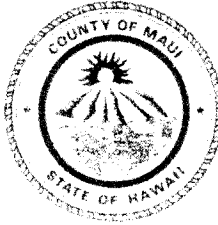


MICHAEL P. VICTORINO  
Mayor

LORI TSUHAKE  
Director

LINDA R. MUNSELL  
Deputy Director



RECEIVED  
2019 NOV 29 AM 11:30  
OFFICE OF THE MAYOR

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

November 29, 2019

Honorable Michael P. Victorino  
Mayor, County of Maui  
200 South High Street  
Wailuku, HI 96793

APPROVED FOR TRANSMITTAL

*Michael P. Victorino* 12/2/19  
\_\_\_\_\_  
Mayor Date

For Transmittal to:

Honorable Tasha Kama, Chair  
Affordable Housing Committee  
Maui County Council  
200 High Street  
Wailuku, HI 96793

Dear Chair Kama:

**SUBJECT: CREATION OF A COUNTY HOUSING AUTHORITY, INCLUDING  
FEASIBILITY STUDY (AH-22)**

Please accept the Department's apology for the delay in responding to your August 20, 2019 correspondence in which you requested any correspondence, prepared background materials, and recommendations regarding three topics:

1. Bifurcating Housing and Human Concerns
2. Establishing a "third party chief" or housing "czar"
3. Creating a County housing authority

Currently the Administration does not have any plans to advocate for the creation of two separate departments. Production of affordable housing remains a high priority for the Administration. Establishing a stand-alone Department of Housing (versus the current Housing Division) may allow for a greater focus on planning for and developing housing; however, creating a Department of Housing would require a significant infusion of resources to create capacity for the Housing Department to do what our current Housing Division is not able to do, namely to perform effectively and efficiently as housing co-developers. A build out of a new department would entail hiring more staff with housing development expertise as well as staff capable of working on housing policy, planning, financing and other land use issues. Without a

Honorable Tasha Kama, Chair  
Affordable Housing Committee  
Maui County Council  
November 29, 2019  
Page 2

comprehensive strategy for providing resources currently not available in the existing Housing Division, consideration for a separate Housing Department may be premature.

We also believe that there have been informal studies conducted by the County Council over the past twenty years to investigate the feasibility of bifurcation of the Department of Housing and Human Concerns. While we do not have written summaries of these studies, the cost to taxpayers for creating another County department appeared to be a significant and credible concern. The Administration feels that these considerations should be part of a process to fully explore the possibility of the bifurcation of DHHC.

Regarding the establishment of a "third party chief" or housing "czar", the Administration is uncertain as to how such a position would be integrated into the housing work done by the County. Would, for example, this "czar" be enabled to negotiate on behalf of the County on land purchases or with housing developers, and under what legal authority? Would this "czar" operate within the confines of the Department or work through the Mayor's Office? Would the "czar" be able to supervise/direct the work of civil servants, and what would the implications be for union members to be supervised by someone who may be a private contractor? Perhaps if the objectives of the housing "czar" position are more clearly defined, we could engage in a more detailed discussion about how the County's housing efforts could be supported and moved forward by having this "czar" available to us.

In addition, the Administration is unclear about what functions would be established for a County Housing Authority. Here in Hawaii, we have experience with the Hawaii Public Housing Authority which holds State land used for public housing purposes and also receives federal funding for Federal public housing complexes. Relatively speaking, Maui County does not have a great deal of land holdings for affordable housing. The County could potentially own affordable housing projects, and a housing authority could then be a tool to plan for and implement long term planning and maintenance of such properties.

Housing Authorities in other jurisdictions across the country generally function as does the Hawaii Public Housing Authority, i.e., receiving various HUD funds to provide housing units to low-income families and individuals. Many housing authorities also develop housing to meet increased needs, and receive grant funding from other sources including federal, state, and local governments. Operationally, most other housing authorities receive financial support through administering HUD's Section 8 voucher program. This program is currently administered through the DHHC's Housing Division, and the formation of a housing authority for Maui County would need to plan out if/how a transition in this program would move forward.

Thank you for allowing us to offer comments and raise issues for further discussion. Should you have any questions, please feel free to contact me at Ext. 7805.

Sincerely,

A handwritten signature in black ink, appearing to read "Lori Tsuhako", written in a cursive style.

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