MICHAEL P. VICTORINO Mayor

LORI TSUHAKO
Director

LINDA R. MUNSELL
Deputy Director





## DEPARTMENT OF HOUSING & HUMAN CONCERNS

COUNTY OF MAUI 2200 MAIN STREET, SUITE 546 WAILUKU, MAUI, HAWAI'I 96793 PHONE: (808) 270-7805

June 29, 2020

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

For Transmittal to:

Honorable Riki Hokama, Chair Healthy Families and Communities Committee Maui County Council 200 South High Street Wailuku, Hawaii 96793

Dear Chair Hokama:

APPROVED FOR TRANSMITTAL

Asing Mayor Case

SUBJECT: OPPORTUNITY ZONES AND HEALTHY COMMUNITIES (HFC-15)

The Department is in receipt of your correspondence dated June 17, 2020 in which you inquired about how the developer for the Haliimaile project can access different funding sources to assist with their infrastructure costs. In particular, you raised a question of whether Opportunity Zone funding would be an option for this project.

The Department reached out to Mr. Mark J. Ritchiea, Branch Chief of the Business Support Branch of the State Department of Business, Economic Development & Tourism regarding Opportunity Zone funding for housing infrastructure. Mr. Ritchiea provided a great deal of resources, links to more detailed information, and opportunities for further discussion. Additionally, I reached out to the developer of the proposed housing project in Haliimaile to discuss the particular steps that have already been taken to seek funding for infrastructure. I was told that Opportunity Zones investments were explored; however, investors preferred rental housing projects vs. for sale projects to reap additional Return on Investment (ROI) benefits.

The County's Affordable Housing Fund may be another potential source of funding for housing infrastructure. The Department is working closely with the Department of Finance at this time to confirm the amount of funding that will be available for FY21's allocation. We project that

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a workshop will be conducted in July or August, 2020 to attract interested affordable housing developers, and that the Request for Proposal (RFP) would be issued shortly thereafter.

Thank you for this opportunity to provide you with the information requested. Please feel free to contact me at Ext. 7805 if you have further questions.

Sincerely,

LORI TSUHAKO, LSW, ACSW

Director of Housing and Human Concerns

XC:

Housing Division