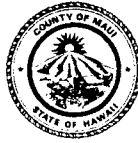


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COUNTY COUNCIL

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

August 24, 2017

Mr. Danilo Agsalog, Director
Department of Finance
County of Maui
Wailuku, Hawaii 96793

Dear Mr. Agsalog:

SUBJECT: **KA HALE A KE OLA WESTSIDE SHELTER** (HHT-20)

At its meeting of August 17, 2017, the Housing, Human Services, and Transportation Committee discussed a proposed resolution relating to a modification of the terms of a loan of County funds to Ka Hale A Ke Ola (KHAKO) Westside Shelter in the amount of \$4,005,000.

May I please request your assistance with the following:

1. Provide an appraisal on the current structures consisting of a women's dormitory, men's dormitory, 24 studio-sized apartment rentals, and 24 two-bedroom apartment rentals situated on property identified for real property tax purposes as tax map key number (2) 4-6-015:por. 001, consisting of approximately five acres, located at Lahaina, Maui, Hawaii.
2. The five-acre parcel is owned by the County and leased to KHAKO. The structures situated on the parcel were built and are owned by KHAKO. Depending on the current value of the buildings, can KHAKO convey the buildings to the County to satisfy their debt? Would doing so improve the County's bond rating? If so, would it be possible for the County to issue a Request for Proposals to service providers for operation and maintenance of the facility?
3. According to the Deputy Director of Finance, the Department's records show the payback amount owed by KHAKO at the end of June 30, 2017 to be \$5.8 million. The proposed resolution references a different amount. Please confirm the accurate payback amount.


Mr. Danilo Agsalog
August 24, 2017
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4. Prior to forgiveness of the Central KHAKO loan in 2014, were payments KHAKO made towards the loan used to pay back debt service on the bond? If not, how were they applied?

May I further request you provide your response **no later than Friday, September 8, 2017**. To ensure efficient processing, please include the relevant Committee item number in the subject line of your response.

Should you have any questions, please contact me or the Committee staff (Shelly Espeleta at ext. 7134, or Tammy Frias at ext. 8005).

Sincerely,



STACY CRIVELLO, Chair
Housing, Human Services, and
Transportation Committee

hht:ltr:020afn01:ske

cc: Mayor Alan M. Arakawa