-3(13).

MR. LAW: Good morning, Chair Kama.

CHAIR KAMA: Good morning.

MR. LAW: Aloha kakahiaka, Councilmembers. And aloha ‘akakū. Aloha, Staff. Jasee Law, Moku ‘O Kula Uka Marakoa (ph.) Ahupua'a. I'm glad Director Tsuhako is here because . . . *(inaudible)* . . . like report on what's going on. We have some people up in Kula that need housing too. I don't know if any of the fire victims are still out, but the...so the Kula Roman Catholics, they had a big luau on Sunday. And this...this item kind of covers all the...the things you talk about this morning...about the money and the money from the Government and stuff. At Holy Ghost Church at least they use the land for something. Usually there's no one there, and the land is vacant except for the iwi kūpuna. One guy parked in the street. And when I try to ask him for help, he said, go get a job. I had to correct him and say go is hele in Hawaiian. He had a Hawaiian tattoo on his arm, but he talk like a white man. I was manini confused because Jesus said, feed my sheep. And that's what I was going to ask him if he gets kau kau for my friend Carl Alameda (ph.). Carl was born the Year of the Ox, and he's going to need help this year. He worked hard all his life. Maybe the Kalana O Maui should look into why the Roman Catholics have not been paying tax on the ‘āina ever since the Americans threw...overthrew the...the Hawaiian government. To me, it looks like they only enriching themselves, not the poor Kānaka in the community who need kōkua. Nine out of ten people who goes to church on Sunday is good, but the secretary, Donna Ventura, and her husband --

CHAIR KAMA: Mister...Mr. Law, are you testifying on --

MR. LAW: -- and the small clique that think --

CHAIR KAMA: -- today's agenda item?

MR. LAW: -- they own the Hale Ke Akua are na‘au ‘ino ‘ino people.

CHAIR KAMA: Thank you.

MR. LAW: Thank you for your time, Chair. That was for the last week too. Unless you want me to read some from the Bible, I got to --

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CHAIR KAMA: No.

MR. LAW: -- do my preaching.

CHAIR KAMA: No, I'm just trying to tie it to the Homeowners Assistance Program.

MR. LAW: I seen the word American, and they...they always fly an American flag over there.  
They stole my --

CHAIR KAMA: I see.

MS TSUHAKE: -- Hawaiian flag, so...

CHAIR KAMA: Okay. Well, thank you. Members, do you have any questions for our testifier?  
Seeing none. Thank you so much.

MR. LAW: I pray for Eugene Carvalho (ph.), Mama Ding's (ph.) second son.

CHAIR KAMA: Thank you. Staff, anyone else signed up to testify?

MS. LILLIS: Chair, no one else is signed up to testify. If anyone would like to testify on Teams,  
please click the raise-your-hand button. Otherwise, we will give a last countdown; three,  
two, one. Chair, it appears no one else wishes to testify.

CHAIR KAMA: Members, seeing as how there are no more individuals wishing to testify, without  
objection, I would like to close oral testimony for this item. And as a reminder, written  
testimony will continue to be accepted into the record.

COUNCILMEMBERS: No objections.

CHAIR KAMA: Thank you.

**. . .END OF PUBLIC TESTIMONY. . .**

CHAIR KAMA: So we'll now proceed with discussing this item on the agenda. So Members, I  
will now call upon you for any questions you have. And then I'm going to ask Staff to set  
a three-minute timer for each of us so that all Members can get their questions asked and  
answered. So, if you need the couple of rounds --

UNIDENTIFIED SPEAKER: *(audio interference)* --

CHAIR KAMA: -- we can do that, but hopefully we'll get it all done within the...the time frame  
we have and...and not have to go over lunch. Okay. So Committee Vice-Chair Cook had  
to leave early today. And so we're going to excuse him for the rest of today's meeting.  
And I'd like to continue on to ask Council Lee.

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COUNCILMEMBER LEE: Chair.

CHAIR KAMA: Do you have any questions for our Director? Oh, no. Let's let her do her presentation.

COUNCILMEMBER SUGIMURA: Yeah.

CHAIR KAMA: Right.

COUNCILMEMBER SUGIMURA: Yeah.

CHAIR KAMA: Right, Ms. Tsuhako.

COUNCILMEMBER SUGIMURA: Okay.

MS. TSUHAKE: Yes.

CHAIR KAMA: Give us the good news.

MS. TSUHAKE: Thank you, Madam Chair. I don't have a formal presentation. Just an update --

CHAIR KAMA: Okay.

MS. TSUHAKE: -- to provide you and the body. The contract for Catholic Charities to operate and administer this program is with our colleagues at Corporation Counsel. I believe Deputy Murakami is working on this. She will let me know if she needs any additional information to draft it. As we mentioned before, it's a very technical program to administer due to the Treasury rules and all the changes that have been made. So I do not have a estimated time of when that contract will be completed at Corporation Counsel, but I'm hoping that...well, I'm...I'm hoping that they will help us expedite that. And that our vendor is ready to review the draft contract and to make signs. They've already...they've already been talking with our...our colleagues at the State about best practices to implement. And we're currently reviewing the application for assistance. So behind the scenes, we're already getting some of the nuts and bolts worked out, even as the contract is...is being finalized. So that...that concludes my update --

CHAIR KAMA: Okay.

MS. TSUHAKE: -- Madam Chair

CHAIR KAMA: Thank you.

COUNCILMEMBER SUGIMURA: Oh, good.



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CHAIR KAMA: Okay. So let's go back to Chair Lee, and we'll just go down the row. Okay. Member...Chair Lee.

COUNCILMEMBER LEE: I'm sorry, did...did you say the full amount? Eight million was it?

MS. TSUHAKE: Madam Chair, the full amount is eight million. The County is not taking any of the administrative costs. The contract will be supplemented by \$640,000 that Councilmember Paltin had added at second reading of the Fiscal Year for '24 budget to help support the administrative burden that this grant would require. So that will be the contracted amount. And we're also expecting...once this initial contract is executed and our vendor has a chance to implement the program, we're expecting that the State will be willing to supplement the initial award with another \$8 million --

UNIDENTIFIED SPEAKER: Wow.

MS. TSUHAKE: -- in assistance. So we...we've been working on that process behind the scenes, even as the process of executing the contract has been in place and ongoing.

COUNCILMEMBER LEE: How much is an individual homeowner eligible for?

MS. TSUHAKE: Individual homeowners are eligible for up to \$100,000 in assistance. Oh, excuse me, it's capped at 12 months, not to exceed \$60,000.

COUNCILMEMBER LEE: This is purchase, right? For purchase.

MS. TSUHAKE: It's for homeowners, not for renters.

COUNCILMEMBER LEE: Yeah.

MS. TSUHAKE: There...there's a separate rental assistance program that's also operated --

COUNCILMEMBER SUGIMURA: . . .*(Inaudible)*. . . --

MS. TSUHAKE: -- through Catholic Charities.

COUNCILMEMBER LEE: Okay.

MS. TSUHAKE: But that's not the same thing as this.

COUNCILMEMBER LEE: Okay. Thank you. Just...we don't have that many homeownership projects ready to go.

MS. TSUHAKE: This --

COUNCILMEMBER LEE: Oh, oh, oh.

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MS. TSUHAKE: -- this is for your mortgage --

COUNCILMEMBER LEE: Oh, I see.

MS. TSUHAKE: -- assistance for people who are in forbearance and to help -- actually to help eligible homeowners pay forward their mortgages for up to \$60,000.

COUNCILMEMBER LEE: Um-hum. Okay. Good. Thank you.

CHAIR KAMA: All right. Member Sugimura.

COUNCILMEMBER SUGIMURA: Thank you. Good news. Thank you. Is there a income qualification? Or what is the qualifications...or criteria...or criteria?

MS. TSUHAKE: Yeah. So thank you, Councilmember. The...the income qualifications get worked out in the application process with Catholic Charities. And so that's part of what I explained earlier, the background work that's being done, is the application is being fine-tuned. We're using examples from the other jurisdictions to kind of put together a streamline process so that people are not waiting, but also weighing that against the need to ensure that those applicants are properly vetted. So we'll...you know, we'll be able to publish some of that material once the contract is executed. And...and provide that in terms of public awareness and...and in...invitations to apply if people are eligible.

COUNCILMEMBER SUGIMURA: One last...one last question. So, I know that when we first started talking about this till now, lot of things have changed. So will there be a preference for wildfire victims that are impacted? Or is that not allowed for this...this...these funds?

MS. TSUHAKE: Thank you, Councilmember Sugimura. There's...there's not, necessarily, a preference for wildfire victims. But the...you know, the...the purpose of the funding from the Treasury was to aid in housing stability due to COVID implications. And so our colleagues at the State have been, I would say, very supportive and very proactive in seeking some changes to the...the State plan that would allow people who have been impacted by the wildfires in Lāhainā to do self-attestations and...and things like that so that it sort of enhances their...the efficiency of the funding going out. So this includes like eligibility determination. So I think the...the limit is 150 percent of the area median income is the...is the income limitation. But we have...you know, we have to thank the State's Budget Office and our colleagues at HHFDC for working very hard to try and make those changes to sort of accommodate the special needs of our community as much as possible. So we're very grateful for their help and support.

COUNCILMEMBER SUGIMURA: Thank you.

CHAIR KAMA: Ms. Paltin, questions for Director Tsuhako?

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COUNCILMEMBER PALTIN: Thank you, Chair. And this is on the 2021 ARPA COVID-19 funds. Civil Beat reported that the State redirected another 16.4 million from the COVID-19 Housing Fund to Maui that was originally earmarked for City and County of Honolulu. Is that true? And then would that bring our total up to like 24.4 million?

MS. TSUHAKE: Thank you, Councilmember. The...the State has offered additional assistance to the County. But we haven't received the formal...formal award yet. Once that is...once that is accomplished, we'll, obviously, come to the Council and ask for a budget amendment to receive that funding in. But I believe that it is the State's intention to transfer the funds that were not spent on Oahu to Maui to assist us. But we'll...we'll execute our contract first and give the vendor a chance to operationalize, and then accept the funding as we are able after that.

COUNCILMEMBER PALTIN: And would the people who were 150 percent below...and below area median income, and impacted by COVID, and lost their house be able to access this 60,000 as well?

MS. TSUHAKE: Excuse me. Thank you, Member Paltin. They should be if they meet the eligibility requirements. So I'm not here to make a blanket statement about that. We will...you know, our vendors will be vetting each of the applications to ensure that they're eligible, and then we'll proceed from there.

COUNCILMEMBER PALTIN: Chair, can I ask a question of Corporation Counsel?

CHAIR KAMA: Sure. Ms. Toshikiyo.

COUNCILMEMBER PALTIN: Ms. Toshikiyo, hi. Oh --

CHAIR KAMA: Can --

COUNCILMEMBER PALTIN: -- is she raising her hand?

CHAIR KAMA: I think...have we let her in?

COUNCILMEMBER PALTIN: Somebody is raising their hand. Do we have to unmute her? Okay. Okay, Ms. Toshiko.

MS. LILLIS: She's unmuted on her end, Chair.

CHAIR KAMA: Okay. Go ahead, Ms. Toshikiyo.

MS. TOSHIKIYO: Hi.

CHAIR KAMA: Hi.

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MS. TOSHIKIYO: Can you hear me?

CHAIR KAMA: Yes.

COUNCILMEMBER PALTIN: Yes, we can. I just was wondering if Corporation Counsel, having the contract in hand, could give us a estimated time frame about when we could finalize and start disbursing the monies.

MS. TOSHIKIYO: I can't give you a...sorry (*audio interference*) and so Deputy Murakami is working on it, currently, and we understand that this is a rush. So I just talked about it this morning, and she is working on it currently. . . .(*timer sounds*). . .

COUNCILMEMBER PALTIN: Follow-up with a written correspondence asking for a timeline.

CHAIR KAMA: Yes, we will. Ana, we can do that? Okay. We'll do that.

COUNCILMEMBER PALTIN: Just one last question --

CHAIR KAMA: Yes.

COUNCILMEMBER PALTIN: -- because it took a while to unmute. Is the deadline to disburse all the funds still September 2025?

MS. TOSHIKIYO: Sorry (*audio interference*) for me?

COUNCILMEMBER PALTIN: Whoever has an answer.

MS. TOSHIKIYO: Yeah, I will have to defer to the --

MS TSUHAKE: Kristina.

MS. TOSHIKIYO: -- Director.

CHAIR KAMA: Okay. Director.

MS TSUHAKE: Thank you, Kristina. Member Paltin, the funds lapse in...excuse me...September of 2026. And they need to be liquidated by December 2026. So there's not going to be any funds disbursed after September 2026, because we'll need the three months to do the accounting for that and the...and the final closeouts.

COUNCILMEMBER PALTIN: So no money given out after September 2026.

MS TSUHAKE: That's correct.

COUNCILMEMBER PALTIN: Okay. Thank you. I'll...I'll yield. I had one more question, but I'll

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yield.

CHAIR KAMA: Okay. Member Johnson.

COUNCILMEMBER JOHNSON: Thank you, Chair. Looking on the resolution, in the very first paragraph, it says the eight million...more than \$8 million for the purpose of preventing homeowner mortgage delinquencies, defaults, forfeitures, loss of its utilities, or home energy services, and displacements of homeowners experiencing financial hardship. So the way I'm reading it is that they only have this...they...they have...it seems like the...the purpose of preventing...so it's not like if they already lost it. Is...is that...does it exclude people who are already delinquent? Or is it just that...that...that's the part I'm concerned with, that we're preventing homeowner delinquencies, but I'm sure there's people who are already delinquent. Does that wording change who you're trying to focus on, Director?

MS. TSUHAKE: Thank you, Councilmember. So there are some homeowners who are already in forbearance.

COUNCILMEMBER JOHNSON: Um-hum.

MS. TSUHAKE: And so the...it depends on what kind of terms they agreed to when they went into forbearance. And so the...I...I think the way the project is...is designed, it can help, both those who are in forbearance and those who are struggling to pay their existing mortgage now.

COUNCILMEMBER JOHNSON: Okay.

MS. TSUHAKE: So we should be able to do both --

COUNCILMEMBER JOHNSON: Great.

MS. TSUHAKE: -- given eligibility requirements.

COUNCILMEMBER JOHNSON: I'm not sure if you would have the numbers for people who are on that ledge. But maybe you have a number of how many people are actually in forbearance.

MS TSUHAKE: I...I do not have that --

COUNCILMEMBER JOHNSON: Okay.

MS. TSUHAKE: -- data with me today, sir.

COUNCILMEMBER JOHNSON: Okay. Do you...do you...does your department keep track of that?

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MS. TSUHAKO: Not regularly.

COUNCILMEMBER JOHNSON: Right.

MS. TSUHAKO: I think what we would do is we would...to try and get a best estimate, we would tap into some of our...our State colleagues.

COUNCILMEMBER JOHNSON: Right.

MS. TSUHAKO: And also look at...look at information from other agencies that I think post emergency have been dealing with homeowners --

COUNCILMEMBER JOHNSON: Right.

MS. TSUHAKO: -- like Hale Mahaolu, or the Council for Native Hawaiian Advancement, and maybe some other programs that are funded through Hawai'i Community Foundation, and could probably get a better estimate about that number from those sources than we would from our own.

COUNCILMEMBER JOHNSON: Okay. I...I...I'd like to see if we could get an answer to that. Should we write it down and have it...official transmission to your Department if...when you find out that...that number? Chair, is that allowed? Would you be willing to write my question down and send it to the Director as...when they find out how many families are in forbearance, could they share that with the Committee?

CHAIR KAMA: So I...I...what I'd like you to do is to be clear about what you're wanting --

COUNCILMEMBER JOHNSON: Um-hum.

CHAIR KAMA: -- and to make sure that...you're thinking about . . . *(timer sounds)*. . . one thing now. You might think about something else later. So I would like you to send that to --

COUNCILMEMBER JOHNSON: Okay.

CHAIR KAMA: -- Staff and be clear about what it is. And...because I think you're asking for a lot of information that you may not have articulated.

COUNCILMEMBER JOHNSON: Right. I...I didn't want to pressure the Department to say --

CHAIR KAMA: Yeah.

COUNCILMEMBER JOHNSON: -- give us the number now. But --

CHAIR KAMA: Yeah.

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COUNCILMEMBER JOHNSON: -- when they find out if...how many people are in forbearance, that...would...would they share that with the Committee? That's...that's my question.

CHAIR KAMA: Yeah. So forbearance and delinquencies.

COUNCILMEMBER JOHNSON: Okay. Sure. And delinquencies, yes.

CHAIR KAMA: Yeah, because that's what I was thinking. I mean --

COUNCILMEMBER JOHNSON: Yeah.

CHAIR KAMA: -- you could be already in foreclosure --

COUNCILMEMBER JOHNSON: Right.

CHAIR KAMA: -- but, you know, you're not in foreclosure yet but you're delinquent still yet.

COUNCILMEMBER JOHNSON: Right, right.

CHAIR KAMA: Yeah. Okay. If that's okay.

COUNCILMEMBER JOHNSON: Director, is that doable for you? Is that a big ask? Or you can --

MS. TSUHAKE: We can...we'll do our best to try and get --

COUNCILMEMBER JOHNSON: Okay.

MS. TSUHAKE: -- data that's reliable --

COUNCILMEMBER JOHNSON: Okay.

MS. TSUHAKE: -- to you --

COUNCILMEMBER JOHNSON: Thank you.

MS. TSUHAKE: -- Councilmember.

COUNCILMEMBER JOHNSON: Thank you so much.

CHAIR KAMA: Okay.

COUNCILMEMBER JOHNSON: Thank you, Chair. I'm done.

CHAIR KAMA: Thank you. You're welcome.

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COUNCILMEMBER PALTIN: Chair.

CHAIR KAMA: Yeah.

COUNCILMEMBER PALTIN: Just to clarify, this award could also not only cover mortgages, but also my understanding is homeowner association back dues --

CHAIR KAMA: HOA fees.

COUNCILMEMBER PALTIN: -- HOA fees --

CHAIR KAMA: Yeah.

COUNCILMEMBER PALTIN: -- also utilities --

CHAIR KAMA: Utilities, yes.

COUNCILMEMBER PALTIN: -- and a --

CHAIR KAMA: Yeah.

COUNCILMEMBER PALTIN: -- bunch of other stuff --

CHAIR KAMA: Yeah.

COUNCILMEMBER PALTIN: -- as well. Just --

CHAIR KAMA: Yeah.

COUNCILMEMBER PALTIN: -- I don't know if you wanted that information too, but just letting you know that (*audio interference*) --

CHAIR KAMA: That's why I asked --

COUNCILMEMBER JOHNSON: Right.

CHAIR KAMA: -- him to be clear about what he's asking, because in that question he was asking more than I think he knew.

COUNCILMEMBER JOHNSON: Yeah, I guess the overall question is, is how many people are we trying to affect with these funds? And is that...is that enough? What...because it seems to me we're going to be getting more State money, right. And this is all State money. So we often do matching funds when it is too high. And I don't know if it is too high is what...what the route...where I'm going with these questions.



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MS. TSUHAKE: Member Johnson, the...the origin of the funds is Federal funding from the U.S. Treasury, and it's simply passing through the State in order to get to us. But it is...the origin is Federal.

COUNCILMEMBER JOHNSON: Wonderful. Thank you for that. Thank you, Chair.

CHAIR KAMA: You're welcome. Member U'U...oh, no. Member Rawlins-Fernandez, yes, question.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Okay. So I got some information. The Homeowner Assistant [sic] Fund program was established by Section 3206 of American Rescue Plan Act of 2021. Through the act, the State of Hawai'i, DBEDT, received a total award of \$50 million. The funds were sub awarded to each of our counties and HHFDC for Oahu. Each county's program to be administrated through a local nonprofit service provider. HAF mitigates financial hardships associated with the Coronavirus pandemic by providing funds to homeowners who experience financial hardship after January 21, 2020, for the purpose of preventing homeowner mortgage delinquency, default, foreclosure, loss of utilities, or home energy services, and displacement through mortgage and other qualified housing expenses. Assistance may be provided by...provided for single-family homes only. To be eligible, homeowners must occupy the home as a primary residence and must not have full or partial ownership interest in other real properties suitable for dwelling purposes besides the primary residence for which assistance is needed. Eligible homeowners may receive mortgage assistance in the form of a mortgage reinstatement or mortgage default resolution, including payments under a forbearance plan, as well as mortgage payment assistance for up to 12 months. Eligible mortgages are first mortgages and reverse mortgages only. Mortgage assistance payments must be remitted directly to mortgage...to the mortgage servicers. Homeowners cannot be reimbursed for mortgage expenses already paid. Other qualified housing expenses include property taxes, homeowner association fees, planned unit development, community association fees, leasehold payments, utility payment, and/or hazard, hurricane, flood, or mortgage assistance as long as the dwelling is a single-family residence and regardless of whether or not the homeowner has a eligible mortgage. Payments must be remitted directly to applicable service providers. Homeowners cannot be reimbursed for other qualified housing expenses previously paid. For those who qualify, the program may provide mortgage counseling, legal services, or cover up to \$60,000 in mortgage or other qualified housing expenses. Homeowners at 150 percent AMI or below are eligible to apply, regardless of race or ethnicity. In accordance with Section 3206 of the act, 60 percent of the funds must be prioritized to homeowners with incomes at or below 100 percent AMI, with remaining funds prioritized to those meeting the definition of socially advantaged individuals as defined in the HAF plan and approved by the U.S. Treasury. So that's all the information that I...I...I was wondering about. So I found it. Mahalo, Chair.

CHAIR KAMA: That...and you're welcome. Okay. Let's continue on with Member U'u-Hodgins.

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COUNCILMEMBER U‘U-HODGINS: Thank you, Chair. So I'm looking at this dashboard that they have for Hawai'i Island and Kaua'i County. And they have a good participation. I think 800 something people for Hawaii County and then 30 something for Kaua'i. But majority of the people...or some of the people, I should say, didn't qualify because they're missing required documents and nonresponsive to follow-up inquiries. So I'm wondering how Catholic Charities, maybe you could share with us, plans on communicating the required documents so that we're not in that predicament.

MS. TSUHAKO: Thank you, Councilmember U'u-Hodgins. I think the...the best strategy for dealing with issues such as that where other counties have gone first and they've had difficulty getting these things, is that we learn from their mistakes.

COUNCILMEMBER U'U-HODGINS: Okay.

MS. TSUHAKO: And Catholic Charities, once they were...once they received the award letter from the Department, has already started to engage with our State colleagues at...excuse me, at HHFDC and at Budget and Finance to talk about the challenges that other counties have experienced in actually administering this program. And I think that they're incorporating those challenges into how they will operate and administer these funds. So I feel...you know, I've had a lot of experience working with Catholic Charities, administratively, and I feel like they're very responsive to suggestions, and they're very open to hearing feedback and sort of adjusting their operations and how they do things in order to make the program better. So I...I can...I...I can express my confidence that we...we will experience that same commitment to making things better.

COUNCILMEMBER U‘U-HODGINS: Okay. Thank you so much, Director. Thank you, Chair.

CHAIR KAMA: You're welcome. Member Sinenci.

COUNCILMEMBER SINENCI: Thank you, Chair. Many of my questions have been answered already. But again for clarification, the timeline.

MS. TSUHAKO: Thank you, Councilmember. The program should stop spending in September of 2026. Yeah, so we're not going to issue any more assistance after September 2026 because we have from September until December of 2026 to do the final auditing and the balancing of all the funds to do what the Federal agencies describe as a closeout. So we'll need those three months to...to wrap up all of the administrative burden of...of this program and...and be finished and all tied up in December 2026.

COUNCILMEMBER SINENCI: But we haven't already started yet.

MS TSUHAKO: We've not spent any funding yet. So that's where the contract comes in. The contract will allow the funding to happen.

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

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CHAIR KAMA: You're welcome. So I...I have a question. So...so that means we have about...maybe a little over two years to expend all the funding. Or at least the vendor has two years to be able to expend all the funding. How...do they...do they believe that they'll be able to expend all of this funding within the two years or so?

MS. TSUHAKE: Thank you, Madam Chair. We...we want to focus on spending down what we have right now, which is...which is why we're going to pursue the contract and have the Catholic Charities begin their operations first before we pursue a budget amendment to accept additional funding. And I think that when we look at spending patterns, and data, and applicants, and all of that, we'll have a better idea of what the need is, and what the demand will be, and how quickly that process can happen. And...and if the spending occurs at a really high clip, we will pursue that budget amendment sooner than later. And then--we don't ever want the vendor to be so low in funding that they have to put a hold on applications.

CHAIR KAMA: Yeah.

MS. TSUHAKE: So the timing will be that, you know, as they're spending down and as we're forecasting spending, which we can do--we can forecast spending based on what happened--we'll be able to time the...the budget amendment to accept the additional funds, and we should have a good estimate of how much of that total funding the vendor will be able to spend.

CHAIR KAMA: So do we know how long it took the other counties to get that...that first...that first money expended to their first client...or their first homeowner?

MS. TSUHAKE: Madam Chair, I'm not sure. Kaua'i County and the Big Island, both implemented what...what was called a pilot project for the State. So their processes were a little bit different. So I...I don't know, specifically, the answer to your question.

CHAIR KAMA: Is there a way we could get that? I'm just curious to see...to find out how...how long it took them to get the program up and running and before they actually had the homeowners who actually applied and actually received that.

MS. TSUHAKE: I...I can seek information from our colleagues on the Big Island --

CHAIR KAMA: Okay.

MS. TSUHAKE: -- and Kaua'i. Thank you.

CHAIR KAMA: Oh, perfect. Perfect. Thank you. So I don't have any more questions for the Director. Members, do you all have any other? Yes, Member Paltin.

COUNCILMEMBER PALTIN: Thank you. My question is, you know, I been telling some of my

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constituents about this program for over a year, and...and it can be used for back taxes. Also, back...County real property taxes, I think. But once it...once they are...Catholic Charities is accepting applications, what is the plan to let folks know the criteria and to put it in...like where to put the application in, like are we going to write it with a sky plane? Or how...how is that going to work?

MS. TSUHAKE: Thank you, Member Paltin. I think...I think banners would be better than sky plane writing . . . *(laughing)*. . . actually. I'm just teasing. What we will do is we'll work with Catholic Charities to...to...Catholic Charities has a...has a...a function where they do a lot of their own press releases and information sharing. And so we'll capitalize on the County's infrastructure for passing that out. And probably ask you and other Members to help us with that as well, through your own communication network. But I think the...one of the main strategies that Catholic Charities will use is to...to have people on the ground to be able to accept those inquiries, and those questions, and talk with them. Their partnership with Hale Mahaolu to do the...the counseling piece will be really important because Hale Mahaolu staff is very well versed, and very well connected, and I think a trusted resource for people. So we capitalize on all those...all those gains or all those advantages we already have.

COUNCILMEMBER PALTIN: And are we able...like Member U'u-Hodgins had said that sometimes documents are missing. Are we able to waive that for folks that had everything burned down? I think Member Rawlins also was wondering if this is only applied to COVID hardships. Since, you know, it was allocated in 2021 and this is now 2024, most people, if they're still in their house, by now have gotten over the COVID hardship and are...are onto the fire hardship. Whether your house actually burned down, or your job burned down, or whatever the case was with the shut down for tourism for a little while, like we're so late on the disbursement for COVID hardships, like people had to cut and run, or do...sell a kidney, or something, you know. And so is this going to be held to that they had to have a COVID hardship? . . . *(timer sounds)*. . .

MS. TSUHAKE: Member Paltin, the Federal rules around this program require that we prove a COVID hardship. But I think the...as I mentioned earlier, the State's work in...in making amendments to the term sheets will help us to assume that somebody who lives in Lāhainā has been...has had some COVID hardship due to the economic conditions during COVID. And so that assumption is being allowed. There is a document checklist. There is a applicant checklist that'll help people and help the...the implementing staff make determinations about eligibility. I don't want to come here and just make blanket statements. Like, oh, everybody in Lāhainā is eligible, or everybody in Kula is not, or anything like that. Because it is a program, it has rules. So we are going to administer it according to those standards because we don't want to give money back. So we want to use it properly. And the Department and the...our State partners will work with Catholic Charities to ensure that we do that.

COUNCILMEMBER PALTIN: Including the missing documents due to them being burnt up?

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MS. TSUHAKO: I...I think there's probably going to have to be some allowances for that and some workarounds for that. But...and I...and I don't know exactly what they are right...today at those moments. But we are...as I said earlier, we're working on applications that may be able to work on self-attestations versus actual having documents that might have been lost in the fire. So there...there is a consciousness about that. And...and I think a sensitivity to those folks who have been impacted in that way. But as I said, I'm not willing to sit here and make a blanket exemption for certain things that we're not sure that we can exempt today.

COUNCILMEMBER PALTIN: Thank you. Thank you, Chair.

CHAIR KAMA: Members, any other questions? Okay. Keani Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Chair.

CHAIR KAMA: Yes. Yes.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Okay. Okay. I have a couple questions. Okay. So I mean...mahalo, Director Tsuhako, for working with the legislators to try to get the...you know, work on the terms so that those that were also affected by the fire will be able to qualify, and it won't be a blanket. There is the rules that it has to be 100 percent AMI or less. So that already is a limitation there. And then the payments would go directly to the service providers, so the mortgagers or, you know, to the...to the County if it's property taxes, or HOA. So I would assume that they would have some of the documentation. I don't know what kind of documentation the other counties were missing in order to provide payment to the service providers. One of the ideas I was thinking about, since RPT valuation is going to be mailed out soon--I think it's in March--that...and then the classification is included, that, you know, like maybe since that it's going to be mailed out anyway, that something else could be added in that envelope for folks to let them know that this program is being managed by Catholic Charities. And this is the information for you to apply, if you qualify, with the qualifications, and stuff like that. Is that...is that something you think that you'd be able to, like work with RPT Division on?

MS TSUHAKO: Thank you for your suggestion, Councilmember Rawlins-Fernandez. I'm very happy to do that, and I'll see if that's possible or not. I'm not sure how the mechanics of that work, but certainly we can...we can work on that. I think that's a...a good way...a means for us to get information out to people. Thank you.

COUNCILMEMBER RAWLINS-FERNANDEZ: Yeah, absolutely. I mean, because they're...they're going to be mailing it out to all the, you know, TMKs anyway. So it's not like an additional cost. It would be, you know, a good use of...of money that's already going to be spent. Mahalo, Chair.

CHAIR KAMA: You're welcome. Members, any other questions for our Director? Okay. Well,

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seeing none. So we have no further questions. I'm going to, without objections, defer this item.

COUNCILMEMBERS: No objections.

**ACTION: DEFER pending further discussion.**

CHAIR KAMA: Thank you. And...thank you. So I believe that we have no further business for the Committee today. Is that correct, Staff?

MS. LILLIS: That's correct, Chair.

CHAIR KAMA: Okay. Thank you. So thank you, everyone, for attending today's HLU meeting. The time is now 11:32 a.m., and today's Housing, Land Use and Committee meeting is now adjourned. . . .*(gavel)*. . .

**ADJOURN:** 11:32 a.m.

APPROVED:



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TASHA KAMA, Chair  
Housing and Land Use Committee

hlu:min:240207:Transcribed by: Tricia Higa

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CERTIFICATION

I, Tricia Higa, hereby certify that pages 1 through 54 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 16th day of February 2024, in Mililani, Hawaii

  
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Tricia Higa