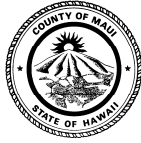


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Director of Council Services  
David M. Raatz, Jr., Esq.

Deputy Director of Council Services  
Richelle K. Kawasaki, Esq.

## COUNTY COUNCIL

COUNTY OF MAUI  
200 S. HIGH STREET  
WAILUKU, MAUI, HAWAII 96793  
[www.MauiCounty.us](http://www.MauiCounty.us)

March 21, 2024

Ms. Lori Tsuhako, Director  
Department of Housing and Human Concerns  
County of Maui  
Wailuku, Hawaii 96793

Dear Ms. Tsuhako:

SUBJECT: **FISCAL YEAR ("FY") 2025 BUDGET** (BFED-1) (HO-1)

On July 1, 2024, the Department of Housing and Human Concerns ("DHHC") will bifurcate into the Department of Housing ("DHO") and the Department of Human Concerns, respectively, due to a Charter amendment in the 2022 General Election voted on by the electorate.

May I please request you submit responses to the following questions in regard to the Housing Program and all other aspects of DHHC's budget that will be covered under DHO by **March 28, 2024**, to enable the Committee to comprehensively review the FY 2025 Budget:

1. Please outline the major changes from FY 2024 to FY 2025.
  - a. Explain any budget changes made because of the August 2023 wildfires.
  - b. If the budget will decrease, how will this impact DHO's operations and ability to serve the public?
2. How many vacant positions currently exist within DHHC and will be budgeted for DHO in the FY 2025 Budget?
  - a. Please include the job titles for the vacancies and indicate how long the positions have been vacant.

- b. What is the anticipated timeline for filling these vacancies?
    - c. What are the consequences, if any, for removing funding for these vacant positions from the FY 2025 Budget?
3. If DHHC had expansion positions in the FY 2024 Budget, how many of those positions were filled and will become a part of DHO? If they have not been filled, are they included in DHO's FY 2025 Budget? How many months of funding are being requested?
4. If there are proposed expansion positions in the FY 2025 Budget for DHO, how will those positions be filled?
5. How many positions were filled in FY 2024 that were not expansion positions and will be a part of DHO?
6. The following questions are related to DHO's program and activities:
  - a. Identify the programs and activities conducted by your Department because of a Federal or State mandate. Indicate the amount of Federal or State funding the County receives for each program or activity, including how much for each the County expends.
  - b. Identify the programs and activities conducted solely because of a Maui County Code mandate and indicate the amount for each the County expends.
7. If DHO has proposed CIPs for FY 2025:
  - a. Rank the proposed CIPs, by priority.
  - b. Will CIP funding included in the FY 2025 Budget be encumbered by June 30, 2025? If not, how much do you anticipate will be encumbered by that date?
8. If DHO will manage a revolving fund:
  - a. Explain whether the revolving fund is still needed and why.
  - b. Provide the current balance.

9. If DHO will manage grants:

- a. For each grant line item not designated for a specific recipient (e.g., affordable rental housing programs; Youth Programs), provide a breakdown of the grants that will be funded by the line item.
  - b. Provide a breakdown of all grants that will be funded by DHO under Subobject Code 6317, County grant subsidy.
10. Provide details on DHHC's Carryover/Savings that were included for DHO in the FY 2025 Budget.
  11. What are DHO's top three Department priorities for FY 2025 and how does DHO's budget reflect that?
  12. What amount of DHO's FY 2025 expenditures are expected to be reimbursed by the Federal Emergency Management Agency in relation to the wildfires?
  13. Provide a list of equipment, locations, and structures used or managed by DHHC that was destroyed in the wildfires that will be repaired or replaced and managed by DHO. Provide the estimated cost and timeline for the repair or replacement.

DHO is scheduled to present before the Committee on April 11, 2024. The schedule is subject to change and Committee staff will reach out if there are any changes to the schedule.

Please be prepared to provide a 10-minute presentation on the items that will carry over from DHHC's FY 2024 budget to DHO's FY 2025 budget and any relevant changes, including addressing the following:

- Operations
- CIPs
- Grants awarded by the Department, if any
- Grants received by the Department, if any
- Revolving funds
- Rates and fees, including any estimated increase or decrease in revenue as a result of the changes

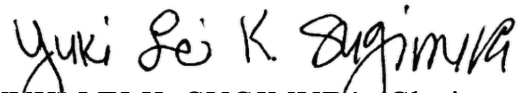
Ms. Lori Tsuhako

March 21, 2024

Page 4

Thank you for your attention to this request. Should you have any questions, please contact me or the Committee staff (James Krueger at ext. 7761, Kasie Apo Takayama at ext. 7665, or Yvette Bouthillier at ext. 7758).

Sincerely,



YUKI LEI K. SUGIMURA, Chair  
Budget, Finance, and Economic  
Development Committee

bfed:2025bgt:240320aho01:jgk

cc: Mayor Richard T. Bissen, Jr.  
Managing Director  
Budget Director

## BFED Committee

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**From:** BFED Committee  
**Sent:** Thursday, March 21, 2024 9:48 AM  
**To:** loriann.tzuhako@co.maui.hi.us  
**Cc:** BFED Committee; Saumalu Mataafa; kimberly.ferguson@co.maui.hi.us; Michelle Santos; Zeke Kalua; Maria Zielinski; Lesley Milner; Kristina Cabbat; Josiah Nishita; Keanu LauHee; Cynthia Sasada  
**Subject:** PLEASE READ attached letter re: FISCAL YEAR ("FY") 2025 BUDGET (BFED 1); (HO-1); reply by 3/28/24  
**Attachments:** 240320aho01.pdf

**Ms. Tzuhako:** Please refer to the attached letter from the Budget, Finance, and Economic Development (BFED) Committee Chair, dated March 21, 2024. Please respond by **March 28, 2024**.

**Mayor's Office (attention: Michelle Santos and Zeke Kalua):** Please forward the attached letter to Mayor Bissen for his information.

**Ms. Zielinski:** FYI

Thank you,  
Yvette Bouthillier, Secretary  
BFED Committee

**RICHARD T. BISSEN, JR.**  
Mayor

**LORI TSUHAKO**  
Director

**SAUMALU MATA' AFA**  
Deputy Director



**DEPARTMENT OF HOUSING  
& HUMAN CONCERNS**  
COUNTY OF MAUI  
2200 MAIN STREET, SUITE 546  
WAILUKU, MAUI, HAWAII 96793  
PHONE: (808) 270-7805

March 28, 2024

Ms. Lesley Milner   
Acting Budget Director, County of Maui  
200 South High Street  
Wailuku, Hawaii 96793

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

**APPROVED FOR TRANSMITTAL**

  
Mayor Date 3-28-24

For Transmittal to:

Honorable Yuki Lei K. Sugimura, Chair  
Budget, Finance, and Economic Development Committee  
Maui County Council  
200 South High Street  
Wailuku, Hawaii 96793

Dear Chair Sugimura:

**SUBJECT: FISCAL YEAR ("FY") 2025 BUDGET (BFED-1) (HO-1)**

Thank you for your correspondence of March 21, 2024. The information requested in your letter is listed below in bold and is followed by the Department's responses.

1. **Please outline the major changes from FY 2024 to FY 2025.**
  - a. **Explain any budget changes made because of the August 2023 wildfires.**

The FY 2025 budget for The Department of Housing ("DH") contains a \$1.5 million allocation for the Lahaina Land Trust for the acquisition of property in Lahaina.

**b. If your budget will decrease, how will this impact DHO's operations and ability to serve the public?**

The charter amendment that bifurcated The Department of Housing and Human Concerns ("DHHC") is effective July 1, 2024. The FY 2025 budget will establish an operational baseline that will be used to measure budgetary increases/decreases in future fiscal years.

**2. How many vacant positions currently exist within DHHC and will be budgeted for DHO in the FY 2025 Budget?**

**a. Please include the job titles for the vacancies and indicate how long the positions have been vacant.**

There are currently 8 vacant positions in DHHC that will be transferred to DH. Four of the eight positions are budgeted in FY 2025 as indicated below:

**Housing Division:**

Housing Choice Voucher Program Supervisor\* - vacant 3/19/19

Housing Specialist\* – vacant since 3/19/19

Housing Clerk\* – vacant since 3/19/19

Housing Clerk\* – vacant since 3/19/19

Housing Choice Voucher Program Accountant- vacant since 6/9/2023-continuous recruitment

Assistant Housing Administrator- vacant since 9/1/2023 due to retirement; position transferred to Federal Housing Program Division in FY2025 and recruitment is pending bifurcation of DHHC

**Housing and Community Development Division:**

Housing & Community Development Chief- vacant- recruitment of position is pending bifurcation of DHHC

Planner IV- vacant- recruitment of position is pending the bifurcation of DHHC

\*position not funded in previous fiscal years due to grant funding; no immediate plans to fill

**b. What is the anticipated timeline for filling these vacancies?**

Please see responses to question 2.a.

**c. What are the consequences, if any, for removing funding for these vacant positions from the FY 2025 Budget?**

Housing initiatives for Maui County residents would be negatively impacted by removal of funding for vacant positions.

3. **If DHHC had expansion positions in the FY 2024 Budget, how many of those positions were filled and will become a part of DHO? If they have not been filled, are they included in DHO's FY 2025 Budget? How many months of funding are being requested?**

DHHC has no expansion positions that were created in the FY 2024 budget that will be transferred to DH.

4. **If there are proposed expansion positions in the FY 2025 Budget for DHO, how will those positions be filled?**

The Director of DH will be responsible filling FY 2025 expansion positions.

5. **How many positions were filled in FY 2024 that were not expansion positions and will be a part of DHO?**

There were 3 positions filled in FY 2024 that will be a part of DH.

6. **The following questions are related to DHO's program and activities:**

- a. **Identify the programs and activities conducted by your Department because of a Federal or State mandate. Indicate the amount of Federal or State funding the County receives for each program or activity, including how much for each the County expends.**

DH will be responsible for sheparding housing projects that are subject to the State of Hawaii's Chapter 201H, Hawaii Revised Statutes ("Chapter 201H"). Projects subject to Chapter 201H request exemptions to fee waivers and other requirements in the Maui County Code.

DH also administers the following State and Federal programs for Maui County residents:

- The Department of Housing and Urban Development ("HUD") Section 8 Housing Choice Voucher Program- \$29,267,473 in Grant Revenue
- HUD Emergency Housing Vouchers- \$1,296,620 in Grant Revenue
- HUD Section 8 Family Self-Sufficiency Program- \$50,000 in Grant Revenue
- State of Hawaii Ohana Zone Program- \$2,000,000 in Grant Revenue
- HOME Investment Partnerships Program ("HOME") - no funding in FY 2025; Grant Revenue funding rotates annually between State of Hawaii Counties and Maui County received funding in FY 2024



- National Housing Trust Fund (“HTF”) - no funding in FY 2025; Grant Revenue funding rotates annually between State of Hawaii Counties and Maui County received funding in FY 2024

**b. Identify the programs and activities conducted solely because of a Maui County Code mandate and indicate the amount for each the County expends.**

DH will be responsible for administering the Homeowner Programs Revolving Fund, Affordable Housing Fund, Residential Workforce Housing Policy, and the Residential Workforce Housing Policy Exemptions and Incentives.

The FY 2025 budget proposes adding \$3.75 million to the Homeowner Programs Revolving Fund and \$31.57 million to the Affordable Housing Fund.

**7. If DHO has proposed CIPs for FY 2025:**

**a. Rank the proposed CIPs, by priority.**

Not applicable.

**b. Will CIP funding included in the FY 2025 Budget be encumbered by June 30, 2025? If not, how much do you anticipate will be encumbered by that date?**

Not applicable.

**8. If DHO will manage a revolving fund:**

**a. Explain whether the revolving fund is still needed and why.**

The DH will manage the Affordable Housing Fund, First-Time Homebuyers Program, and the Ohana Assistance Program. All three programs are essential in providing housing opportunities for Maui County residents.

**b. Provide the current balance.**

- Affordable Housing Fund - \$7,837,090.19
- First-Time Homebuyers Program - \$912,050
- Ohana Assistance Program - \$2,750,000

**9. If DHO will manage grants:**

**a. For each grant line item not designated for a specific recipient (e.g., affordable rental housing programs; Youth Programs), provide a breakdown of the grants that will be funded by the line item.**

The County provides rental assistance (housing) funding to the following non-profit agencies:

- Family Life Center, Inc.
- Ka Hale A Ke Ola Resource Centers, Inc.
- Maui Economic Opportunity, Inc.
- Women Helping Women

\$3 million has been appropriated to the rental housing assistance programs annually since FY 2023. DHHC's Housing Division meets collectively with all four agencies at the start of the new fiscal year to determine how the grant funding will be allocated.

**b. Provide a breakdown of all grants that will be funded by DHO under Subobject Code 6317, County grant subsidy.**

In addition to the responses listed above, DH will be responsible for administering the Hale Mahaolu for Homeowners and Housing Counseling Program. The FY 2025 budget proposes \$190,000 for the program.

**10. Provide details on DHHC's Carryover/Savings that were included for DHO in the FY 2025 Budget.**

The carryover savings included in the FY 2025 budget are from the unrestricted fund balance for FY 2023 reflected in the County's Annual Comprehensive Financial Report (ACFR). Any carryover savings from FY 2024 will be recognized in the FY 2026 budget.

**11. What are DHO's top three Department priorities for FY 2025 and how does DHO's budget reflect that?**

DH's top priorities for FY 2025 are as follows:

- Fill critical positions and provide staff with resources that will allow the department to maintain effective and efficient operations
- Provide leadership and expertise to move housing projects in the pipeline forward
- Maximize the utility of current housing programs to provide an array of housing solutions for residents

DH will have the support of new expansion positions and operational resources that will focus efforts on fine tuning housing solutions administered by the department.

**12. What amount of DHO's FY 2025 expenditures are expected to be reimbursed by the Federal Emergency Management Agency in relation to the wildfires?**

The DH's budget for FY 2025 does not have any expenditures expected to be reimbursed by FEMA.

**13. Provide a list of equipment, locations, and structures used or managed by DHHC that was destroyed in the wildfires that will be repaired or replaced and managed by DHO. Provide estimated cost and timeline for repair or replacement.**

DHHC lost several structures from the wildfires including Lahaina Crossroads Apartments and Komohana Hale Apartments. Both properties will be transferred to DH. DHHC is working with its consultant to determine cost and timeline for replacement of the properties.

Thank you for the opportunity to provide this information. Should you have any questions, please feel free to contact me at Ext. 7805.

Sincerely,



LORI TSUHAKO, LSW, ACSW  
Director of Housing and Human Concerns

## BFED Committee

---

**From:** Janina Agapay <Janina.E.Agapay@co.maui.hi.us>  
**Sent:** Thursday, March 28, 2024 4:56 PM  
**To:** BFED Committee  
**Cc:** Lesley Milner  
**Subject:** (BFED-1)(HO-1)  
**Attachments:** (BFED-1)(HO-1).pdf

Hello,

Please see attached correspondence from Housing.

Thank you,

**Janina Agapay**

County of Maui

Budget Office

(808) 270-7836

[Janina.E.Agapay@co.maui.hi.us](mailto:Janina.E.Agapay@co.maui.hi.us)