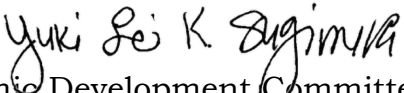


March 25, 2025

MEMO TO: BFED-1 File

F R O M: Yuki Lei K. Sugimura, Chair 
Budget, Finance, and Economic Development Committee

SUBJECT: **TRANSMITTAL OF INFORMATIONAL DOCUMENT RELATING TO
PROPOSED FISCAL YEAR 2026 BUDGET FOR THE COUNTY OF
MAUI** (BFED-1)

The attached informational document pertains to Item 1 on the Committee's agenda.

bfed:2026bgt:250325afile01:kes

Attachments

December 6, 2023

MEMO TO: BFED-49 File

F R O M: Yuki Lei K. Sugimura, Chair *Yuki Lei Sugimura*
Budget, Finance, and Economic Development Committee

SUBJECT: **TRANSMITTAL OF INFORMATIONAL DOCUMENT RELATING TO
BILL 109 (2023), AMENDING FISCAL YEAR 2024 BUDGET:
APPENDIX A, PART I, OFFICE OF THE MAYOR** (BFED-49)

The attached informational document pertains to Item 49 on the Committee's agenda.

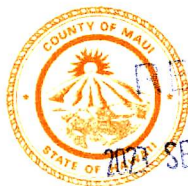
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Attachment

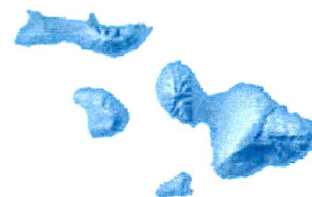
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OFFICE OF THE
COUNTY COUNCIL

RICHARD T. BISSEN, JR.
MAYOR

Patience M.K. Kahula
 CDBG Program Director



RECEIVED
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OFFICE OF THE MAYOR
COUNTY OF MAUI

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

200 South High Street
 Wailuku, Maui, Hawaii USA 96793-2155

September 18, 2023

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

APPROVED FOR TRANSMITTAL

Richard T. Bissen, Jr. 9-20-23
 Mayor Date

For Transmittal to:

Honorable Alice Lee, Chair
 and Council Members
 Maui County Council
 200 South High Street
 Wailuku, Hawaii 96793

SUBJECT: COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
 Grant Cancellations and Reprogramming of Funds to Facilitate Recovery to Areas
 Impacted by Maui Wildfires

Dear Chair Lee:

This letter serves to respectfully provide prompt, formal notification to the Maui County Council regarding actions that the CDBG Program Office is taking to facilitate recovery from the Maui wildfires. These actions involve the reprogramming of unspent CDBG funds and use of future CDBG grant funds, which are explained in detail in this letter.

As a result of the devastation caused by Maui Wildfires and wind related to Hurricane Dora, and in addition to County of Maui, Emergency Proclamations, the CDBG Program Office received the following:

- Memorandum dated August 14, 2023 from Marion M. McFadden, Principal Deputy Assistant Secretary for Community Planning and Development (CPD) – U.S. Department of Housing and Urban Development (HUD), entitled “Availability of Waivers of CPD Grant Program and Consolidated Plan Requirements to Facilitate Recover from Hawaii Wildfires” (Waiver for Hawaii Wildfires).

The Waiver packet explains the availability of suspensions and waivers of certain statutory and regulatory requirements associated with several CPD grant programs to address damage and facilitate recovery from Hawaii wildfires in areas covered by a major disaster declaration under title IV of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act), DR-4724-HI, dated August 10, 2023. This memorandum covers CDBG and is attached for review.

- Letter dated August 14, 2023 from Mr. Mark Chandler, Director of (CPD) - HUD advising that President Joseph R. Biden, Jr. declared the State of Hawaii a disaster area on August 14, 2023.

The letter states that HUD did not have any disaster grant available to aid Maui County and advised that County of Maui, Community Development Block Grant (CDBG) funds may be reprogrammed to assist with disaster recovery efforts. Pursuant to 24 CFR 570.201, CDBG funds may be used for an eligible activity that will assist in meeting the needs attributed to a disaster. Memo dated August 14, 2023 attached for review.

As a result of the aforementioned notifications, the CDBG Program Office reprioritized program objectives to respond to the urgent needs of the victims of the Maui Wildfires.

On September 1, 2023, the CDBG Program Office concluded an internal review of previously approved CDBG Subrecipient Agreements. Identified were a total of six (6) subrecipients agreements [(4) four from Program Year 2022 and two (2) from Program Year 2023] with a cumulative unspent CDBG grant fund balance of \$2,645,000.

Based on this finding, subrecipients were contacted by phone to discuss the likelihood of grant cancellation, postponing program activities or utilizing organization or department resources to fund the intended project. Needless to say, all subrecipients were extremely understanding and supportive of this action as they too were impacted by the Maui Wildfires, some directly and others indirectly. All subrecipients were advised that the sole reason for reprogramming prior awarded CDBG funds is to address significant unmet needs for long-term recovery in disaster-impacted areas, for the benefit of low- and moderate-income individuals and/or families and/or areas. All subrecipients were encouraged to reapply for CDBG funding at a later date.

The following table summarizes the CDBG grant cancellations.

CDBG Grant Cancellation Action

Program Year	Subrecipient	Project	Amount Reprogrammed
2022	Dept of Environmental Management	Moloka'i Landfill Wood Hog Grinder	\$920,000

2022	Maui Economic Opportunity, Inc.	Moloka'i Bus (24 passenger)	\$199,000
2022	Hale Makua	Wailuku Rehab (electrical upgrade)	\$311,750
2022	Big Brothers Big Sisters of Hawaii	Hale Makana Mentor Center Restoration (replace windows)	\$ 48,000
2023	Maui Family Support Services, Inc.	Exterior Rehabilitation (rehab of irrigation systems, waterproof walls)	\$216,213
2023	Dept of Fire and Public Safety	Lana'i Fire Tanker	\$950,000
			\$2,645,663

Incoming, Program Year 2024 CDBG Funds

For Program Year 2024, the County expects to receive approximately \$1,829,334 for its CDBG Program. With the guidance of HUD CPD, PY2024 CDBG program funds will be administered by the County CDBG Program office to facilitate recovery from the Maui wildfires.

Program Year 2019 – CDBG CV Funds

Due to Covid19, the County of Maui received a total of \$3,678,460 in CDBG CV (Cares Act funds). The funds were granted to Maui Economic Opportunity (MEO) and Family Life Center (FLC) for the purpose of rental and mortgage relief payments. Subrecipients Agreements for MEO and FLC have expired and despite substantial unspent balances, subrecipients opted to not extend their contracts. On September 1, 2023, both CDBG CV projects were closed out. As of September 13, 2023, a total of \$1,651,230 in CDBG CV funds remains unspent.

The CDBG Program Office has received guidance from the Department of Housing and Urban Development (HUD), Community Planning Development Department (CPD) in regards to identifying additional CDBG CV eligible activities for the benefit of low to moderate income individuals, families or areas within the County of Maui.

As such, the CDBG Program Office is reprogramming unspent CDBG CV funds, to be managed by the County of Maui for eligible project(s) that will prepare, prevent and/or respond to COVID-19.

Selection of Maui Wildfire Eligible Activities

The Waiver for Hawaii Wildfires announced a simplified notification process for the County of Maui to utilize suspension and waiver flexibility of CPD statutory and regulatory requirements identified to expediate the delivery of assistance.

As such, a Request for Proposal(s) for the consideration of reprogramming or for incoming Program Year 2024 CDBG funds will not be utilized, as in prior years. To ensure compliance,

the CDBG Program Office will seek the guidance of HUD CPD to select unduplicated, eligible CDBG activities with the County of Maui selecting and approving all CDBG eligible projects that will respond to the Maui Wildfires. The requirement of Public Notice(s) will not be interrupted and will continue to provide notice to residents as well as the opportunity to submit written comments.

MAHALO PIHA

The CDBG Program Office values the efforts and commitment of all subrecipients in providing services or other public facilities and services primarily for the benefit of low-and moderate-income individuals, families and/or areas throughout the County of Maui.

The CDBG Program Office extends our utmost gratitude to the Maui County Council Chair and Members for your continued support and understanding as we, as a community, take all necessary actions to help meet the needs and ensure the recovery of those devastated by the Maui Wildfires.

Mahalo in advance for your time and attention. If you should have any questions, please feel free to contact me at extension 8299 or at (808) 270-8299.

Respectfully submitted,



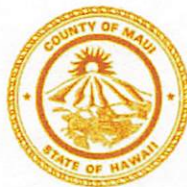
Patience M.K. Kahula
CDBG Program Director

Attachments

RICHARD T. BISSEN, JR.
Mayor

JOSIAH NISHITA
Director of Management

JOLIE A. JENKINS
CDBG Program Manager



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

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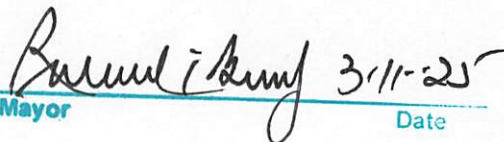
2025 MAR 11 PM 2:02

OFFICE OF THE
COUNTY CLERK

March 7, 2025

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

APPROVED FOR TRANSMITTAL


Mayor Date

For Transmittal to:

Honorable Alice L. Lee, Chair
and Council Members
Maui County Council
200 South High Street
Wailuku, HI 96793

Dear Chair Lee:

**SUBJECT: COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) PROGRAM
FOR THE PROGRAM YEAR 2025/FISCAL YEAR 2026**

Transmitted herewith, please find proposed resolution entitled, "AUTHORIZING THE FILING OF AN APPLICATION WITH THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, UNITED STATES OF AMERICA, FOR A GRANT UNDER THE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM."

The purpose of the proposed resolution is to authorize the filing of an application with the Department of Housing and Urban Development (HUD) that includes the recommended projects and amounts for CDBG funding for Program Year 2025 (July 1, 2025 – June 30, 2026). These projects were selected for recommendation via competitive application and panel evaluation process with approval by the Mayor.

The following documents regarding the recommended projects are included for your information: (1) executive summaries for each project; (2) listings of recommended projects with contact information.

Proposed Resolution for Application to HUD for CDBG Grant
Honorable Alice Lee, Chair
March 7, 2025
Page 2

The complete proposal applications, rating worksheets, scoring results and other related documents are located in the CDBG office and available for your review. Please be advised that these documents are confidential until the grants have been awarded. If you wish to view these documents, please contact our office.

Thank you for your attention to this matter. If you have any questions, please do not hesitate to contact me at Ext. 1795.

Sincerely,

A handwritten signature in cursive script, reading "Jolie A. Jenkins".

JOLIE A. JENKINS
CDBG Program Manager

Recommended 2025 CDBG Project

Executive Summary

Based on information provided by the Applicant

Applicant: Arc of Maui

Funding Requested: \$306,000.00

Funding Recommended: \$306,000.00

Project: Emergency Shelter and Building Access for Individuals with Intellectual and Developmental Disabilities

Funding is requested to complete necessary improvements for emergency shelter and wheelchair access to their day program location in Wailuku on Market Street. Three (3) improvements will be completed as followed:

1. Installation of new photovoltaic panels and battery backups to ensure power to buildings to keep services active during emergencies as well as acting as emergency shelter for group homes.
2. Covert building access on Market Street from a step to a ramp for wheelchair access.
3. Replacement of old double doors to include automation for disabled participants.

Estimated (Annual) Number of Beneficiaries: 99

Eligible Activity: The project meets the requirements of 24 CFR 570.201(c) Public Facilities and Improvements.

National Objective: The project will meet the national objective of 24 CFR 570.208(a)(2)(i)(A) Limited Clientele – Limited clientele where at least 51 percent of the clientele are of low to moderate income.

Community Development Goal: The project satisfies Goal PF-5: Acquire and construct or rehabilitate facilities including childcare-domestic violence- food distribution and other social service facilities that benefit predominantly low-and-moderate-income persons.

Priority Community Development Need: The project satisfies Public Facility Needs – PF-5 Facilities for Persons with a Disability (High).

Budget (as provided by Applicant):

Anticipated Funding	Funds	Major Project Expenses	Estimated Expenses
CDBG	\$306,000.00	Equipment/Renovations	\$306,000.00
Total Funds:	\$306,000.00	Total Expenses:	\$306,000.00

Recommended 2025 CDBG Project

Executive Summary

Based on information provided by the Applicant

Applicant: Hale Makua
Funding Requested: \$500,000.00
Funding Recommended: \$500,000.00
Project: Wailuku Rehabilitation

Funding is requested for the first phase of a three-phase capital improvement plan. The direct benefit of this project is to address deferred maintenance at the Hale Makua Wailuku facility, ensuring the basic electrical safety of their residents who may be living on the property at any given time. It also aims to create a weatherproof building to protect against mold and mildew during rainy seasons, promoting a healthier living environment for all residents.

Estimated (Annual) Number of Beneficiaries: 90

Eligible Activity: The project meets the requirements of 24 CFR 570.201(c) Public Facilities and Improvements.

National Objective: The project will meet the national objective of 24 CFR 570.208(a)(2)(i)(A) Limited Clientele – Limited clientele where at least 51 percent of the clientele are of low to moderate income.

Community Development Goal: The project satisfies Goal PF-2: Acquire and construct or rehabilitate health and mental health services to benefit predominantly low-and-moderate-income persons.

Priority Community Development Need: The project satisfies Public Facility Needs for Health Facilities (High)

Budget (as provided by Applicant):

Anticipated Funding	Funds	Major Project Expenses	Estimated Expenses
CDBG	\$500,000.00	Equipment/Renovations	\$500,000.00
Total Funds:	\$500,000.00	Total Expenses:	\$500,000.00

Recommended 2025 CDBG Project

Executive Summary

Based on information provided by the Applicant

Applicant: Hana Health
Funding Requested: \$500,000.00
Funding Recommended: \$500,000.00
Project: Hana Health Specialty Clinic

Funding is requested for the expansion of its existing health center to include a dedicated facility that will provide specialty medical and dental services. The 1,900 sq. ft. clinic will include three exam rooms, two dental operatories, a small CLIA waived lab, restrooms, a medical office and reception area. Specialty services will initially include OB/GYN, cardiology, dermatology, pediatric dentistry and podiatry.

Estimated (Annual) Number of Beneficiaries: 1800

Eligible Activity: The project meets the requirements of 24 CFR 570.201(c) Public Facilities and Improvements.

National Objective: The project will meet the national objective of 24 CFR 570.208(a)(1)(i)(A) Area Benefit – Presumed Benefit where 51 percent of the residents are low- and moderate-income persons.

Community Development Goal: The project satisfies Goal PF-2: Acquire and construct or rehabilitate health and mental health services to benefit predominantly low-and-moderate-income persons.

Priority Community Development Need: The project satisfies Public Facility Needs for Health Facilities (High)

Budget (as provided by Applicant):

Anticipated Funding	Funds	Major Project Expenses	Estimated Expenses
CDBG	\$500,000.00	Site work/Mechanical Installation	\$500,000.00
Total Funds:	\$500,000.00	Total Expenses:	\$500,000.00

Recommended 2025 CDBG Project

Executive Summary

Based on information provided by the Applicant

Applicant: County Owned, Senior Affordable Rental Housing

Funding Requested: \$100,000.00

Funding Recommended: \$100,000.00

Project: Na Hale Kupuna Operations

Funding is requested to support the continued operation of units acquired for Kupuna aged 62 and older; of low-and moderate- income; displaced by the Maui Wildfire.

Estimated (Annual) Number of Beneficiaries: 24

Eligible Activity: The project meets the requirements of 24 CFR 570.201(e) Public Services

National Objective: The project will meet the national objective of 24 CFR 570.208(a)(2)(i)(A) Limited Clientele – Limited clientele where at least 51 percent of the clientele are of low to moderate income.

Community Development Goal: The project satisfies Goal PS-1: Support childcare, substance abuse, employment/training, homeless, domestic violence, homeowner assistance, recycling. Other health and social services; and paying the cost of operating and maintaining of facilities in which the service is located; for low-and moderate-income persons.

Priority Community Development Need: The project satisfies Public Facility Needs for Senior Services (High).

Budget (as provided by Applicant):

<u>Anticipated Funding</u>	<u>Funds</u>	<u>Major Project Expenses</u>	<u>Estimated Expenses</u>
CDBG	\$100,000.00	Operations Funds	\$100,000.00
Total Funds:	\$100,000.00	Total Expenses:	\$100,000.00

Recommended 2025 CDBG Project

Executive Summary

Based on information provided by the Applicant

Applicant: Mental Health Kokua

Funding Requested: \$113,450.00

Funding Recommended: \$113,450.00 (Ranked last – Partial Funding \$92,691)

Project: Maui Mental Health Supported Housing

Funding is requested for the renovation of community housing for adults with serious mental illness. This renovation will include repair and maintenance for two existing group homes serving 25 homeless adults with SMI (lifelong mental illness).

Estimated (Annual) Number of Beneficiaries: 18

Eligible Activity: The project meets the requirements of 24 CFR 570.201(k) Housing Services.

National Objective: The project will meet the national objective of 24 CFR 570.208(a)(2)(i)(A) Limited Clientele – Limited clientele where at least 51 percent of the clientele are of low to moderate income.

Community Development Goal: The project satisfies Goal PF-2: Acquire and construct or rehabilitate health and mental health services to benefit predominantly low-and-moderate-income persons.

Priority Community Development Need: The project satisfies Public Facility Needs for Mental Health Facilities (High)

Budget (as provided by Applicant):

<u>Anticipated Funding</u>	<u>Funds</u>	<u>Major Project Expenses</u>	<u>Estimated Expenses</u>
CDBG	\$113,450.00	Rehabilitation	\$113,450.00
Total Funds:	\$113,450.00	Total Expenses:	\$113,450.00

**COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
RECOMMENDED PROJECTS FOR FUNDING
PROGRAM YEAR 2025**

PROJECT NAME	APPLICANT	CONTACT PERSON/ POSITION TITLE	ADDRESS/TELEPHONE
1. Emergency Shelter & Building Access for Individuals with Intellectuall and Developmental Disabilities	Arc of Maui	Aspen Wallwork / Chief Executive Officer	140 N. Market Street 202B, Wailuku, HI 96793 (808) 242-5781
2. Hale Makua Wailuku Rehabilitation	Hale Makua Health Services	Wesley Lo / Chief Executive Officer	472 Kaulana St., Kahului, HI 96732 (808) 871-9217
3. Speciality Clinic	Hana Health	Cheryl Vasconcellos/ Executive Director	P.O. Box 807, Hana, HI 96713 (808)866-5796
4. Na Hale Kupuna Operations	County of Maui - CDBG Office	Jolie Jenkins/ CDBG Program Manager	2200 Main Street Suite 205, Wailuku, HI 96793 (808) 270-1795
5. Maui Mental Health Supported Housing	Mental Healh Kokua	Dorene Pacheco/ Residential Program Manager	680 Iwilei Road Suite 600, Honolulu, HI 96817 (808) 986-0315

Resolution

No. 25-80

AUTHORIZING THE FILING OF AN APPLICATION
WITH THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT,
UNITED STATES OF AMERICA,
FOR A GRANT UNDER THE
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

WHEREAS, pursuant to Title I, Housing and Community Acts of 1974 and 1977, and Section 7(d), Department of Housing and Urban Development Act, the United States of America has authorized the making of grants to public bodies to aid in financing housing and community development projects; and

WHEREAS, the assistance of the U.S. Department of Housing and Urban Development is desired to aid in the development of several community development projects within the County of Maui; now, therefore,

BE IT RESOLVED by the Council of the County of Maui:

1. That it does hereby authorize the Mayor of the County of Maui, or his duly authorized representative, to execute and file an application on behalf of the County of Maui with the U.S. Department of Housing and Urban Development for a grant of ONE MILLION EIGHT HUNDRED SEVENTY-THREE THOUSAND THREE HUNDRED SIXTY-THREE DOLLARS (\$1,873,363.00) to aid in the development of the following projects:

Resolution No. 25-80

A.	Arc of Maui Project: Emergency Shelter and Building Access For Individuals with Intellectual and Developmental Disabilities	\$ 306,000.00
B.	Hale Makua Project: Wailuku Rehabilitation	\$ 500,000.00
C.	Hana Health Project: Hana Health Specialty Clinic	\$ 500,000.00
D.	County Owned, Senior Affordable Rental Housing Project: Na Hale Kupuna Operations	\$ 100,000.00
E.	Mental Health Kokua Project: Maui Mental Health Supported Housing	\$ 92,691.00
F.	Community Development Block Grant (CDBG) Program Administration	\$ 374,672.00
Total:		\$1,873,363.00

Furthermore, as recommended by the U.S. Department of Housing and Urban Development to avoid compromising the performance of the County of Maui CDBG Program in the accomplishment of its objectives, should any of the projects listed above prove not feasible for funding, is not in the position for funding as represented in the CDBG application, or should any funds from prior years become available for reprogramming actions by the CDBG Program Director during Program Year 2025, the funds may be reallocated among the current open projects if funds have been progressively spent down and upon substantiated need of additional funding for completion of the project, or the current alternate projects may be funded in the order presented herein. If in the absence of viable current alternate projects proposed in the CDBG 2025 Program Year for the consideration of reprogrammable funds, alternate projects from prior years may be considered, but shall be required to first submit an updated application and be evaluated for its project readiness and viability in meeting the desired community needs pursuant to the Consolidated Plan. In the assignment of reprogrammable funds, primary considerations shall be the substantiated and justifiable need for additional funding, the readiness of use of funds and the timely expenditure of funds.

Resolution No. 25-80

For Program Year 2025, all funds have been allocated to the above projects; and

2. That the Mayor, or his duly authorized representative, is also hereby authorized to receive and accept any grant award, to execute and file all understandings and assurances contained therein, and to furnish such information as the U.S. Department of Housing and Urban Development may request in connection with the application which is herein authorized to be filed; and further, the Mayor is hereby authorized to accept the grant upon its approval by the U.S. Department of Housing and Urban Development, and to execute all documents necessary for the acceptance and implementation of any grant award received pursuant to the application filed; and
3. That the Mayor, or his duly authorized representative, is hereby authorized to execute any and all documents necessary to process and accept such funds, including any amendments thereto; and
4. That in as much as the amount of the grant specified herein above may vary when finally approved, the authorizations herein granted shall be applicable to the amount or amounts specified in the notification of grant award or similar comparable document, including any contingency funds that the U.S. Department of Housing and Urban Development may allocate, and that such amounts may be expended if appropriated under the terms of the budget ordinance or any amendment thereof; and
5. That should there be an increase or decrease in the actual total allocation amount, the lowest ranked project (Mental Health Kokua Project: Maui Mental Health Supported Housing) will be adjusted accordingly; and
6. That certified copies of this resolution be transmitted to the Mayor, the Director of Finance, the Budget Director and the CDBG Program Director.

APPROVED AS TO FORM AND LEGALITY:

/s/ Andrew Nelson
ANDREW V. NELSON
Deputy Corporation Counsel
County of Maui

INTRODUCED BY:



Upon the request of the Mayor.