

AFFORDABLE HOUSING COMMITTEE

Council of the County of Maui

MINUTES

September 9, 2020

Online Only

CONVENE: 1:34 p.m.

PRESENT: VOTING MEMBERS:
Councilmember Tasha Kama, Chair
Councilmember Michael J. Molina, Vice-Chair
Councilmember Kelly T. King (out at 3:50 p.m.)
Councilmember Alice L. Lee
Councilmember Tamara Paltin
Councilmember Keani N.W. Rawlins-Fernandez
Councilmember Shane M. Sinenci
Councilmember Yuki Lei K. Sugimura (in at 1:51 p.m.)

EXCUSED: VOTING MEMBERS:
Councilmember Riki Hokama

STAFF: Ana Lillis, Legislative Analyst
James Forrest, Legislative Attorney
Stacey Vinoray, Substitute Committee Secretary
Lenore “Lei” Dinneen, Council Services Assistant Clerk

ADMIN.: Mimi DesJardins, Deputy Corporation Counsel, Department of
the Corporation Counsel
Lori Tshako, Director, Department of Housing and Human Concerns
Linda R. Munsell, Deputy Director, Department of Housing and Human
Concerns
Clyde “Buddy” Almeida, Housing Administrator, Department of Housing
and Human Concerns
Gregory King, Central Purchasing Agent, Department of Finance

OTHERS: Lisa Darcy
Faith Chase
Douglas Bigley, Ikaika Ohana (resource)
Sherri Dodson, Habitat for Humanity
Thomas Fischer (observer)
(6) additional attendees

PRESS: *Akaku: Maui Community Television, Inc.*

CHAIR KAMA: . . .(gavel). . . The Affordable Housing Committee meeting of
September 9th, 2020, will now come to order. It is now 1:30 p.m. My name is Tasha
Kama, and I’m the Chair of the Affordable Housing Committee. And so I’m going to

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ask that when you are not speaking to please mute your microphone and silence any noisemaker that you might have. So the Affordable Housing Committee has nine Members on it, and all nine Members are Voting Members. So I'd like to introduce the Members of our Committee today, beginning with our Committee Vice-Chair, Mr. Mike Molina. Aloha, Mike.

VICE-CHAIR MOLINA: Aloha, Madam Chair, from my virtual bridge here in Makawao. And greetings to you, my colleagues, and everyone out there.

CHAIR KAMA: Oh, how sweet. It's a bridge to all of us. Thank you. Mr. Riki Hokama will be along after his doctor appointment. And we're going to go to Kihei to Ms. Kelly King. Aloha auinala, Kelly.

COUNCILMEMBER KING: Aloha auinala, Chair. How are you doing? Good to see you.

CHAIR KAMA: Fine, thank you.

COUNCILMEMBER KING: I like...I like the greenery behind you with the red. Your usual red backdrop with the greenery looks good.

CHAIR KAMA: Thank you. Real touching. Thank you. And so we're going to say aloha auinala to our...our Council Chair Alice Lee.

COUNCILMEMBER LEE: Madam Chair, okay, in Portugal they say boa tarde. In Texas they go...

CHAIR KAMA: Boa tarde.

COUNCILMEMBER LEE: Yeah, but in Texas, they go boa tarde.

CHAIR KAMA: Boa tarde.

COUNCILMEMBER LEE: You all.

CHAIR KAMA: Aloha auinala, Chair.

COUNCILMEMBER LEE: Okay.

CHAIR KAMA: And we're going to go to...all the way to Molokai and see our Vice-Chair Keani Rawlins-Fernandez. Aloha auinala.

COUNCILMEMBER RAWLINS-FERNANDEZ: Aloha auinala, Chair. Mai Molokai nui a hina. And it looks super festive, like a luau behind you.

CHAIR KAMA: Yeah, thank you. Yeah, we had a small kine party visually...virtually.

COUNCILMEMBER RAWLINS-FERNANDEZ: Oh, and buenas *[sic]* tarde.

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CHAIR KAMA: Aole.

COUNCILMEMBER RAWLINS-FERNANDEZ: No, we're late.

CHAIR KAMA: Last night.

COUNCILMEMBER RAWLINS-FERNANDEZ: Am I saying it wrong?

CHAIR KAMA: . . . *(inaudible)*. . . And so now we're going to go to Hana and say aloha auinala to Member Shane Sinenci.

COUNCILMEMBER SINENCI: Aloha auinala, Chair. And boa tarde, everybody.

CHAIR KAMA: Boa tarde. And Member Yuki Lei Sugimura will be along shortly. She's on her way. But we also have from the Administration, from the Department of Housing and Human Concerns, Linda Munsell, the Deputy Director. Good afternoon, Linda.

MS. MUNSELL: Good afternoon, Chair and Committee Members.

CHAIR KAMA: And we also have with us Buddy Almeida, the Housing Administrator. Good afternoon, Buddy.

MR. ALMEIDA: Good afternoon, Chair and Committee Members.

CHAIR KAMA: We have from Corp. Counsel Ms. Mimi DesJardins.

MS. DESJARDINS: Good afternoon, everyone.

CHAIR KAMA: Aloha, Mimi. And we have from the Department of Finance, Mr. Greg King, who's with Purchasing. He'll be talking to us later on this afternoon about our pallet homes. But we also have from the Affordable Housing Committee Staff, we have Ana Lillis, our Legislative Analyst. Good afternoon, Ana.

MS. LILLIS: Good morning...or good afternoon, Chair.

CHAIR KAMA: And we have our Committee Secretary Stacey Vinoray. Aloha, Stacey.

MS. VINORAY: Good afternoon, Chair and Councilmembers.

CHAIR KAMA: And James Forrest will be along shortly, if that's the message I received. So welcome, everyone, and thank you for attending the regularly scheduled meeting of the Affordable Housing Committee. I just want you to know that as of next month, I'm very happy to tell you that the Affordable Housing Committee will be meeting on Mondays at nine o'clock in the morning. So I just wanted to let you know that. But I think you already knew that. But...but it's exciting, we get to have a different day to begin our housing meeting on. So thank you to all of you who worked to be able to

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make your schedule so that we can get Monday. So thank you. So just a short --

COUNCILMEMBER PALTIN: Aloha auinala --

CHAIR KAMA: --commercial.

COUNCILMEMBER PALTIN: --Chair.

CHAIR KAMA: What is that, Tam?

COUNCILMEMBER PALTIN: I just wanted to say eo, I'm here.

COUNCILMEMBER KING: I think you forgot to --

CHAIR KAMA: Oh, okay.

COUNCILMEMBER KING: --introduce her.

CHAIR KAMA: Oh I'm so sorry. Yeah. Oh, Miss...okay. Aloha auinala all the way from Lahaina...and what happened to your virtual background? I thought you went to...to take a walk in the sun. No, you went to . . . *(inaudible)*. . .

COUNCILMEMBER PALTIN: I came back in time.

CHAIR KAMA: Oh. . . . *(Inaudible)*. . . happen...oh boy. But I'm so sorry. Well, welcome to our meeting today.

COUNCILMEMBER PALTIN: Aloha auinala, and boa tarde as well. Live and direct --

CHAIR KAMA: Boa tarde.

COUNCILMEMBER PALTIN: --from the Old Lahaina Center.

CHAIR KAMA: Thank you for being here and waving me down. So today we have two items on our agenda, AH-11, which is the Amendments to the Residential Workforce Housing Policy and Affordable Housing Fund. And that we are receipt of the following County Communication 17-434, from Councilmember Elle Cochran, transmitting a proposed bill entitled, A BILL FOR AN ORDINANCE AMENDING CHAPTERS 2.96 AND 3.35, MAUI COUNTY CODE, RELATING TO THE RESIDENTIAL WORKFORCE HOUSING POLICY AND AFFORDABLE HOUSING FUND. The purpose of the proposed bill is to require that housing provided pursuant to the Workforce Housing Policy or with Affordable Housing Fund money is kept affordable in perpetuity through deed restrictions. Two, correspondence dated September 2, 2020, from the Director of Housing and Human Concerns, transmitting a proposed bill entitled A BILL FOR AN ORDINANCE AMENDING SECTION 3.35.070, MAUI COUNTY CODE, RELATING TO THE GRANT OR LOAN REQUIREMENTS. The purpose of the bill proposed is to allow the County to be flexible, with Council approval, when funding affordable housing

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projects that may need specific grant or loan provisions to secure additional financing. Of the two items within AH-11, only the second item is on the agenda for consideration by this Committee today. We can choose to forward the bill as transmitted, or to forward the bill with our recommended amendments too, or to recommend to Council denial of the proposed bill. We also will have AH-38, which is miscellaneous. It's the Contract 7...C7087, the Pallet SPC. The Committee has received a Miscellaneous Communication, dated June 19, 2020, from the County Clerk, reporting the Council referral *[sic]* of the matter relating to Contract C7087 (Pallet SPC). The Department of Housing and Human Concerns may provide us a presentation regarding the provision of emergency homeless shelters at Waiale Park in Wailuku, and we will not be taking any legislative action on this item.

. . .BEGIN PUBLIC TESTIMONY. . .

CHAIR KAMA: So at this time I would like to open to public testimony on the agendized items. And testifiers wanting to provide video testimony should join the meeting via the BlueJeans meeting link provided on today's agenda at mauicounty.us/agendas. Testifiers wanting to provide audio testimony should dial area code 408-915-6290 and enter meeting code 798 867 277, which is also noted on today's agenda. Written testimony is also accepted by the Committee via e-mail to ahcommittee...ah.committee@mauicounty.us. Oral testimony is limited to three minutes. If you are still speaking beyond that time, I will ask you to complete your testimony. When testifying, please state your name and agenda item you are speaking on. If you are testifying on behalf an organization or you are a paid lobbyist, please let us know that too. We will do our best to call testifiers in an orderly fashion. The testimony log is posted in the chat section for testifiers to see where they are on the list. The chat platform should not be used to provide testimony or to chat with other testifiers or Councilmembers. Also, please be courteous to others by muting your microphone and your video when it is not your turn to testify. If you only wish to view the meeting without providing testimony, you can watch it live on *Akaku* Channel 53 or at mauicounty.us/agendas. Please be patient as we continue to navigate this new platform. And now, Ms. Lillis, will you please announce our first testifier on the list and next...and the next testifier who will follow?

MS. LILLIS: Chair, the first person signed up to testify is Lisa Darcy testifying on AH-11, to be followed by Faith Chase. Lisa Darcy, please unmute yourself.

MS. DARCY: Make sure. Hello, Committee. Lisa Darcy. I am testifying as the founder of Share Your Mana on Item AH-11. I just want you to know I have my whole family here for the first...so this is becoming a family affair. In from New Jersey, so hello. I would like...oh, everyone's waving back. I'd like to urge the Committee to require all for-sale affordable homes to stay in affordable in perpetuity with a shared equity program. And that is similar to using the shared equity formula...similar to the successful shared equity model of Na Hale O Maui's Community Land Trust. And thank you very much for your time and welcoming the gang from New Jersey.

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CHAIR KAMA: Thank you for sharing with us, Lisa, and for visiting us all the way from New Jersey. We sure do appreciate the BlueJeans platform that allows our people to testify from wherever they are. So thank you.

MS. DARCY: Yes.

CHAIR KAMA: And thank you for inviting your family to come visit us. So Members, any questions for our testifier this afternoon? Okay, no questions. Well, thank you, Members. Thank you, Lisa.

MS. DARCY: All right. Thanks. Bye.

CHAIR KAMA: Bye. Bye, family.

UNIDENTIFIED SPEAKER: Good bye.

CHAIR KAMA: That was sweet. Our next testifier, Ms. Lillis, is?

MS. LILLIS: Chair, the last person signed up to testify...oh, I'm sorry, the next person signed up to testify is Faith Chase. Faith Chase, please unmute yourself and identify which Committee item you are testifying on.

MS. CHASE: Aloha, Committee. Aloha, Chair. I...I think it's 11. Sorry, I don't have...my Internet is so bumpy. It's about the pallet homes, if I might speak to that. Early in the COVID, I had a conversation with Kimo Apana who, I guess, works with the...Mayor Victorino. And he...he asked me what...what I thought might be a solution for, at the time, the Central Maui displaced or, you know, houseless, homeless, unsheltered. And he had told me about the plans for the pallet housing, that it was on its way. And I was familiar with it because I had done some research about the costs of it for Share Your Mana, but loosely in a volunteer capacity. And I just want to say that, you know, there was a...now seeing how it's played out, how it's...there's some ineffectiveness of it, that's it really maybe not perhaps Hawaii-oriented...best Hawaii-oriented housing. Whether those who need it like it or not. If it's hot, the bathroom. All the little ancillary issues around it. I just want to say that it was very unfortunate that that one initial meeting that he had offered as an extension of the Mayor's Office to come down to Kanaha was never made. We...we tried to connect, he didn't, and then when I sent an e-mail, read receipt, himself and Sandy Baz decided not to open my e-mail. And so I...I...I get really frustrated. I called Zeke periodically to see if I could, you know, sort of apply pressure to see if I could re-inspire a visit so they could hear firsthand what the needs were before jumping the gun, so to speak, on this pallet homes. And I...and...and when I called day after day, it got to the point where my call to the Mayor Office was just instantly sent, directed to the Department of Housing and Human Concerns. So I got into this really vicious circle, and I just want to say that that was a really unfortunate window of opportunity that was missed. And I'm...I'm...I'm really sorry that the pallet housing didn't turn out as maybe it should have been. And I do feel like we could have maybe been able to, you know, nip it in the bud had that...had that communication been tighter. That's all I wanted to

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express today. Thank you for the time.

CHAIR KAMA: Thank you. Ms. King, question for our testifier?

COUNCILMEMBER KING: Yes. Thank you, Chair. Are you still there, Faith?

MS. CHASE: Yes.

COUNCILMEMBER KING: Do we...okay. I was going to say, did we lose the Faith? Good to have you here, and thank you for your input. I wanted to ask you what...what you would have said if you had had that opportunity? What do you think we could have done differently with those pallet homes?

MS. CHASE: Well, my initial cost analysis was that each one was about \$4,000. Granted, they were geared for inner-city youth in the continental United States. They could be implemented with A/C and heat. I guess the idea of bed bugs and ukus or lice, you know, the way you could actually power spray it. There was all these other elements that made it sanitary. But as Councilmember Hokama has mentioned in the past, you know, it's not...mainland ideas are not as easily implemented because we're a different kind of...certainly temperature and lifestyle. And so I really feel like, you know, \$4,000...I don't know. And I think with shipping, probably to Hawaii the cost might have been more. I'm looking at the...I'm looking at the contract agreement right now and trying to do some quick mental math. But, you know, the needs, I just don't feel like that intermediary conversation about what the real needs are. Some of those...some of the unsheltered and houseless/homeless, living-in-their-cars people, a lot of them actually were in line to get housing or have been in line to get housing and lost their phone. Needed to make it to an appointment. And, you know, so all those little interworkings, we never go answers to. . . . *(timer sounds)* . . . And certainly, you have the nonprofits like trying to be that intermediary force. You know, MEO is giving funding to help doing that. Family Life Center has tried. But, you know, I just...it's just not a one-size-fits-all. And I think year after year, when we have the same approach and we see...we see the same failures, you know, we got to...we got to be creative. And I just don't think that that creative conversation was afforded.

COUNCILMEMBER KING: Okay. All right. Well, thank you so much for the input and for all you're doing to advance the cause.

MS. CHASE: Yeah, mahalo.

CHAIR KAMA: Members, any other questions for our testifier? Okay, seeing none. Thank you very much, Ms. Chase.

MS. CHASE: A hui ho.

CHAIR KAMA: Ana, do we have any other testifiers on the list?

MS. LILLIS: Chair, the next person signed up to testify is Douglas Bigley, to be followed by

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Sherri Dodson. Douglas Bigley, please unmute yourself and identify which Committee item you are testifying on.

MR. BIGLEY: Hello? Hi. I'm sorry.

CHAIR KAMA: Go ahead, Doug.

MR. BIGLEY: I don't...I don't think I actually signed up to testify. I was just listening. Did somebody...was I to testify on something? Because I will.

COUNCILMEMBER PALTIN: Sorry, I signed you up.

CHAIR KAMA: Okay.

COUNCILMEMBER PALTIN: My bad.

CHAIR KAMA: Tamara wanted you to testify, Doug. Okay.

COUNCILMEMBER PALTIN: I missed you.

CHAIR KAMA: Okay. Well, we're going to welcome Yuki Lei Sugimura to our meeting. Thank you for coming this afternoon.

COUNCILMEMBER SUGIMURA: Hi, Chair. Nice seeing you all.

CHAIR KAMA: Hi. You too. Okay. Ana, I guess, Mr. Bigley is not testifying. Who's our next testifier?

MS. LILLIS: Chair, the next person signed up to testify is Sherri Dodson from Habitat for Humanity, to be followed by Torn *[sic]* Fischer.

CHAIR KAMA: Okay.

MS. LILLIS: Sherri Dodson, please unmute yourself.

MS. DODSON: Hi. Good afternoon. Sherri Dodson with Habitat for Humanity Maui, Executive Director. I was actually quite surprised to see AH-11 on again. I thought this one was an old one. As I have testified before but I thought I would just --

COUNCILMEMBER LEE: Can she speak louder?

MS. DODSON: --refresh your memory...what's that?

CHAIR KAMA: Chair Lee?

COUNCILMEMBER LEE: Could you speak louder please?

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MS. DODSON: I don't know if I can speak louder, but I can get closer to the microphone I think. Is that better? Okay.

CHAIR KAMA: A little.

MS. DODSON: I was...I know I've testified on this before, but I thought I would refresh your memory. The proposed restriction on affordable housing funds for those people who don't keep their properties or their houses in perpetuity would essentially eliminate our ability to tap that fund for Habitat for Humanity. As you know, our restrictions are 30 years, which is the length of the mortgage. And we deal with 80 percent and below median income. And we do feel, for this income group and the amount of sweat equity and the amount of subsidies, that a 30 years is appropriate. So we would definitely be at a disadvantage of being able to continue our program, should the limit on the Affordable Housing Fund to units that are affordable in perpetuity would pass.

UNIDENTIFIED SPEAKER: Was Thai.

COUNCILMEMBER SUGIMURA: What's that?

UNIDENTIFIED SPEAKER: We bought Thai.

COUNCILMEMBER SUGIMURA: How come? Wow.

UNIDENTIFIED SPEAKER: We went to Maui Thai. I think . . . *(inaudible)*. . .

CHAIR KAMA: Okay.

MS. DODSON: That's not me.

CHAIR KAMA: Can somebody mute their phone?

COUNCILMEMBER KING: I think that's Yuki Lei. She didn't mute her...yeah.

CHAIR KAMA: Oh, okay. She's muted. Thank you. So questions for Ms. Dodson? I saw Mr. Sinenci, and I saw Ms. King. Go ahead, Shane.

COUNCILMEMBER SINENCI: Thank you, Chair. Mahalo, Ms. Dodson, for being here. You mentioned that Habitat accesses the...the Affordable Housing Fund, and...and it would make it difficult for you to...to access that funding should it be...the affordability be extended beyond 30 years; is that correct? Can you explain that?

MS. DODSON: The...the gist of this AH-11 is that any funds used through the Affordable Housing Fund would have to be for a unit that is kept affordable in perpetuity or for the rest of its life, for the duration of forever, I guess. And that's not the way our program works. We issue a mortgage for 30 years. There is a restriction on our mortgages for the full 30-year period. The appreciation begins after year ten, which means in year 11 they start getting appreciation or equity in their property. And then

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if they should sell, you know, in year ten and above, they do get some money so that they can maybe reinvest into a bigger home or whatever they want. But if they do try to sell within the first two years, they would get no equity or no appreciation value.

COUNCILMEMBER SINENCI: Okay. So because Habitat does their own loans, you guys do your guys' own loans. And so those are just for 30 years, up to 30 years. Okay.

MS. DODSON: Yeah.

COUNCILMEMBER SINENCI: Thank you.

MS. DODSON: They're issued by us, the loans, yes. We're the lending --

COUNCILMEMBER SINENCI: Thank you.

MS. DODSON: --and the mortgage company.

COUNCILMEMBER SINENCI: Mahalo, Ms. Dodson. Thank you, Chair.

MS. DODSON: Thank you.

CHAIR KAMA: You're welcome, Mr. Sinenci. Ms. King?

COUNCILMEMBER KING: Thank you, Chair. I...I just...I guess I'm a little confused because I thought we were looking at this bill that was proposed by Director Tsuhako. And I --

CHAIR KAMA: We are.

COUNCILMEMBER KING: --I think Ms. Dodson is talking about a very old piece of legislation that I thought you, Chair, said that we weren't considering today. So I'm a little confused.

CHAIR KAMA: You're correct. You are correct.

COUNCILMEMBER KING: Okay.

CHAIR KAMA: You have --

COUNCILMEMBER KING: Okay.

CHAIR KAMA: --two items under AH-11. In order for us to talk about Item 2, we had to post Item 1 also. But the only item we're taking up under discussion today is Item 2. But people are okay to testify on Item 1 should they choose. So they're just testifying on that --

COUNCILMEMBER KING: Okay. But I...

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CHAIR KAMA: --and we get to hear that. But we're actually --

COUNCILMEMBER KING: Okay.

CHAIR KAMA: --we're going to be able to address Item 2.

COUNCILMEMBER KING: Okay. So Ms. Dodson, you...did you...you didn't have a problem with Item 2?

MS. DODSON: No.

COUNCILMEMBER KING: Okay.

MS. DODSON: I just don't want Item 1 resurrected.

COUNCILMEMBER KING: Okay. All right. I just wanted to clarify that. Thank you. Good to see you, Sherri. Thanks for being here.

CHAIR KAMA: Ms. Paltin, you had a question for Ms. Dodson?

COUNCILMEMBER PALTIN: Question for you, actually.

CHAIR KAMA: Okay.

COUNCILMEMBER PALTIN: I was wondering if we could ask Doug Bigley to be a resource without him testifying.

CHAIR KAMA: I don't see a problem with that. Do you all? But we maybe should check with other people who maybe know more than us. So let's talk to Mimi. Mimi?

MS. DESJARDINS: Hi, everybody.

CHAIR KAMA: We'd like to be able to...

MS. DESJARDINS: Mister...yeah.

CHAIR KAMA: Bigley.

MS. DESJARDINS: I...I think when we get to that item, the 3.35.070 amendment, in my description, I wasn't going to go into any specific developments, but certainly Doug has a lot of background, and we can explain when we get into the discussion --

CHAIR KAMA: Okay.

MS. DESJARDINS: --about how this came to be on the agenda. So I think he plans on staying on the line.

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COUNCILMEMBER PALTIN: So we can have him --

CHAIR KAMA: So...

COUNCILMEMBER PALTIN: --be a resource?

COUNCILMEMBER SINENCI: No objections.

CHAIR KAMA: That's what I understand.

COUNCILMEMBER PALTIN: Okay, cool.

CHAIR KAMA: So...

COUNCILMEMBER PALTIN: Thanks.

CHAIR KAMA: Hey, Mr. Bigley, are you still with us? Does anybody know if he's still with us?

MR. BIGLEY: Yeah, and I'm...I'm sorry. I.... . . (*audio interference*) . . .

CHAIR KAMA: Are you still going to hang out with us, Doug? I think he tried to get to a quieter place or space. So did he...I think he said yes, or...

MR. BIGLEY: Yeah, so I'm sorry. I...I'm having a little technical difficulties, so I'm going to my...my son, who's my IS department, and checking with him. So hold up one second. I am here, I will be here. Thank you.

CHAIR KAMA: Okay. Okay. Thank you. Okay. So in answer to your question, Tamara, he's going to be with us and he'll hang on with us. So I think...Ms. Keani Rawlins-Fernandez, you had a question? Yes?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. I had a question for Ms. Dodson if she's still on.

CHAIR KAMA: Sure. I'm sure she is.

MS. DODSON: Yes, I'm available.

CHAIR KAMA: Sherri, are you still here?

COUNCILMEMBER RAWLINS-FERNANDEZ: Ms. Dodson?

MS. DODSON: Yes, I'm still here.

COUNCILMEMBER RAWLINS-FERNANDEZ: You are. Okay.

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CHAIR KAMA: She's here.



COUNCILMEMBER RAWLINS-FERNANDEZ: Aloha. Mahalo for coming on.

UNIDENTIFIED SPEAKER: . . . *(inaudible)*. . . it echoes.

COUNCILMEMBER RAWLINS-FERNANDEZ: I think we need to mute Mr. Bigley. Okay. Okay. So I...I had a question about the managed appreciation for Habitat for Humanity. So does your managed appreciation formula look like the County's current formula that's in the Code?

MS. DODSON: The County's is much less than ours. Basically I haven't looked at theirs lately because ours is so much more extensive. I think theirs is 20 years now, or ten years, I can't remember what it is now.

COUNCILMEMBER RAWLINS-FERNANDEZ: No, just the formula, the managed appreciation formula. Not the number of...

MS. DODSON: Oh, I'm not sure. Ours is...as I said, it begins on the last...on the...in the eleventh year, and the appreciation is for the 20-year. So it's, I think, believe 4 percent each year.

COUNCILMEMBER RAWLINS-FERNANDEZ: Oh, would you mind sharing that with us? Is that...is that public information?

MS. DODSON: Yeah. I have actually sent it to the Committee before, but I can send it to...I can send it to Chair Kama and she can distribute.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. Mahalo. And then regarding the...you know, I know it's the legislation we're not going to be taking action on, but for...you said that you're in opposition of the perpetuity. Would...would you be able to, like, explain why in the Habitat for Humanity's model it would not work, and for like Na Hale O Maui it does?

MS. DODSON: Yeah. As I've said in testifying earlier, we deal with a very low-income group. And they put in...they're required to put in sweat equity, over 500 hours. That means they're coming out to the job site, they're working on the homes. And it's beneficial to them, the sweat equity, because they do learn about their home and...and how it's built. And it does help us because we use volunteer labor, which means the house...houses are more inexpensive. And it also creates ownership in the home. We feel like because they put in...if...if you were to value that along with the community sweat equity, it's hundreds and hundreds of thousands of dollars that go into the building of these homes with volunteers. That's one instance. The other one is that we are trying to elevate this income group out of poverty. And the only way to do that is again, to treat them just like anybody else. They have a 30-year mortgage, they do sweat equity, they have to do a down payment, they pay their monthly payment every month. And, you know, we don't want them to feel any differently that they are being

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treated differently. We believe that a house builds stability for families. And when you put in all that work and then told, you know, after 15 years, sorry, this is only what you're getting, and they can't really elevate themselves out of this income group to get a bigger, larger house or whatever it is, to expand their house because they don't have enough equity in it. We just feel, you know, our...our program is designed to elevate people and to...to give them more stability, so.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo for that explanation. I was wondering if...because...you...you...when I asked earlier about your formula comparing to the County's managed appreciation formula, and that yours is more, does it account for the sweat equity that's put in, is that why it's higher? Or is there a way to account for the sweat equity so that when the house does sell, that there is more of a equity that is paid to the homeowners?

MS. DODSON: Yeah, that is the reason why our restrictions are so extensive, is because of the amount of...not necessarily the family, but the community that comes together, sweat equity. You know we don't want anybody to benefit off the backs of somebody who's trying to do good for the community. There's also subsidies. As you know, the Affordable Housing Fund has been one of the main sources of funding for us. So there is subsidies. So we want to make sure that that restriction is...accommodates all the special...the treatment that Habitat gets. We don't want someone to try and sell after, you know, 15, 20 years and get a big cash payout. We don't want them to refinance and get a big cash payout. We really encourage them to, you know, stay in their homes. And...and our program, truthfully, nobody's ever sold a home. We have had people deed it to their kids after, you know, in a will or DHHL beneficiary. We have had a couple of deed in-lieu, unfortunately, where we took the property back and sold it to another qualified applicant.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. Mahalo, Ms. Dodson. Mahalo, Chair.

CHAIR KAMA: You're welcome. I don't see any other Members who have...thank you very much, Sherri. Ms. Lillis, do we have another testifier?

MS. LILLIS: Chair, there's no one else signed up to testify.

CHAIR KAMA: Okay. So if there are no other test...so is there anyone in the...anyone listening or on the call that would like to be able to make a testimony? We'll wait a few seconds. Okay. Hearing none, without objection, Members, I would like to close public testimony.

COUNCILMEMBERS VOICED NO OBJECTIONS

. . .END OF PUBLIC TESTIMONY. . .

COUNCILMEMBER LEE: No objections, but I have a question.

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CHAIR KAMA: Thank you. Yes?

COUNCILMEMBER LEE: Madam Chair --

CHAIR KAMA: Ms. Lee?

COUNCILMEMBER LEE: --what was your reason for having two versions on the agenda again?

CHAIR KAMA: Oh, because we couldn't post the second...the Number 2 unless we posted Number 1 too, because it came together. That's why. I know it's confusing. I was confused too, when I saw it on the agenda. But that's what I was told by OCS Staff.

COUNCILMEMBER LEE: So we don't have the option of, like, filing one of them and working, and then continuing to work on the other one? Or what was your plan?

CHAIR KAMA: Well, I don't...I don't...I think it...the way I understood it, it's like Siamese twins. You kind of like don't...you can't get rid of one without the other. So only for today we're taking up Item 2, and then we're going to bring back Item 1 at a different time. But today, just to correct this one item is why we're taking up --

COUNCILMEMBER LEE: Okay.

CHAIR KAMA: --Number 2.

COUNCILMEMBER LEE: I just wondered. Okay.

CHAIR KAMA: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: Chair?

CHAIR KAMA: Yes, Ms. Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Is it because --

CHAIR KAMA: Yes?

COUNCILMEMBER RAWLINS-FERNANDEZ: --the correspondence from DHHC on September 2, 2020, was direct referred to...and a preexisting Item AH-11?

CHAIR KAMA: Yeah, pretty much. So we have to do some --

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay.

CHAIR KAMA: --corrections today, and that's why. But thank you very much for asking that. And thank you, Chair, for clarifying that. Yes, Ms. King, you have a...oh, were you done, Ms. Rawlins-Fernandez?

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COUNCILMEMBER RAWLINS-FERNANDEZ: Yes. Mahalo, Chair.

CHAIR KAMA: Are you done? Okay. Yes, Ms. King?

COUNCILMEMBER KING: Yeah, thank you, Chair. I was going to ask you, didn't we have another item from Member Rawlins-Fernandez on the...the 2.96 changes that was supposed to come on this month?

CHAIR KAMA: Yes, it was, and I was asked to please postpone it for another time.

COUNCILMEMBER KING: Oh, okay.

CHAIR KAMA: And I said okay. So we're going to do this.

COUNCILMEMBER KING: Okay.

CHAIR KAMA: And so...so Vice-Chair is very much aware that we're going to bring it back later.

COUNCILMEMBER KING: Okay. So we can...

CHAIR KAMA: Is that correct, Ms. Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: Yes. Mahalo, Chair. We still...I needed to do a few more tweaks to 2.96. And Chair Kama offered to schedule 2.96 for this meeting, but I asked if we could postpone, and...and she did. So I...I appreciate that.

COUNCILMEMBER KING: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. And mahalo --

COUNCILMEMBER KING: Thank you...

COUNCILMEMBER RAWLINS-FERNANDEZ: --for remembering . . . *(inaudible)*. . .

COUNCILMEMBER KING: Okay.

CHAIR KAMA: Okay.

COUNCILMEMBER KING: Thank you.

CHAIR KAMA: Yeah. Okay. Ms. Tamara Paltin, yes?

COUNCILMEMBER PALTIN: Oh, I just was verifying that you also had the one that I referred as well.

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CHAIR KAMA: Yes, yes. Yeah. Thank you.

COUNCILMEMBER PALTIN: Okay.

COUNCILMEMBER LEE: You mean there's four of them out there? Four of them now?

COUNCILMEMBER PALTIN: So far. You can...you can add --

CHAIR KAMA: So far.

COUNCILMEMBER PALTIN: --another one if you want.

CHAIR KAMA: And it's still early in the year. Okay.

COUNCILMEMBER LEE: Is there anything worse than...

CHAIR KAMA: Members, thank you so...

COUNCILMEMBER LEE: Okay.

CHAIR KAMA: Oh.

COUNCILMEMBER LEE: I'm just wondering if --

CHAIR KAMA: It'll only get better.

COUNCILMEMBER LEE: --there's anything worse than perpetuity. Is there anything worse than perpetuity? No? Just wondering.

CHAIR KAMA: Not that I know of.

COUNCILMEMBER RAWLINS-FERNANDEZ: Well, and I think Member Paltin and my bill comp...they complement each other. So it'll work very nicely in tandem.

CHAIR KAMA: Okay. So, Members, if there are no objections to our closing public testimony, and if there's no objections, that the Committee will receive into the record any written testimony that received. Any objections? None?

COUNCILMEMBERS VOICED NO OBJECTIONS

CHAIR KAMA: So ordered. Thank you so very much.

**AH-11: AMENDMENTS TO THE RESIDENTIAL WORKFORCE HOUSING POLICY
AND AFFORDABLE HOUSING FUND**

CHAIR KAMA: Okay. So the agenda item AH-11. Okay, so let's just continue on. Thank

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you, thank you, thank you, everyone, for your testimonies. Thank you for your patience. Thank you for all your questions. And I think we're moving smoothly along today's agenda. So AH-11 is the Amendment *[sic]* to the Residential Workforce Housing Policy and Affordable Housing Fund, Number 2. So we're going to talk about Number 2. So let me see, I'm losing myself here. Sorry, people. Okay. Getting there. Okay. So AH-11, we know we have two items on the agenda, and the...only sub-item will be coming back to the Committee at a future meeting. So before us is the issue that has emerged regarding a recently approved affordable housing project. It is my intent to have our Committee take affirmative action, if Members so choose, on this request from the County Administration. At this time I'd like to call on Deputy Director Munsell to present to the Committee on the requested amendments to Section 3.35.070, the Maui County Code. So Ms. Munsell, will you please proceed?

MS. MUNSELL: Yes. Thank you, Chair. Good afternoon, Committee Members. My name is Linda Munsell, I'm the Deputy Director for the Department of Housing and Human Concerns. With me today is Buddy Almeida, he's our Housing Administrator. We are...Jessica Crouse, who did a lot of the work on this with the developers. So we're unfortunate we don't have her with us today. I have just a couple of slides. It...would it be okay if I shared my screen, Chair?

CHAIR KAMA: Sure.

MS. MUNSELL: Okay. As the...as the Chair mentioned, before you today is a proposed amendment to 3.35, Maui County Code, for your consideration. And we really do appreciate your time today, and...and appreciate you considering this. As you know, the purpose of the Affordable Housing Fund is to provide for the provision of...provision, protection, and expansion of affordable housing and suitable living environments for residents of very low to gap income. These funds can be used for a number of activities, which you're all familiar with and are outlined on this slide. But earlier this year, the Department presented information...also earlier this year, the Department presented information from the . . . *(audio interference)*. . . and they all require government assistance for their construction. The Affordable Housing Fund is one of those sources of assistance. So based on the need in our County, the Department's actually been working to try and track projects at lower...that prioritize lower AMI households, that prioritize longer affordability periods, and that leverage funds from non-County sources. Building these projects is very expensive, and the Affordable Housing Fund isn't going to do it by itself, and so we need to make sure that we are working well with other funding sources. As you know, also through the projects that were proposed and approved earlier this year, our efforts really have been fruitful. There were recently a couple of projects that included some pretty complex funding mechanisms. And those included Liloa Hale which is 117 units, that should be coming onboard here relatively soon or starting construction in the next couple of years. And then Kaiaulu O Kupuohi, which is another project you're all very familiar with. Both of these projects have quite complex funding strategies, and they have ownership structures that are different than what we are used to dealing with. And they're including funding from all kinds of sources, Federal, State, and private sources. And typically, the Affordable Housing Fund is a very small percentage of the

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overall project cost. And it only serves...it...it...well, not only, but it serves as an important role as gap funding for these projects. So I think that when 3.35 was originally enacted, the County didn't really envision projects like these with these kinds of complexities. And as we started doing more of these projects, the Department has learned that we need to build some more flexibility into Section 3.35.070 particularly in order for these projects to be successful and for us to attract and support more of these kinds of projects. The proposed amendments are...are intended to be very simple and broad, and to enable potential projects to identify what conditions they might need in order to secure additional financing, and then to bring those conditions forward for consideration and approval by Council prior to us granting a...giving a loan or a grant. And the amendment will actually benefit a number of projects that we're ultimately trying to attract here. This...this was sparked specifically by a particular project, but it's going to be adding flexibility for many projects down the road. So as we stated earlier, the proposed amendments are designed to be simple. So in Subsection A, the proposed amendment is that we are going to say "A grant or loan agreement under *[sic]*...funds must contain the following restrictions, unless otherwise approved by council." And this amendment, if it's approved, would apply to subsections...Subsection A, Conditions 1 through 5. And then in Subsection A, Condition 5, we would repeal the phrase "without prior approval of the council." So in the past, only Condition 5 could be amended with Council approval. What we're trying to do is now make this entire subsection to be available and be able to be amended by Council. I can go through each one of those Items 1 through 5 if you want. Would you like me...okay, I'll do that. So in Section A, Number 1, "Title to any real property shall be held in perpetuity by grantee/borrower unless conveyed to the County, or to a qualified nonprofit or community land trust." Number 2, "The grantee/borrower shall submit annual reports to the department documenting the progress toward implementing long-term management of the affordable housing project." Number 3, "The subject project shall not be sold, exchanged, divested, or converted to other uses that are inconsistent with the purposes set forth in this chapter without the prior approval of the council by resolution." So we're going to be striking that...that...the end of that sentence. Number 4, "In the event that the grantee/borrower dissolves or is adjudicated bankrupt pursuant to any applicable federal statute, title to any real property which has been funded or improved by a grant or loan issued from the fund shall be conveyed to the County, or to a qualified nonprofit or community land trust as approved by the council." And Number 5, "The grantee/borrower shall not distribute or redistribute grant or loan funds to other third-party organizations without the prior approval of the council." So Subsection B, the promote...posed amendment is very similar. Again, we're...we would like to say "Unless otherwise approved by council, loans from the fund shall." And then the amendment, if approved, would apply to Subsection B, Conditions 1 through 5 as well. And these conditions are one, "Be secured by a first mortgage lien in favor of the County, or, subject to council approval, be secured by a second mortgage lien in favor of the County." Two, "Have a term set by the director." Three, "Require the borrower to execute a promissory note in favor of the County." Four, "Include an interest rate set at 3 percent per annum." And five, "Be recorded with the bureau of conveyances or the land court of the state." So the...again, the whole idea is here to just build a little bit of flexibility into this section of the Code. Again, any change from those

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sections would be brought to Council for approval. It would not...it's not necessarily at the...the discretion of the Director, which you sometimes do see, but would actually create a situation where we would be more able to work with the other alternate funding sources and make our...our County much more competitive in the field for loans or from...funding from other sources. And that's all of our presentation today. We're here obviously to answer questions and for your discussion. And I'll stop sharing this. There you are. Thank you. Really appreciate your time and your consideration today.

CHAIR KAMA: Thank you for that presentation, Ms. Munsell. Chair King, you have questions?

COUNCILMEMBER KING: I think you mean Chair Lee.

CHAIR KAMA: Yes, Ms. Lee.

COUNCILMEMBER LEE: And don't tell...and don't say we look alike, we don't look alike.

CHAIR KAMA: No, you're just sitting next to each other on my screen.

COUNCILMEMBER LEE: Oh, oh, okay. Thank you, Madam Chair. Deputy Director, I was wondering, can you give us specific examples of why you feel the...why you're proposing these changes? What...what's come up that requires you to...to have more flexibility?

MS. MUNSELL: Thank...thank you, Chair, I appreciate the...the question. There's a couple of things that have come up recently. Often these projects are using LIHTC funding, for instance. And, you know, LIHTC funding, those are tax credits. In order for the tax credits to be valuable, the project is usually a partnership or a limited partnership between a for-profit entity which needs the tax credits and a nonprofit entity. So in the case of the situation we currently have here, we have a nonprofit that has applied for affordable housing funds, and those are going to be granted or redistributed to another...to the entity, to the limited partnership that is actually going to build this project. Maybe this would be a place where Mr. Bigley or Mimi might be very helpful because they know the technical requirements of these things. So that's the first one. The...the other one that I'm familiar with is also the...under B, Number 1, the lien position of the County with these projects. Often, because we've got Federal funds and State funds in there too, as well as bonds and other things, the lien position becomes very important in the event of something...something occurring. And our requiring that we have to be either in first or second place makes those other funding sources uncomfortable, and it limits our ability to use those sources. I'll let Mimi or Mr. Bigley perhaps assist as well.

MS. DESJARDINS: Chair, can I interject something real quickly?

CHAIR KAMA: Absolutely. Yes.

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MS. DESJARDINS: Thank you. So after posting of this proposal, I noticed two things that need to be quickly amended, and I wanted to bring to everyone's attention before the conversation...much further. In the proposal that you have before you, if you look at Number 1, A(1), there's a couple of words that are left out after "real property." It should say "Title to any real property shall be held in perpetuity." And the reason why...well, it should have been put in there. But also that "shall" should be in brackets and replaced with "must" to be consistent with the rest of the language where as you can see, the "shalls" are being changed out. And the second thing that I wanted to point out is that if you look at Section 2, Letter B, it says "Unless otherwise approved by counsel." It should be council, C-O-U-N-C-I-L, which would you be folks, and not C-O-U-N-S-E-L. Other than that, I don't have any other changes. I apologize for not catching those before posting. I agree with everything that Linda just said. I think that one of the reasons why this is on the agenda today is because time is of the essence in moving this amendment through so that we can accommodate, for example, Kaiaulu O Kupuohi, the Star Noodle project. And Mr. Bigley is here on the line. In the discussion of the financing and the bonding of that project is where we realized that it would be not only to the benefit of the Council to have some flexibility in these elements. You may choose to make changes or not. But in order for certain projects to be able to move forward, given their financial structure, we did need to have some flexibility in this ordinance. If this is passed, then you will see a resolution coming through specifically on Kaiaulu O Kupuohi to accommodate some of the discussion that we have that isn't going to fit under the current language of this proposal. Thank you.

COUNCILMEMBER LEE: Madam Chair, I guess we need to hear from Mr. Bigley.

MR. BIGLEY: Can you hear me now?

CHAIR KAMA: Okay. So Doug, do you want to explain to our Council what's going on with...

MR. BIGLEY: Yeah.

CHAIR KAMA: Thank you.

MR. BIGLEY: Yeah, I'll...well, let me...I want to bring it a little bit broader, and then I...we can certainly talk about the specific project. But I think the way this has been characterized by Linda is correct, is that this isn't anything specific. And if you attract more bond transactions, what we're running into should be the same for everyone who runs into the difficulty that we're...we're encountering. And I want to just preface it again with a couple of things. Number one is the...Linda mentioned that your leverage, compared to other funding sources, you know, is typically...hopefully lower, right? I mean, you...the goal, I guess, of...that should be of the County, right, is to put in the least amount of money and get the largest project they can get. I mean, that's...that's really what you're trying to do. You know, they often say that, you know, you really don't want to be the tail of the dog, but I think in this instance, you kind of do because you want to attract as many, again, other sources that you can. Well, this is not an uncommon occurrence with a lot of groups that...that we do

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business with, is that because we might have several layers of financing that are involved, and everyone has conditions that have to be met. And the issue that we typically run into, as we have here, is that everybody's vying for the same conditions, right? And I'm going to give one example that hasn't affected us yet, but...but because it's the easiest one I think to understand is, like in your loan section, you indicate that you need to be in second position. Well, you have HHFDC that they want to be in second position because...and they have regulatory reasons at the State level. And they're willing to put in the money, but they need second position for a couple of reasons. One has to do with loan-to-value issues that they have at...at the State level, and just various other things. So what we typically find is that at the...that as it's been described, the more flexibility you can kind of provide in your funding source, the more resources that you can attract. That's why like they're indicating what's the broadest kind of fix at the moment that you can do, and it's typically using the Code to define, boy, if you do everything in this box, you don't have to come to Council. And...and that's going to save you a lot of time. But if you can't get there, you've got to go to Council. And...and I think that's kind of what they're, you know, try...the...the resolution that they're trying to get to. You'd like a perfect situation where you wouldn't ever have to come to Council, but I just don't think it's a reality because these projects are getting bigger, and they're getting more complex. As far as our deal is concerned is that when...when we put in a bank that's, you know, might be putting in \$20 million, or HHFDC, I think this one is putting in 17, whatever their number is, they're going to want that land sitting in the LP. And their...and if...and if we don't perform or something happens, they want to have rights. And so to say that well, you can't transfer land is one that we've, you know, that we're...we've encountered. There's one Code section in here that says...the one where if it goes into bankruptcy, they're going to tell you...I think the Code is pretty specific here that what the grantee or borrower dissolves or is adjudicated bankruptcy pursuant to any...you know, it tells you specifically what you want it...that...what you can and can't do. Well, your first lender is going to want to have rights. And even though this section may not be enforceable, you're still not going to get a first lender to want to sign off on that. So there's just provisions within this Code that aren't...we aren't able to achieve with these other funding sources. And every funding source is different. Like if you use RDA, it's different. So it's hard to legislate a funding source very tightly. Yeah. I mean, at the local level, you want to be as flexible as you can with the goal again of being...of having to attract or being able to attract as many, you know, participants as you possibly can get. So that's why we're trying to...and this is what...like I said, this is not going to be unique to other people who are going to seek financing from the County. They're just going to run into this with bonds.

CHAIR KAMA: Okay. Was that helpful, Members? Or does anyone have questions for either Linda or Mr. Bigley? Mr. Molina? Yes, sir?

VICE-CHAIR MOLINA: Thank you, Madam Chair. My question is for Director Munsell, the proposed amendment. Under Section 3.35.070, the underscored saying "unless otherwise approved by council" which the amendment was read out earlier. Under A, Number 1, it says, "Title to any real property...held in perpetuity by the *[sic]* grantee/borrower unless conveyed to the County, or to a qualified nonprofit or

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community land trust” for me would generate some questions. Because oftentimes, you know, when we’re reviewing affordable housing projects, the developer has not acquired the land. So does this mean the grantee or the borrower cannot receive the loan or grant of affordable housing funds until the property has been transferred to them?

MS. MUNSELL: Thank you for the question, Mr. Molina. I think I’ll defer that one to Corporation Counsel.

MS. DESJARDINS: Yeah. Member Molina, can you restate your question? I’m...I’m trying to follow it here, but I’m...I’m sorry, I lost you at the very end there.

VICE-CHAIR MOLINA: Okay. Again, under A where it...Number 1 where it says “Title to any real property...held in perpetuity by the grantee/borrower unless conveyed to the County, or to a qualified nonprofit or community land trust” for me generates some questions. Because when we review affordable housing projects, the developer sometimes has not acquired the land. So does this mean the grantee and /borrower cannot receive the loan or grant of affordable housing funds until the property has been transferred to them?

MS. DESJARDINS: Well, the way that this scheme works is that is initially, unless otherwise...you know, well, this is one’s not otherwise approved by Council right now. It just simply says “it shall be held in perpetuity by the grantee/borrower” and that would be the person who applied for the grant or the loan to the Affordable Housing Fund, that they have to hold it in perpetuity unless it’s conveyed to the County for some reason they cannot hold it in perpetuity or to a qualified nonprofit community land trust. So that would be, again, one of the elements that I think some flexibility would allow more developments to be able to come forward and RFP for these funds if they knew that the Council at least had the discretion to perhaps amend that condition. Right now, it’s not amendable without that additional language.

VICE-CHAIR MOLINA: And then so if the property is to be held in perpetuity by the grantee or the borrower, so does this mean that affordable housing for-sale projects, which transfers ownership, does not qualify for affordable housing funds because the grantee or the borrower is not holding the title to the property in perpetuity?

MS. DESJARDINS: Well, strictly speaking, that’s what it says. If you want to apply for affordable housing funds, that is one of the requirements in order to do that, yes. So I don’t really have a comment on whether that’s been occurring or, you know, what’s been happening with that, but right now, without the catchall “otherwise approved by council” that’s what’s...that’s what the law states, yes.

VICE-CHAIR MOLINA: Okay, thank you. Madam Chair, I just have another question for Director Munsell. Because there are a number of references to borrower in this section, does...so the Department does loan out affordable housing funds? Because I...I assumed it was just given out as grants. So if...Director Munsell, so do you have some examples of loans of the affordable housing funds to developers? And if you can

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also outline any repayment requirements for these projects that receive these funds as loans. Do you have that information for us?

MS. MUNSELL: Thank...yeah. Thank...thank you for the question. In the past, we have generally given out just grants, depending on the kind of project that it is. So Habitat for Humanity generally receives grants from us, and projects like that. But in these more complex funding projects, they sometimes need these to be loans because that increases their basis for getting funds through the State and other places. And again, I'm not a financial expert on how these...these things are structured. Again, Mr. Bigley would be able to actually tell you how that works. But sometimes they actually want a loan from us. One of the things in here, just to point out also, is in our Code, we require a 3 percent interest rate. Well, right now, interest rates are very low, and 3 percent is not...is not a reasonable amount to actually ask for. But Mr. Bigley could actually talk to you about the structure if you're interested in...in that.

VICE-CHAIR MOLINA: Yeah. Madam Chair, if you'll allow that? I'd like to hear that.

CHAIR KAMA: Absolutely. Absolutely. Mr. Bigley?

MR. BIGLEY: Yes. Hi. First...first, those were two excellent questions. I didn't anticipate that those would come up because I do think for the home buying program that would be an issue. But for our program, Linda really touched on it, the...we can...under...under the way this Section B is written, I have to...I had to...we had to avoid this section because we knew that we can't take a second position. We...we really had to structure around the...I think the best position, by way of example, and Linda again touched on this is it's better for us, oddly enough, for you to loan the money. And it's probably better for you to loan the money. But I can't take it the way it's structured in this Code. It would have to take a subordinate position, and it would have to...likely have a lower rate because we have what we call true debt tests, and it gets complicated. And if I put a grant into the LP, it creates phantom income. Because if you want grant me it right into the LP, I'll have \$6.8 million worth of income that I have to pass through with no money. So ultimately, what this would provide if...if you see yourselves clear to allow for the flexibility, I think going forward, you would find that your agency will be more inclined to make loans directly to...at least your goal, I think, should be to make loans directly to the LP that owns the property. So we're...we're structured a little bit differently here because of the way we had to take the money in originally, but I think going forward, the amendment is going to help you get more people to...to want to go the loan route.

VICE-CHAIR MOLINA: Okay. Well, thank you very much for your insight, Mr. Bigley. Madam Chair, I have more questions on another part of the proposal, but I'll...I'll yield the floor for questions from my colleagues. Thank you.

CHAIR KAMA: Thank you, Mr. Molina. I do...did I see...okay, very good. Ms. Rawlins-Fernandez, question?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. I wanted to dovetail off of

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Member Molina's question. Mr. Bigley or...or maybe Deputy Director Munsell, so we're talking about loans right now. And I'm...I'm wondering why we would make loans from the Affordable Housing Fund, and not through another fund? Like there's nothing stopping us from using funds outside the Affordable Housing Fund.

MS. MUNSELL: Yeah. Thank you for the question. I...I guess we could come to Council and ask for funding from the General Fund. There's also the Experimental and Demonstration Fund. There's about a million dollars in there. But again, the funds are very restricted. But yes, it's true, we could come to Council with one of these projects and ask for funding from the General Fund.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo for that clarification. So I...it just...this discussion is making it appear that we are pigeonholed to only offering loans through the Affordable Housing Fund, when that's not the...the reality. I just...I wanted to open up that discussion that if we're discussing providing loans, that it doesn't need to come out of the Affordable Housing Fund, it can come out of General Fund. Mahalo, Deputy Director. Mahalo, Char.

CHAIR KAMA: You're welcome. Thank you. Members, any other questions? Yes, Mr. Sinenci.

COUNCILMEMBER SINENCI: Yeah, thank you. So this question was for Mr. Bigley. So it looks like this is specific to the Kupuohi project. So I just need to refresh my memory again. How much was the County...I know you were bringing a lot of outside funding to...to help complete the project, but what was the County's part of the...the...the payment?

MR. BIGLEY: The County...the County's...

COUNCILMEMBER SINENCI: What was the County...

MR. BIGLEY: The County...don't hold me to the exact number, but I think it was around 6.8. And of that, about a million, you know, and a half was coming back to the County. So it was probably net five-something. Oh, it was 6.3...6.380, less about a million five.

COUNCILMEMBER SINENCI: Okay. So...and...and I'm just trying to...sorry, I apologize, I'm just trying to --

MR. BIGLEY: No, no, it's okay.

COUNCILMEMBER SINENCI: --wrap my head around it. So what...what are some of the specific is keeping Ikaika Ohana from...from accessing those funds?

MR. BIGLEY: I think the...the way you hold title is one item. The...so that's A(1). A(3), A(4), that's...that's...that's...those three items, A(1), A(3), A(4). And...and the reason is because all of the other participants...what...what happens is they look at the land and the...you know, and the buildings the same way. So when I'm using...when

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they're lien against the property when I get my loan, like I take a loan with HHFDC or I take a loan with, you know, a third-party lender. When they're putting in the loan, you know, if...if...if we fail to perform or for whatever reason, if something doesn't happen, they have collateral. But this makes collateral murky for them. Do...do...do you see what I'm saying? Because it's...it's...it's holding onto the land in a way that they're going to be...they're very uncomfortable with. Now, the other thing to remember is that...and I don't want to get too far beyond this, but, you know, we do 2.96, right, we comply with also 2.96. And I'm not sure whether there's a rub there or not. I haven't really figured that one out. But what we normally do is we do this...I like 2.96 in that I have a recordable document. So I tell...I'm telling the lender on title exactly what his rights and obligations...you know, what his rights are to the property should certain things not happen. And so that's why...so we...when we do 2.96, we've addressed kind of one, you know, three and four kind of in 2.96. But because this Code...or this municipal Code section lives outside of 2.96, it kind of subverts what we've done in 2.96. See what I'm saying? So it's kind of like we...the first time we came to you guys with...with the...you know, with our affordable housing agreement, we worked through all these issues. And then when we got into, you know, this other one, we went huh. Well, now that's...you know, that's contrary to what we just did in 2.96. You know what I mean? So there...that's what the...part of the problem is.

COUNCILMEMBER SINENCI: Mahalo for that explanation. Thank you, Chair.

MR. BIGLEY: No problem. Thank you.

COUNCILMEMBER KING: Chair, you're muted. I can't tell if you're calling on me or not.

CHAIR KAMA: I'm sorry. I recognized you, Ms. King, and then Ms. Sugimura after.

COUNCILMEMBER KING: Thank you. I thought you did, but I couldn't hear. Well, aloha, Mr. Bigley. So good to see you here. Thank you for --

MR. BIGLEY: Yeah.

COUNCILMEMBER KING: --everything you've done, and especially for the first low-income housing here in North Kihei. I...I...I kind of understand everything you're saying except for A(3). I don't understand how that would be an issue for you, the fact that you need to...that it says that "The...project must not be sold, exchanged, divested, or converted to other uses that are inconsistent with the purposes set forth in this chapter." So can you kind of explain to me when you would need that, you know, a condition that would change that by the Council?

MR. BIGLEY: The...no, I...I think what I'm referring to is anything in my mind that would affect like a taking, you know, if...from a lender's perspective. You know, none of this bothers me. But, you know, a lender is going to say, you know, I'm going to...if I foreclose, what are my rights? You know, that's the first thing they're going to go, I...I don't know what my rights are. You know, they're going to lay out their own conditions upon which if you fail to do these things. Now, I want to say these are

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remote, okay, just to be clear. Because, you know, I'm not focused on them because I think, you know, they're going to be prevalent with you --

COUNCILMEMBER KING: So...

MR. BIGLEY: --especially in this affordable housing arena.

COUNCILMEMBER KING: Okay.

MR. BIGLEY: But...

COUNCILMEMBER KING: Well, to be clear, so you're saying that you're...you wouldn't be asking necessarily for a waiver from that, but you're saying just having that phrase "unless otherwise approved by the council" gives lenders a little more comfort level with lending?

MR. BIGLEY: I...I...I think so, but I don't know. I'll be...clearly, we're going to have to come back to you, right, because that's what this says. I mean, what we provide in that...so my...my guess is...is one of the things we're going to do, you know, first out is...let me just...we're going to first of all not waiver three, we might...we're going to put the property into the LP. So that's going to be a transfer that's going to occur. It's already existing in the LP, right? So...but what I was going to suggest here is that...and this is what Linda and we have talked about is that we'll have to be specific as to not just a waiver, but we're going to tell you what's happening. Like we're going to say, we're going to...the property is going to be in the LP, and the...and the grantee is going to be the nonprofit. So we'll...we'll build that path for you. I think...and the only reason I say this is because for today, it gives you the flexibility for me to now bring the affordable...you know, the affordable housing agreement's been done, right? And you can kind of look at that. And if it's deficient, then we can deal with that at the County level. In other words, you're going to be looking at our affordable housing agreement in that context now.

COUNCILMEMBER KING: Okay.

MR. BIGLEY: Does that make sense? Does that make sense to you? Because it says...like I'm saying the first thing, right...right away, I'm saying the property is going to be held in the LP. Well, that would be inconsistent with this Code section.

COUNCILMEMBER KING: Well, it...it wouldn't be inconsistent with the purposes set forth in this chapter, right? I mean, the...the...the end purpose is still affordable housing, to create this affordable housing.

MR. BIGLEY: Okay. "The subject project shall not be sold, exchanged, diverted *[sic]*, or converted to other uses that are inconsistent"...well yeah, set forth...yeah okay, so you might get around this one.

COUNCILMEMBER KING: Yeah.

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MR. BIGLEY: Without...

COUNCILMEMBER KING: So you wouldn't...

MS. DESJARDINS: Chair, can I...

COUNCILMEMBER KING: You wouldn't be doing...

MS. DESJARDINS: Can I...

COUNCILMEMBER KING: You wouldn't be doing that anyway. Can I finish, Ms. DesJardins? So you wouldn't be doing --

MS. DESJARDINS: Absolutely.

COUNCILMEMBER KING: --that anyway, but I guess what I'm trying to ascertain is the fact that this whole section is...is preceded with that phrase "unless otherwise approved by the council." That's the part that gives lenders the...a higher comfort level to lend you money for these projects?

MR. BIGLEY: Well, no, it gives you the ability...I think without changing the --

COUNCILMEMBER KING: Are you saying...

MR. BIGLEY: --without changing the Code. Pardon me?

COUNCILMEMBER KING: Okay. So you would actually need to change some of these things --

CHAIR KAMA: Yes.

COUNCILMEMBER KING: --for your projects in order to get those loans --

CHAIR KAMA: Yes.

COUNCILMEMBER KING: --is what you're saying?

CHAIR KAMA: Correct. Yes.

COUNCILMEMBER KING: Not...not the fact that you...

MR. BIGLEY: That's...yes, that's...that is correct. We would need to show the lender what the path is.

COUNCILMEMBER KING: Okay.

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MR. BIGLEY: Just like we'll...but we'll show both of you the same document. You see what I'm saying?

COUNCILMEMBER KING: Okay. No, I understand that, I just was wondering why we would need to change Number 3 because I would...

MR. BIGLEY: You might be...three...three, you might be absolutely correct on. That, you know, I'll be honest with you, your...your...you know, like we all have an expertise, and some of this legalese is not in my purview. I...I don't like the words, you know, "must" and "shalls" I'll tell you that. But, but we might be fine on three. You might be absolutely correct, three could...we could be fine and nobody would mention anything. So, you know, but we will have issues here --

COUNCILMEMBER KING: Yeah, no, I just --

MR. BIGLEY: --you know.

COUNCILMEMBER KING: --brought it up because that was one of the ones you said...

MR. BIGLEY: No, you're right. You're right.

COUNCILMEMBER KING: Okay.

MR. BIGLEY: You're right.

COUNCILMEMBER KING: Okay.

MR. BIGLEY: No, you're correct.

COUNCILMEMBER KING: Okay.

MR. BIGLEY: We...because I didn't catch the part...I didn't catch the part where you said...where you're saying, you know, "not be sold, exchanged, diverted [sic]...for uses other [sic] than [sic] inconsistent" that's true. Because we're not going to be inconsistent with the...so you probably get around that. Yeah.

COUNCILMEMBER KING: Right. Okay. Okay. Well, that was...that was my main concern just because you mentioned that one. But you know, like I told you when we...when I...we first met is once you get this project done, now you have a track record. So, you know, I'm inclined to...to support your opinion because I've seen what you can do. And you came in with the project you said you were going to come in with, addressing the very lowest income and ahead of schedule. So, you know, I have a great appreciation and admiration for what you've been doing in our County. So I just wanted to say that and thank you again.

MR. BIGLEY: Well, thank you. And you...you guys have been great too. And...and just to reiterate one point is that I think ultimately, you'll want this flexibility because the

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complicated and the sophistications of these projects will grow for you. Because we're the...kind of the first...in some ways, kind of the first in on some of this stuff, but there'll many people...you know, we live...this is a very capitalistic world, and the island will become more attractive. And so you're going to see a lot more complicated projects, and you're going to want to be...have the flexibility to maneuver through the complicated structures that you're going to see. You haven't even begun probably to...see, they get more complicated than this by far. So, you know, it would be --

COUNCILMEMBER KING: Okay.

MR. BIGLEY: --helpful to probably nip it now.

COUNCILMEMBER KING: Okay. Thank you.

MR. BIGLEY: Thank you.

CHAIR KAMA: So I think, Ms. Sugimura --

COUNCILMEMBER SUGIMURA: Yes.

CHAIR KAMA: --did you have a question?

COUNCILMEMBER SUGIMURA: Thank you...thank you, Chair. So I think the Department was really smart to bring Mr. Bigley to testify all...why all of this make sense. So Mr. Bigley, based upon your experience, you certainly are very good at networking and bringing funds together to let the County have the smallest affordable housing share or...or pot. And you brought just millions of dollars from HHFDC and others. So in your professional opinion that this was...this is important so more people can be like you and open doors for other funding sources. And can you make a comment about that?

MR. BIGLEY: Yeah. And that's kind of what I...I was alluding to kind of earlier. My guess is that you'll...that the number of applicants will...will grow. Because, you know, some of the reasons people steer clear of some of this stuff is because rather than going in and trying to, you know, to get the fix on the legislative side, they just say, well, I'll put it together some other way. And...but what they don't realize is without the local funding, you don't score at the State level very well. So you want to put these funds out and...and, you know, people want to take them. But I'm just saying I think that your...you should see your application rise. And I...we...you know, we have some of what I said was the first mover advantage, but I guarantee you, people will see the stuff coming up, and the next thing you're going to see, there'll be more people saying, okay, how did it get done. Then they're going to grab our applications, and everybody else and they're going to read them. And they're going to say, oh, well, I could do that, you know. We see...we see that already happening, actually. So it will...it'll increase the amount of business, it should.

COUNCILMEMBER SUGIMURA: So one last question then.

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MR. BIGLEY: Sure.

COUNCILMEMBER SUGIMURA: Well, it...it...the...without doing these changes, you were able to achieve what you achieved. So what do you think we need to do to open more doors? Or I...I...I guess...I guess I'm wondering, you were able to do it, so why should we do this?

MR. BIGLEY: Yeah, that's a good question. When we did Kaiwahine, we used HOME funds and we used HTF funds for that. And so...and...and let me...I can probably put it to you another way too. If every single dollar in your Affordable Housing Fund isn't committed somewhere, then that's kind of an indication that you look at it and you say, what more can I do to get those funds out because the key is to keep the funds rolling. You know, Maui has a real strategic advantage here because some of the other islands don't have a fund to tap into, the...the...the uniqueness of the Affordable Housing Fund. You know, I think Oahu has various pots, but the uniqueness on the outer islands of having this fund available. So the more...again it's a point scoring situation. So again, to the more you can deploy it, we...we won't be able to do...this is a good example of one that if we don't have some relief, we wouldn't be able to do it, and the people behind us won't be able to do it either. And there's better structures. And the last thing I...I kind of mentioned to you before is there are better structures. If you provide yourself the flexibility here, I think you're going to see better structures come through your door. Because we'll do it...we...we...we would even probably do it in kind of a different way, so.

COUNCILMEMBER SUGIMURA: Okay. So actually, what you're helping us do is match up the Affordable Housing Fund and the Code so that we can be more creative and more flexible and...and we can rock and roll and be...be like a Bigley.

MR. BIGLEY: I...I...I think that's...I think that's right because what I'm saying is, you know, when I use HHFDC, you know, and when I use rental housing revolving funds, you know, that's a big pot, but with less flexibility. So, you know, do I go to HHFDC and I'd say get...you know, you have to get more flexible to use the County's money, or do I come and beg you guys to say, can I get some flexibility so I can tap that money? You know what I mean, it...it's...it's really --

COUNCILMEMBER SUGIMURA: Wow.

MR. BIGLEY: --hard to...it's easier to go to the local communities because they're more focused on their...you know, what they're trying to do. They're trying to leverage up, you know what I mean?

COUNCILMEMBER SUGIMURA: Okay.

MR. BIGLEY: So --

COUNCILMEMBER SUGIMURA: Well --

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MR. BIGLEY: --there you go.

COUNCILMEMBER SUGIMURA: --thank you, Mr. Bigley, for being --

MR. BIGLEY: No.

COUNCILMEMBER SUGIMURA: --the best example as to why we need to do this.

MR. BIGLEY: Yes.

COUNCILMEMBER SUGIMURA: Chair, thank you for allowing me.

CHAIR KAMA: Yeah.

MR. BIGLEY: Thank you.

CHAIR KAMA: Thank you. Okay. So I think Tamara Paltin, and I think after her, Mr. Molina, again we're back at you. So go ahead, Ms. Paltin.

COUNCILMEMBER PALTIN: Thank you, Chair. I just wanted to correct the record. The Department didn't invite Mr. Bigley, I invited them this morning because, you know, we're tight like that. And he explained it to me, and I thought that everybody would benefit from his explanation to you. So you're welcome.

CHAIR KAMA: Thank you. So Mr. Molina, question?

VICE-CHAIR MOLINA: Yeah, thank you much. Madam Chair, if you'll indulge me, this is related to Section 3.35.060. Although it's not part of the proposed bill, but it does talk about grant or loan proposals. Subsection B states "Grant or loan proposals shall meet the following criteria for approval:" and it goes down to say, under Number 3 "Demonstrate that the subject project */sic/* directly advances the objective of providing affordable housing in perpetuity." So this subsection appears to be saying that we can only give Affordable Housing Fund revenue to projects that are providing affordable housing in perpetuity. That's the way I interpret it. Now if this is the case, it appears that we've been granting affordable housing funds to a lot of projects that are not providing affordable housing in perpetuity. So can I...am I correct in saying that? Can I get a comment back from either Director Munsell or Corporation Counsel DesJardins?

MS. DESJARDINS: Okay, thank you. Chair, if you want me to respond or, Ms. Munsell, did you want to respond?

CHAIR KAMA: Either one.

MS. DESJARDINS: Okay. Well, I can just tell you that's what the...that's what the law says. I don't, you know, I don't know what you've been doing in the past. I know this project

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is not in perpetuity. It's being...not being held in perpetuity. I do know that. So that's about as far as I can really comment on it. I don't know if Ms. Munsell has any other comments that she can provide as far as things that come out of the Affordable Housing Fund.

CHAIR KAMA: Ms. Munsell? Go ahead, Linda.

MS. MUNSELL: Thank you...thank you for the question. So I have not managed the Affordable Housing Fund for very long. I've only seen a number of...of these projects come through. And a lot...and most of them are not held in perpetuity. Obviously, a for-sale project isn't going to be held in perpetuity. There have been a lot of discussions about perpetuity. And I think that that section of the law is going to need to be addressed in some way. How projects have gotten approved through former...previous Councils, I'm not sure, but they do come to this Council to be approved. So that's something we'll have to address.

VICE-CHAIR MOLINA: Yeah. Thank you for those responses. Because I'm just wondering, maybe there's an inconsistency here with this subsection that we may need to consider adjusting. So if we do...if it isn't the intent to give affordable housing funds for projects that are not in perpetuity. And I'm sorry to bring it up, it's just something we may have to really review. Because the way it states then, you know, we cannot...based on what's written here, we're not supposed to be giving affordable housing funds for projects that are not in perpetuity. So anyway, some food for thought for consideration. Thank you, Madam Chair.

MS. MUNSELL: Yeah, thank you, Mr. Molina. If...if you wouldn't...would it...just indulge us for just a minute. I think Mr. Almeida has been overseeing this fund for a long time, and maybe he can --

CHAIR KAMA: Okay.

MS. MUNSELL: --add to the conversation here.

CHAIR KAMA: Go ahead.

MR. ALMEIDA: Good afternoon, Chair, Committee Members. Buddy Almeida, Housing Administrator. There has been confusion with regards to 3.35 and the affordability periods. There is a specific section in 3.35 that outlines the terms in which we follow 2.96 in granting these funds. And that's how it has been done in the past and viewed by previous Councils. For consideration, I mean point being if this was to be held in perpetuity, all projects funded through the Affordable Housing Fund, Mr. Bigley's project couldn't be done because he can't commit to that. As Habitat for Humanity can't. Na Hale O Maui wouldn't even be able to if you wanted to do it at 80 percent and below because they service 80 percent to 120. So there's lots of things to be considered when you're looking at perpetuity. You're basically going to be hurting all the sources that look to come to us for the funding. So just something to consider when we discuss this going forward. But I appreciate the question and the discussion.

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Thank you.

CHAIR KAMA: So is that all, Mr. Molina?

VICE-CHAIR MOLINA: Yeah, for now.

CHAIR KAMA: Okay. Okay.

VICE-CHAIR MOLINA: Thank you though.

CHAIR KAMA: Ms. Lee, and then I think Ms. Rawlins-Fernandez.

COUNCILMEMBER LEE: Madam Chair, all we have to do is have Corp. Counsel make the proper revisions to the Code and so we can deal with this. Because I don't think anyone wants to require funding to be...I mean, for affordable housing only for units in perpetuity. And I don't think there was any intent on prior Councils when they approved the funding. You know, the Council would be the final culprit because the Council approves the funding. And that funding source didn't start until 2007 or 2008. I was no longer the Housing Director, but I do know before I left that that matter was being proposed, and it did pass. And that was proposed by Member Molina. So over the years, I think...I think nobody really thought about the conflict. And so many...much of the housing funds actually went to Hale Mahaolu and those types of projects, the very low income projects. And I don't believe too many...too much of that funding went to anyone that wasn't a nonprofit. Just lately, only lately has...have projects come up that are by...by private, you know, private companies such as...as Bigley. Before it was strict...pretty much all nonprofits, and they dealt with special needs or the elderly or the homeless, et cetera. So, you know, if that mistake was going on for a few years, I...I think now is the time that we found it, and we should fix it. Yeah. Thank you.

CHAIR KAMA: I agree. Thank you. Ms. Rawlins-Fernandez?

MS. DESJARDINS: But Chair, can I comment please? I'm sorry.

CHAIR KAMA: Oh, yes --

MS. DESJARDINS: Can I say something real quick?

CHAIR KAMA: --Ms. DesJardins. Yes.

MS. DESJARDINS: Thank you. You know, so in response to Member Molina's concern, when we were looking at this amendment, the in-perpetuity section wasn't really the main focus of what we were concerned about. But he's absolutely right, that we would have to introduce some type of an amendment to 3.35.060 as well because that...those are mandated criteria for loans. It would be a similar fix subject to approval by Council otherwise or something to that effect. We can't do it today, obviously. We have to reagentize.

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CHAIR KAMA: Obviously, right.

MS. DESJARDINS: If you folks were --

CHAIR KAMA: Okay.

MS. DESJARDINS: --to consider this today, we could follow up quickly with an amendment to that section as well. Thank you.

CHAIR KAMA: Thank you. Ms. Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. I...I...I do support perpetuity. So just...just in case anyone was wondering if like it was just consensus that, you know, no one here doesn't support in perpetuity, because I do. And I...I've been bringing this conflict up this whole term. And I did discuss it with Deputy Director Munsell myself, and I did discuss it with Corporation Counsel. So I don't think it's...I think it's kind of disingenuous to come today and pretend to be shocked about it. Because this is something that...I...and, you know, I mean this is my first term, and I just got here and was made aware of it and did have those discussions. So I think, you know, like everyone needs to just kind of be upfront about it. Like they knew about it. They knew that we were going against this provision in...in our Code all along. So I...I just...I...I don't think that's right of us to make those kinds of, you know, appearances to the public, like that was something that was known all along. Mahalo, Chair.

CHAIR KAMA: You're welcome. Any other questions for either Ms. Munsell or...or Mimi or anyone else? Okay. So if we could get to the...the work at hand. And as was mentioned previously, we just talked about a whole lot of things, but the issue at hand was to take care of the amendments to 3.35.070. And maybe for another day, we can have that longer discussion around perpetuity. I don't...I'm not afraid of that word. I don't like it, but I...I'm not afraid of it, and I think we should discuss it if that's what we want to do. And it'll come up again, I'm sure it will. So Members, if you have no other...further questions regarding this issue, I would like to...I would like to recommend, or at least entertain a motion to recommend approval of the proposed bill as submitted into the record today.

COUNCILMEMBER SUGIMURA: So move.

CHAIR KAMA: Or not. Yes, Ms. Sugimura?

COUNCILMEMBER SUGIMURA: So...so I think Mimi...Mimi DesJardins also had some amendments to this, the...on A(1), title or...to any real property shall be...in paren...or must be held in perpetuity. And then on 2(B) the word "council" is spelled wrong. I think those were the two, correct? Is that correct, Mimi?

CHAIR KAMA: Mimi?

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MS. DESJARDINS: That's correct.

CHAIR KAMA: Do you have all those amendments?

MS. DESJARDINS: Yes. We already have them ready if you so choose to pass this.

COUNCILMEMBER SUGIMURA: Yeah, yeah.

CHAIR KAMA: Okay.

COUNCILMEMBER SUGIMURA: Let's...let's correct it.

CHAIR KAMA: Okay. So Members...

COUNCILMEMBER SUGIMURA: So move with amendments.

CHAIR KAMA: Okay. So there's a motion on the floor to approve the...to recommend approving of the Bill for an Ordinance Amending Section 3.35. Is there a seven *[sic]*? Is there a second, I should say.

VICE-CHAIR MOLINA: Second.

CHAIR KAMA: Thank you. It's been moved and seconded to amend the Bill for an Ordinance Amending Section 3.35.070, the Maui County Code. Any discussion? Yes, Ms. Lee?

COUNCILMEMBER LEE: So Corp. Counsel --

CHAIR KAMA: Mimi.

COUNCILMEMBER LEE: --doesn't this --

MS. DESJARDINS: Yes.

COUNCILMEMBER LEE: --conflict with the Chapter 3, which requires perpetuity with regard to loans?

MS. DESJARDINS: Yes. So my --

COUNCILMEMBER LEE: I mean, with regard to --

MS. DESJARDINS: --suggestion was...

COUNCILMEMBER LEE: --grants?

MS. DESJARDINS: Yeah. My suggestion was under 3.35.060 that we would have to transmit to Committee an amendment to that section similar to the one that Housing

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suggested --

COUNCILMEMBER LEE: Okay. So...

MS. DESJARDINS: --today.

COUNCILMEMBER LEE: Okay. So what would happen today is we can proceed with passing this bill, and then work on Chapter 3?

MS. DESJARDINS: Right.

COUNCILMEMBER LEE: To amend Chapter 3.

MS. DESJARDINS: The --

COUNCILMEMBER LEE: Is that the idea?

MS. DESJARDINS: --3.35.060. Yes. Yes.

CHAIR KAMA: Six zero.

MS. DESJARDINS: Zero six zero.

COUNCILMEMBER LEE: Yeah, Chapter 3, right?

UNIDENTIFIED SPEAKER: Yeah.

MS. DESJARDINS: Yes.

COUNCILMEMBER LEE: Okay. So...all right. Just...just...just so that everybody knows that there's, like, we're moving on a conflict, an existing conflict to be remedied at a future point. Is...that's the plan?

MS. DESJARDINS: Well, there's two conflicts.

CHAIR KAMA: Could we...Mimi...

MS. DESJARDINS: There's a conflict in what is being...there's a conflict in what is on the table today, the conflict being that we're unable to move forward, particularly with one project that you folks have already granted funding to. The second conflict, which was pointed out by Member Molina, is that 060 needs to also be amended to not conflict with 070. If...the in-perpetuity language --

COUNCILMEMBER LEE: Okay.

MS. DESJARDINS: --needs to be addressed.

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COUNCILMEMBER LEE: Okay, okay. Okay. But --

MS. DESJARDINS: But we can do that today.

COUNCILMEMBER LEE: --what comes first? What comes first is the question.

MS. DESJARDINS: The question is what's on the table today comes first, and then we need to address that and transmit to you folks for consideration a similar fix for 060.

COUNCILMEMBER LEE: Okay.

MS. DESJARDINS: You can't do that today. Thank you.

CHAIR KAMA: Okay. So does everyone know what we're doing today? We're going to take care of today, today. And then tomorrow, take care of zero point...point 060. Clear, everyone? Okay. There's a motion and there's been a second. All...oh, yes, Ms. Tamara Paltin?

COUNCILMEMBER PALTIN: Oh, Shane --

CHAIR KAMA: Yes.

COUNCILMEMBER PALTIN: --was before me.

CHAIR KAMA: Oh, I'm sorry.

COUNCILMEMBER PALTIN: But I'll go after him if it's all right.

CHAIR KAMA: Okay. Mr. Sinenci, Ms. Paltin, and then Mr. Molina.

COUNCILMEMBER SINENCI: Mahalo, Member Paltin. Mahalo, Chair. Yeah, just clarification for Corporation Counsel. So the addition of "unless otherwise approved by council," that's the...the addition we're doing in A and B today?

MS. DESJARDINS: That's correct.

CHAIR KAMA: Yeah.

COUNCILMEMBER SINENCI: And so it gives us the purview, kind of, to give the money to certain projects and...

CHAIR KAMA: Yeah. Yeah.

COUNCILMEMBER SINENCI: Okay.

MS. DESJARDINS: It gives you the flexibility to consider changes in the criteria, but you don't have to...you don't have to change the criteria. But it gives you the flexibility to

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consider that, yes.

COUNCILMEMBER SINENCI: Specifically for projects pertaining to perpetuity, yeah?

MS. DESJARDINS: Well, once...once 060 follows as well, yes.

COUNCILMEMBER SINENCI: Okay. Thank you.

MS. DESJARDINS: Thank you.

COUNCILMEMBER PALTIN: My question...

CHAIR KAMA: Ms. Paltin, and then Mr. Molina.

COUNCILMEMBER PALTIN: Thank you.

CHAIR KAMA: . . . *(inaudible)*. . .

COUNCILMEMBER PALTIN: My question is for Ms. DesJardins as well.

MS. DESJARDINS: Yes.

COUNCILMEMBER PALTIN: Hi.

MS. DESJARDINS: Hi.

COUNCILMEMBER PALTIN: I was wondering if...if this passes today, then the Bigley project can move forward, or do they need to wait for 060?

MS. DESJARDINS: So they need to wait for both 060 and 070 to pass out of Committee, go through two readings, become law. The plan is then to submit a reso to you folks to reconsider that project separately, you know, once...once there's an indication of where you're going with the law. They...we can't send the reso through too quickly because the law hasn't been changed yet. And without the change in the law, the reso doesn't make sense, right, because we can't...we can't move it through. But we are working on that, and then it's for your folks' consideration how you want to handle that when it comes before you. But you will --

COUNCILMEMBER PALTIN: Cool, cool.

MS. DESJARDINS: --see it shortly. And Mr. Bigley --

COUNCILMEMBER PALTIN: So then --

MS. DESJARDINS: --will be back.

COUNCILMEMBER PALTIN: --just to clarify. This needs to happen, that needs to happen,

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resolution needs to happen, and then they can move forward?

MS. DESJARDINS: Yes. Yes. That's right. And we're...we're hoping to move it through as quickly as possible. We've been working internally with them for some time to try to figure this out. So we appreciate you taking it up quick on a short notice. And I apologize for not catching 060, didn't realize that was going to be an issue too. I'll get on it. Thank you.

COUNCILMEMBER PALTIN: Okay. Thank you for the --

CHAIR KAMA: Thank you, Mimi.

COUNCILMEMBER PALTIN: --clarification.

CHAIR KAMA: Okay. Mr. Molina, and then Ms. King.

VICE-CHAIR MOLINA: Thank you, Madam Chair. And, you know, no, no apologies needed, Ms. DesJardins, it was just one of those things. And, you know, Madam Chair, we're...we're in...we're at the start of the football season. And whenever there's a ruling on the field that there's controversy or disagreement, they...they assess the matter and then typically, you'll hear the referee say, upon further review. So now the action we're currently taking right now is to take action on 3.35.070. But now that we've --

CHAIR KAMA: Yes.

VICE-CHAIR MOLINA: --discovered this inconsistency with the ordinance, I would like to --

CHAIR KAMA: Yes.

VICE-CHAIR MOLINA: --ask you for consideration possibly deferring this. Then we can have the Department and Corporation Counsel go do whatever...or wordsmithing they have to do with 3.35.060. Then bring both of them back at a future meeting in the near future, and then we take action on it. So I just throw that out for consideration. Because if we pass this out right now, we knowingly have an inconsistency with one...with another section that's currently in this ordinance. So I mean, I'm willing to withdraw my second. But, you know, again, this will be up to the Committee if they want to move forward. But --

CHAIR KAMA: This is for the Committee.

VICE-CHAIR MOLINA: --my preference would be to defer. Yeah. And I've said enough.

MS. DESJARDINS: I think that's a good idea. For my two cents worth as Corp. Counsel, I think deferring it and letting us clean it up, Member Molina, is a great idea. I would...I would encourage that. And then we can do it all at once. And we'll take a magnifying glass and make sure there isn't anything else we're missing so you don't have to do

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this week after week. Thank you.

CHAIR KAMA: Okay. Okay. So at the Chair's prerogative, we'll do that. We'll defer it and we'll bring it back. As...Mimi, how soon do you think we can bring this back? And Linda, looking at the calendar, how soon do you think you can bring this back?

MS. MUNSELL: So Mimi, do you know how long it would take to get a...a correct...or an additional amendment done for us?

MS. DESJARDINS: It wouldn't take --

MS. MUNSELL: The next meeting is...

MS. DESJARDINS: --long at all. We can...yeah. We can have it ready for posting at the next meeting. Just as a matter of...of protocol though, I think since there's a motion on the floor, if you are going to defer it, perhaps have the motion withdrawn.

CHAIR KAMA: Well, we're going to ask...I'm going to ask --

MS. DESJARDINS: . . . *(inaudible)*. . .

CHAIR KAMA: --Yuki to...Yuki Lei to withdraw her motion --

COUNCILMEMBER SUGIMURA: I did.

CHAIR KAMA: --because...oh, you did?

COUNCILMEMBER SUGIMURA: Yes.

CHAIR KAMA: Okay.

COUNCILMEMBER SUGIMURA: Yeah, yeah.

CHAIR KAMA: So the motion is withdrawn.

COUNCILMEMBER SUGIMURA: And Mr. Molina withdrew his second.

CHAIR KAMA: Thank you, Yuki. Thank you, Mr. Molina. Okay. So you'll be ready by the next Committee meeting?

MS. DESJARDINS: Yes.

MS. MUNSELL: So then according --

CHAIR KAMA: Okay.

MS. MUNSELL: --to the calendar, that would be September the 23rd.

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CHAIR KAMA: Okay. And is your calendar okay to do that?

MS. DESJARDINS: Yeah.

CHAIR KAMA: . . . *(inaudible)*. . .

MS. MUNSELL: Yes. The Department --

CHAIR KAMA: Okay.

MS. MUNSELL: --will be ready to do that. Yes.

CHAIR KAMA: Okay. Okay. So we're going to defer this Affordable Housing...I think AH-11.

COUNCILMEMBERS VOICED NO OBJECTIONS. (Excused: RH)

ACTION: DEFER PENDING FURTHER DISCUSSION.

CHAIR KAMA: Okay. Sorry, peoples. That seemed like a fast way to get things done. Ms. King, I know you had your hand up for a question.

COUNCILMEMBER KING: Okay.

CHAIR KAMA: Ms. Paltin, and then Ms. Rawlins-Fernandez.

COUNCILMEMBER KING: Thank you, Chair. First I want to thank Councilmember Molina for reading my mind because I had the same thought, so. I guess great minds, right? But I had another question for Ms. DesJardins. This whole section, what happens to this whole section if the affordable housing Charter Amendment doesn't pass? And so the Affordable Housing Fund is effectively ended at the end of next year. What happens to the...the ordinance?

MS. DESJARDINS: So the ordinance...the fund would no longer be funded, I suppose. Although, you know, I don't remember offhand exactly what the amendment was. I thought it had to do just specifically with the percentage of the real property taxes that was going to be...

COUNCILMEMBER KING: Well, the...the Affordable Housing Fund ends at the end of next year. So with...the Charter Amendment was going to reup that requirement for...you know, and...and...and up it to 3 percent to come out of real property taxes --

MS. DESJARDINS: Right.

COUNCILMEMBER KING: --to . . . *(inaudible)*. . . this fund. So if it's no...so if that's no longer...does that...does that end the actual ordinance, or does it just end the funding

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and the ordinance still stays on the books?

MS. DESJARDINS: Well, it would end the funding. So it would also...it...the...the Charter is entitled Affordable Housing Fund. So I mean in essence, you'd be killing the fund if it doesn't pass.

COUNCILMEMBER KING: No, I understand that. But I'm just saying, does the ordinance still remain on the books with all these rules and regulations, even though there's...

CHAIR KAMA: So...so excuse me, ladies. Is this discussion necessary now or can we do it later? Because I...I have Ms. Paltin, and I have Ms. Rawlins-Fernandez, and now I have Chair Lee all in line, and we still have another item to discuss. So can we hold off?

COUNCILMEMBER LEE: Yeah, but I can clear it up in one second. Regardless of what happens with the Charter Amendment, the Council decides how much money to designate or --

CHAIR KAMA: Yeah.

COUNCILMEMBER LEE: --give for...

COUNCILMEMBER KING: I understand that.

COUNCILMEMBER LEE: So we don't need a Charter Amendment.

COUNCILMEMBER KING: No, I understand that, but I'm saying there's all these rules --

CHAIR KAMA: Okay. That's why we didn't --

COUNCILMEMBER KING: --. . . *(inaudible)*. . .

CHAIR KAMA: --want to get into this discussion now.

COUNCILMEMBER KING: So these rules still pertain to that...the way we use that fund. Because if it doesn't pass, then we're all doing is...

CHAIR KAMA: We can talk about that another time. Okay. Let's go on to --

COUNCILMEMBER LEE: The Council decides.

CHAIR KAMA: --Ms. Paltin, and then Ms. Rawlins-Fernandez please. Thank you.

COUNCILMEMBER PALTIN: Thank you. And I just was wondering, you know, I think if...if this doesn't get resolved, that the whole deal could be dead.

CHAIR KAMA: Yeah.

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COUNCILMEMBER PALTIN: They've been waiting a long time, and I think every additional month costs an additional hundred grand, and...and it's been quite a bit since we passed it. I just was wondering, like, in the sense of the next meeting or scheduling an off-meeting week or whatever, I had gotten a correspondence from Lihau`ula. So are...are we not on a timeline for that already?

CHAIR KAMA: We're always on a timeline for things. Yes. My understanding is what we discuss today was that they would be able to bring it forth, 070 and 060 at the same time. Hopefully the discussion is not going to be as long as we're doing today because we did most of that now, and that we'd be able to do it at the next Committee meeting. And Lihau`ula is coming forth too.

COUNCILMEMBER PALTIN: Did the clock --

CHAIR KAMA: That was...that's the plan.

COUNCILMEMBER PALTIN: --start on that one?

CHAIR KAMA: That's the plan. But --

COUNCILMEMBER PALTIN: Did the clock start --

CHAIR KAMA: --we didn't post any...

COUNCILMEMBER PALTIN: --on the Lihau`ula?

CHAIR KAMA: No, no, no.

COUNCILMEMBER PALTIN: Oh, it didn't.

CHAIR KAMA: No, nothing did.

COUNCILMEMBER PALTIN: It didn't start?

CHAIR KAMA: No. But you know...right. So they're not...

COUNCILMEMBER PALTIN: Okay.

CHAIR KAMA: They're not...nothing's been posted for them yet. And that's why I'm asking Linda for the schedule for affordable housing.

COUNCILMEMBER PALTIN: So...so the clock didn't start then, we're...we're...

CHAIR KAMA: No. No.

COUNCILMEMBER PALTIN: Okay. Okay. That was my concern. Thank you.

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CHAIR KAMA: Oh.

MS. VINORAY: Excuse me, Chair?

CHAIR KAMA: Linda, you have a comment?

MS. VINORAY: Excuse me, Chair? This is Stacey.

CHAIR KAMA: Yes?

MS. VINORAY: May I speak please?

MS. MUNSELL: Yeah.

CHAIR KAMA: Yes.

MS. VINORAY: Chair, the Lihau`ula was transmitted this morning.

CHAIR KAMA: Oh.

MS. VINORAY: It's...it was transmitted --

CHAIR KAMA: Okay.

MS. VINORAY: --this morning. I received it, and we mailed out to the --

CHAIR KAMA: Okay.

MS. VINORAY: --Councilmembers in the outer districts just this morning --

CHAIR KAMA: Okay.

MS. VINORAY: --at 9:06. Okay.

CHAIR KAMA: Thank you.

UNIDENTIFIED SPEAKER: Same . . . *(inaudible)*. . .

CHAIR KAMA: Okay, Ms. Tamara Paltin. Yeah. So they did. Okay. So we have a clock on...so they have a clock now. Okay.

COUNCILMEMBER PALTIN: Would...would we be able to --

CHAIR KAMA: Miss...

COUNCILMEMBER PALTIN: --do an off...off-week meeting, just because of the timelines?

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CHAIR KAMA: Most likely. So we'll probably do a poll on the...on the Members to see what their availability is.

COUNCILMEMBER PALTIN: Okay. Thank you.

CHAIR KAMA: Thank you. Ms. Rawlins-Fernandez, yes?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Another option is you...as Affordable Housing Committee, you could work with Member Sugimura in taking a whole day, and then she can have a whole day the next committee week. That's another option.

CHAIR KAMA: Yeah. Great.

COUNCILMEMBER RAWLINS-FERNANDEZ: But...so, you know, I just, I wanted to bring all the options to the table. So there's that to consider for Lihau`ula. And then for Kaiaulu O Kupuohi --

CHAIR KAMA: Yeah.

COUNCILMEMBER RAWLINS-FERNANDEZ: --I believe that this project isn't contingent upon us amending this. If the Administration wants to bring a budget amendment for 6.8 million or whatever that amount is, and amend it for the Waiale project, which I believe we put 7.5 million into the budget for, there's also that pot of money. And that's another option for us to consider, and not making these kinds of sweeping changes all for one project. I...I want everyone to not feel like we're pigeonholed. There are other things, there's other ways of solving this, and there isn't...there isn't just a one solution in front of us. So I think that we...we shouldn't feel that pressure that I see on everyone's faces. That...that we...we can work together with the Administration to figure out how everyone can move forward with what it is that we're trying to do in serving the community. And so mahalo for deferring today. And I would be happy to discuss scheduling a budget amendment to help push this forward. And, you know, I...I...I wanted to put in my two cents. I know you don't want to talk about it. But with the Charter Amendment for the Affordable Housing Fund, that's just requiring us to put that 2 or 3 percent into the --

CHAIR KAMA: Yeah.

COUNCILMEMBER RAWLINS-FERNANDEZ: --Affordable Housing Fund. The fund remains.

CHAIR KAMA: Yeah.

COUNCILMEMBER RAWLINS-FERNANDEZ: And if we wanted to put money into that fund, we could do that during budget like how we did this Budget Session and last Budget Session. We put extra money from General Fund into the Affordable Housing Fund. So that...that --

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CHAIR KAMA: Yes, we did.

COUNCILMEMBER RAWLINS-FERNANDEZ: --fund would continue to be there.

CHAIR KAMA: Yes, we did. Yeah.

COUNCILMEMBER RAWLINS-FERNANDEZ: It just would require us to put a minimum amount.

CHAIR KAMA: Right.

COUNCILMEMBER RAWLINS-FERNANDEZ: So I just wanted to clarify that. Mahalo, Chair.

CHAIR KAMA: Well, no, mahalo to you for all of those suggestions and recommendations and food for thought. Yes, Ms. Lee? Chair Lee?

COUNCILMEMBER LEE: Okay. I agree that...with Ms. Rawlins-Fernandez with what she said about the funding. But coming back to this ordinance, this really doesn't outright permit funding for projects that are not in perpetuity. It says "unless otherwise approved by the council." So in other words, it's providing an option for the Council to decide whether or not to fund a project, which could be in perpetuity or not be in perpetuity. So that's what we're dealing with. So --

CHAIR KAMA: Yes.

COUNCILMEMBER LEE: --when...when we meet --

CHAIR KAMA: Yes.

COUNCILMEMBER LEE: --I...I just want to point that out so that people don't feel that it is an absolute requirement that there's no perpetuity involved. Because lots of times there is perpetuity with regard to, you know, Hale Mahaolu and all these other projects. The special needs projects are all in perpetuity. So you know, yeah, let's be flexible and try and figure out, you know, what works for most of the time and for everybody. And hopefully, you'll...you'll have enough time to schedule all of this.

CHAIR KAMA: Yeah.

COUNCILMEMBER LEE: Yeah. Thank you.

CHAIR KAMA: Yeah, absolutely. Because you, the Council, are . . . *(audio interference)*. . .

COUNCILMEMBER LEE: Can't hear you.

COUNCILMEMBER RAWLINS-FERNANDEZ: You're muted.

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CHAIR KAMA: Sorry. I said...I said that you're the Council, and you all can decide what you want to do. You have all of these flexible options to you. So that's powerful. And that's what I think Chair...Vice-Chair was trying to say to everyone, is that you have the power. So exercise it. I'm just going to say to exercise it wisely. And that's why --

COUNCILMEMBER RAWLINS-FERNANDEZ: That's right.

CHAIR KAMA: --we're deferring this. Thank you very much.

AH-38: CONTRACT C7087 (PALLET SPC)

CHAIR KAMA: So let's go on to --

COUNCILMEMBER RAWLINS-FERNANDEZ: . . . *(inaudible)*. . .

CHAIR KAMA: --Affordable Housing...AH-38, the Contract C7087. So I don't know if you remember, well, when this contract came before the Council during the contracts communications, I wanted this matter to be referred to our Committee. I was just really curious about...about the cost and about all of these kinds of things. So I wanted to know about these things. And so these are the pallet homes that are...that we purchased for the Waiale Park. And so we have with us today with us Mr. Greg King from the Central Purchasing Department...in the Department of Finance here to answer questions about this contract. So Deputy Munsell, do you want to tell us a little bit about the pallet homes? And we'll ask questions.

MS. MUNSELL: Thank you...thank you, Chair. I'm actually going to defer this to our Director, Ms. Tsuhako.

CHAIR KAMA: Hey.

MS. MUNSELL: Thank you.

CHAIR KAMA: Thank you for being here.

MS. TSUHAKO: Thank you, Chair Kama and Members. This is Lori. Did you guys all notice how Linda was smiling when she said she was deferring to me? So...

CHAIR KAMA: . . . *(inaudible)*. . . there she is.

MS. TSUHAKO: So Mr. King knows more about the...the terms and the process that was used to execute this contract for the purchase of the pallet homes. The Department of Housing and Human Concerns has been involved in the actual operations of the shelter, and wasn't involved in the procurement or in the selection of the particular product that was purchased. So I won't smile, but I'll defer to Mr. King to answer your questions about the contract and the procurement. And if...if you or the Members have questions about the actual operations of the shelter, then I can answer those

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questions. Thank you.

CHAIR KAMA: Okay. Okay. Members, any of you have...I have couple of questions for Mister...for Mister...Mr. Greg. So I just wanted to...because when I heard about it, I thought about how many homesteaders we have out there that could probably use something like this on their properties, seeing as how we've got almost something like, I don't know, 40,000 acres of Hawaiian Home Lands. So I wanted to just ask the question in terms of how much does each of these cost, and where do they come from, and what are they made of? And if I as a consumer wanted to buy one, where could I get one? Okay. So is he with us still yet? Mr. King? Mr. King, are you there? I don't see...

MS. VINORAY: Yeah, we show him as unmuted and video on.

CHAIR KAMA: Okay.

MS. VINORAY: I think he's trying to rejoin us, Chair.

CHAIR KAMA: Okay, thank you. Are you with us, Mr. King? I hear something.

UNIDENTIFIED SPEAKER: I show him as . . . *(inaudible)*. . .

MR. KING: Hello? Can you hear me?

CHAIR KAMA: Yes, we can. Thank you.

MR. KING: Oh, good. Thank you. Sorry about that.

UNIDENTIFIED SPEAKER: Okay, thank you.

MR. KING: I'm sorry, I didn't catch the question. I was trying to get logged in here.

CHAIR KAMA: Okay. So I...I just asked the question as to cost and contact information from like if I was going to purchase it for myself as a consumer, how would I go about doing that. And do I have to buy it in bulk or how long does it take to assemble? All those...those kinds of questions that I just wanted to know.

MR. KING: Okay. Yeah. I...can...can you still...still hear me? Yeah.

. . . *(Audio interference)*. . .

COUNCILMEMBER RAWLINS-FERNANDEZ: Chair?

CHAIR KAMA: Yes?

COUNCILMEMBER RAWLINS-FERNANDEZ: Does Mr. King have his *Akaku* playing, or is he watching the meeting on some other device?

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MR. KING: Yeah, that's what's going on.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. He can mute it. Or try and...

MR. KING: Yeah, yeah, yeah, yeah, absolutely. Absolutely. Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Mister...

MR. KING: Is that better?

CHAIR KAMA: I thought I was hearing myself back there after I've already spoken. I heard it.

MR. KING: I...

CHAIR KAMA: Thank you.

MR. KING: I apologize. This is my first time since the COVID talking to you guys. So yeah, in terms of...in terms of how could a person buy these things, I have no idea. We put specifications out. There was research done by the Administration, Josiah Nishita, I think primarily. I'm not sure how much Sandy Baz was involved. They determined the need for these things and located some sources. And we put it out to bid, and got two bids back. The...the...the first...the one we went with was \$228,644 and there was another bid from Commercial Shelving for \$704,000.

CHAIR KAMA: Per pallet?

MR. KING: For all...for all of them. There was 32 of them. It's 224,000...\$228,000 for 32. So that's about 7,000 per...per shelter. I can't hear you. Hello?

UNIDENTIFIED SPEAKER: Chair, you're muted.

CHAIR KAMA: I asked if we had an...if you had any contact information from the manufacturer or whoever it is that we were...the County was working with?

MR. KING: I can get that. I don't have it in front of me. I will send --

CHAIR KAMA: Okay.

MR. KING: --that to you.

CHAIR KAMA: Okay. Can send it to the Committee in case the Committee might want to --

MR. KING: Okay.

CHAIR KAMA: --purchase some or something. Okay. Well, thank you so much. Members,

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any questions for Mr. King, Members? Ms. Paltin?

COUNCILMEMBER PALTIN: I just wanted to clarify.

CHAIR KAMA: Go ahead.

COUNCILMEMBER PALTIN: I have a question, but I'm not sure, it should be for Director King...or Mister...Mister...Greg King.

CHAIR KAMA: Okay. Yes.

COUNCILMEMBER PALTIN: Should I go ahead and ask the question?

CHAIR KAMA: Yeah. Sure.

COUNCILMEMBER PALTIN: Okay.

CHAIR KAMA: Because if not...if...whatever it is, if he can't, we'll figure out who can, and we'll get somebody --

COUNCILMEMBER PALTIN: Okay.

CHAIR KAMA: --to answer. Okay, thank you.

COUNCILMEMBER PALTIN: Cool. So my question is, you know, it kind of goes beyond just the cost of the pallet home because we have to have the security, the, you know, the...whatever, power, and use of the park, and whatnot. And in Member Hokama's Committee, when we briefly touched on this, the Administration was talking about, you know, not just that homelessness or the situation at Waiale is not just in Central Maui, like we have similar problems in West Maui and South Maui. And so I just am...I...I understand that, you know, when...when the coronavirus hit and all that, we were kind of scrambling and we had this money. And I just am wondering if anybody calculated the entirety of the cost in terms of not just purchasing the pallet homes, but the day-to-day expenses of running this whole park area, and if it may be more economic in hindsight to, you know, like maybe rent out a small hotel or apartment building to use instead of, you know, creating these 30 structures, and getting security, and getting water, and getting electric, and getting all these things. Like I mean, for the longest time we've been looking...I've been looking at Anchor Square. You know, you got all these empty little buildings all around town. And I just was wondering, you know, in hindsight, would this be the way that we would expand to help other districts like South Maui or West Maui that's encountering similar types of problems? Or...and then I guess too, like, once the...the pandemic is finished, I'm...my understanding is that this pallet shelter is meant to only be temporary. So then what do we do with the homes after it's done? Do we like auction it off? Is it something that would be legal zoned to put in your backyard because it's under 120 square feet? Or, you know, does it need air conditioning? Just random questions off the top of my head.

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MR. KING: Yeah. Councilmember Paltin, those are great questions. I...I am aware there are other costs, but I think that's probably a question for the Administration. And I think they probably have enough...now they have enough information after running these things for several months as to whether that was the best way to go, or if there's a better way to go. And also, your question about expansion to other districts, that's a great question too. But again, I think these are questions for the Administration. And the auction, as for...yeah, we can always auction these things off. I don't know in terms of...the question about putting them in somebody's backyard as an additional shelter would be, you know, a Planning-related question. So yeah, I'm sorry I can't answer any of that.

COUNCILMEMBER PALTIN: Okay. And...and I...I didn't ask it to be...like, you know, hindsight is 20/20. Going into it, you never know what's going on. But now that we kind of have a little bit of a grasp of what's going on, and...and I'm hoping that the Administration sees the need in West Maui. I see the need in West Maui. I was just wondering, I don't know if Mister...Mister...Director Tsuhako has any comment to those questions?

CHAIR KAMA: Yeah. Go ahead, Lori.

MS. TSUHAKE: Yeah, thank you, Member Paltin, for your questions. I think that there...there were discussions that occurred a few weeks ago about potentially putting some of these pallet homes in different locations across the island, and West Maui and South Maui were discussed as potential sites for these. My Department's guidance that we offered to the Mayor was that there needed to be an agency to operate the...the functional shelter before it was put up and before the units were purchased and...and put up. Mainly because there was no responsive bid to the actual operations of the Waiale shelter and therefore, the Department of Housing and Human Concerns was tasked with the...the operations of the day-to-day shelter. And it's been...it's been a challenge for David Nakama, Christopher Kish, and I to do that. I would much have preferred...I would much have preferred --

COUNCILMEMBER PALTIN: I guess my...

MS. TSUHAKE: --an agency doing that.

COUNCILMEMBER PALTIN: I guess my question would be like, you know, we're getting...or I'm getting calls of like, you know, hospital workers that are having to quarantine from their families. And, you know, other people that have been to the hospital, got exposed by the healthcare workers, and are having to quarantine from larger families. Do you know the dimensions of the pallet? Like can we offer, you know, I guess if there's ten not being used, say like hey, you know, you got to quarantine from your family, you're laid off, you can't afford like anything, this is a step up from a tent in your backyard or something. Would that be --

MS. TSUHAKE: So...

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COUNCILMEMBER PALTIN: --a possibility?

MS. TSUHAKE: So in terms of size, the dimension is eight by eight, so it's about the size of a garden shed. It's...it's big enough to accommodate two platform beds on each side of the structure. So four...like two bunk beds on each side. There's shelving in the middle. There's an air conditioning unit in the middle. The reason that it wouldn't be appropriate for somebody to isolate in a unit like this at...I mean in a...in Waiale is because the bathroom facilities and the shower facilities are congregate facilities. So if you had somebody who needed isolation, they would have to share that facility with everybody else who was there, which would expose everyone to infection. So we...we've considered that when we've received requests from people who have circumstances such as what you describe, but it's...it's not a feasible solution to that. I think the State has been...

COUNCILMEMBER PALTIN: Not even if...not even if they were to like say, hook it up in their backyard, use a bucket and a hose or anything like that, like, no?

MS. TSUHAKE: I would...I would probably need to talk with the Department of Health about whether that was an appropriate, you know, sanitary condition for people, but...because I...I don't really have any idea. But I think the...the Department of Health and the State was leading this effort to...to make arrangements with several hotels to possibly rent rooms and have those people, like hospital employees, be able to stay in those hotel rooms. And that they wouldn't be going from the hospital or their medical workplace back home and exposing their...their families to the risk of...of their exposure too. But I think that...

COUNCILMEMBER PALTIN: I know we gave them like \$3 million in the CARES Fund, but the hospital workers that have come to me are having to dip into their own savings and get a B&B or a TVR for someone in their family that's exposed. So I mean, that was a question I did send to the EDB Committee, that I know we put \$3 million to Maui Health Systems, but the employees don't seem to know about the childcare available or the emergency lodging available. So that's a whole other subject. And in the meantime, they're struggling, you know. So I mean, thank you. I'll yield. I know I've been monopolizing the time and I just went with it because I was being allowed. Sorry, my bad.

CHAIR KAMA: We're just curious minds. Questions, Members? Mr. Sinenci, Mr. Molina. Okay, go ahead.

COUNCILMEMBER SINENCI: Mahalo, Chair. Yeah, just...I just had two quick questions for Director Tsuhako. Just the...what's the occupancy rate? Is it at capacity at the...the housing structures at Waiale? And is there a cost for people to be at those structures?

MS. TSUHAKE: Thank you for your questions, Member Sinenci. So I think we have 13 occupants right now. So 13 of the units are occupied right now. We are not at capacity. And part of that is because we don't have a managing agency to operate the

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shelter. And so some of the limitations of being able to...to take everybody to reach the capacity is because of the Department's limitations in workforce. So my...the...David Nakama, our Homeless Division Head; Christopher Kish, Program Specialist; and I have been operationalizing a shelter. And so those...those limitations have...have resulted in us not being able to take in as many people as we would like to utilize the entirety of the space. But we have been working to try and get different nonprofit partners to submit a proposal for the management of that Waiale shelter, and we're hoping that we can accomplish that very soon.

COUNCILMEMBER SINENCI: Follow up is do people need to pay a fee?

MS. TSUHAKE: No. There is no fee attached for living there. So our...our hope is that when people come in, they're attached to case management services with the goal of...of working toward permanent housing. So we don't want somebody to come in and then leave the...the shelter and remain in homelessness. So attached to case management, we're trying to work on housing plans. And so as part of that housing plan, the shelter residents know that they can...as they earn income, even if it's from an eligibility for food stamps or from general welfare or from disability, that they can save those funds while they're living at the Waiale shelter, and then work toward long-term housing goals because they're not paying anything for their ability to stay there right now.

COUNCILMEMBER SINENCI: Mahalo, Director. Mahalo, Chair.

CHAIR KAMA: You're welcome. Mr. Molina, and then Ms. Sugimura.

VICE-CHAIR MOLINA: Thank you, Madam Chair. Good afternoon, Director Tsuhako. Just a quick question, as far as time limit these emergency shelter homes can...can remain standing, and also the durability of them. I mean, you know, we're coming into hurricane season. I can...I can guess that you're probably going to tell the clients to get out of these shelters should a hurricane come on the horizon. Can you comment on that? Just curious about the durability especially.

MS. TSUHAKE: Thank you, Member Molina. I think, you know, like I had mentioned earlier, I wasn't involved in the...in the selection or the procurement. But I understand from being there when the structures were being erected by the National Guard and the Fire Department personnel that the...the units are capable of withstanding hurricane-strength winds. During the last event that we had, I think it was Daniel, a few weeks ago, as a precaution, we preemptively asked all of the shelter residents to relocate out or to exit our shelter and seek shelter at...at the closest Red Cross shelter, which was at Maui High. And we made arrangements for transportation and gave people provisions of food, et cetera, so that they could safely enter the Maui High shelter and remain safe because it was hurricane...hurricane-strength structure for them to be in. So we did do that preemptively.

VICE-CHAIR MOLINA: Okay. And as far as the duration, they can...the Administration plans to keep them up there? No...no, I guess, time...term limit or whatever?

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MS. TSUHAKE: Yeah, no, there's no permit necessarily, but the...the projected end date for those shelters is probably within the next six months. And so when we...when we admit somebody into the shelter, we are really clear with them that this is a temporary sheltering situation. You're not going to be allowed to live here for the long-term. And, you know, we're...we...we press people to keep working with those case managers on achieving a permanent housing solution for them. So nobody...you know, if...if any of those folks who are living in the shelter today were...were to appear before the Committee and be asked the question, like how long, you know, how long do you think you can stay there? Not one single person should...should tell you that their understanding is that they can stay there forever. They all realize that it's temporary. And it's a message that's been expressed consistently from the day they were admitted.

VICE-CHAIR MOLINA: Okay, great. Well, thank you for your responses. Thank you, Madam Chair.

CHAIR KAMA: Ms. Sugimura, your question too?

COUNCILMEMBER SUGIMURA: Yeah, thank you, Chair.

CHAIR KAMA: And then Ms. Rawlins-Fernandez.

COUNCILMEMBER SUGIMURA: So thanks for bringing this up, it's very interesting. And I realize that this project came up because of COVID and trying to...it looked like to me trying to help the...some of the residents that were at Kanaha Beach Park, and to maybe move them into this temporary housing. So Director, are...so you have...from what you're saying, you still have your part-time job taking care of the administration for these temporary housing; is that correct?

MS. TSUHAKE: Good afternoon, Councilmember Sugimura. Yes, that is correct.

COUNCILMEMBER SUGIMURA: Wow.

MS. TSUHAKE: That's my --

COUNCILMEMBER SUGIMURA: Thank you.

MS. TSUHAKE: --my job.

COUNCILMEMBER SUGIMURA: Yeah, thank you. Thank you. And I do know some people that got to go there, people that I've, you know, met from doing community work. So thank you. They're, you know, grateful. But because your Department and the Housing [sic] Alliance people, the philosophy is housing first. So have any of them been able to move to Ka Hale A Ke Ola or, you know, other...other homeless...well, housing opportunities? I'm sorry.

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MS. TSUHAKEO: The answer to your question is not yet. So two of the current residents have very high VI-SPDAT scores, and are eligible for what's called permanent supportive housing, which is...that supports Chris' program that's attached to housing. And I believe one of them, it might be at the top of the list, so the highest priority for placement. We have a couple of our residents are currently in the hospital for unrelated medical issues. But once those are resolved, then we'll know what their status is in terms of housing. But the...the work of those case managers are...is still focused on getting people housed. So a universal...it's a universal commitment that we're going to do whatever we can to get those people into housing and not close the shelter without...without having those people in...in housing when we're done.

COUNCILMEMBER SUGIMURA: So that's the ultimate goal. So thank you for doing all that extra work after you do your full-time job with your Department. And please thank your...your staff too, that are...are going the extra mile. Thank you.

CHAIR KAMA: Ms. Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Okay. All right. I'll start with Director Tsuhako. And then we have Mr. King still on the line with us?

MR. KING: Yes.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. Okay. Director Tsuhako, do you know what the plans are for the pallet units after the pandemic ends?

MS. TSUHAKEO: Good afternoon. Thank you for your question.

COUNCILMEMBER RAWLINS-FERNANDEZ: Aloha.

MS. TSUHAKEO: . . . *(inaudible)*. . . I do not know specifically what the plans are for those pallet homes. I...I heard this morning that a nonprofit in our community that does treatment services has asked, and was granted permission to take...to borrow some of the units that are currently in storage that weren't erected. Put them up on their property to help people isolate before entering residential treatment. So I think as we go along, and maybe look at that as a...as a pilot project about whether that's an...a useful sort of contribution to the overall health of our community, that the Administration would consider...would consider those requests for use of the pallet homes to help in that, you know, in the long-term safety and...and treatment needs for...for our community. But I don't know specifically if...if there's an...if there's a long-term commitment to doing one thing or another with those homes.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo for your response. Do you know how many of these unerected units were in storage? And...and why they were in storage?

MS. TSUHAKEO: I...I think Mr. King might know that answer about how many are in storage. But the basic issue was when...when the Parks' planners looked at that piece of property at Waiale Park, and the distance between the units and the electrical needs,

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and all of...I think they were restricted in how many they could actually erect on that property. So I think the number that was...that the number of units that were erected on that property was limited by the space that was available in that plot of land.

COUNCILMEMBER RAWLINS-FERNANDEZ: And that was 32?

MS. TSUHAKE: I think it's 23. So there may be nine units in storage.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. So 32 were purchased, 23 erected, and the nine are in storage, or some are still in storage and some were loaned.

MS. TSUHAKE: No, all of those...all of the remaining pallet homes are in storage right now. But as I said earlier, there has been a request made by a...by a nonprofit to utilize some of them. And I'm not...I haven't seen any . . .*(phone rings)*. . . Sorry. I haven't seen any agreement yet about how many will be needed by that agency. So until I see those requests in writing and agreements, I...I don't know. Sorry, I can't answer that right now.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay, mahalo. During the hurricane when everyone was evacuated from the pallet units to Maui High, were the pallet units taken down to keep them protected during the hurricane?

MS. TSUHAKE: Thank you for the question. No, they were...they were still standing...still standing. So they were just vacated, and we just locked up the facility. And I...the security staff that's there 24 hours kind of closed down to keep them safe as well. And then we just went back in after the...the danger from the hurricane had passed, and then people were allowed to reinhabit the...the pallet homes.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. So if the hurricane did hit and it went through Waiale Park, then it would have potentially just been damaged? Because we're...I guess it goes to the durability. Because it's not like built to withstand hurricane-strength winds?

MS. TSUHAKE: I...I do believe that they are. But there's different categories of hurricane...I don't know what the right word is, strength, right? So which is why the Maui High School was used as an evacuation center because it has the potential of withstanding a higher level hurricane than War Memorial Gym, for example. So I think the same sort of gradient hurricane strength applies to these. And I believe that they are...they are able to withstand hurricane-strength winds. But like I said, we...we asked people to vacate the units preemptively, just in case.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay, that's good to know. So if...so you don't know what level hurricane, I don't know what it's called, but like a Category, like, 3 or 4?

CHAIR KAMA: Strength.

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COUNCILMEMBER RAWLINS-FERNANDEZ: Yes.

CHAIR KAMA: Strength.

COUNCILMEMBER RAWLINS-FERNANDEZ: Strength. So you don't know what strength hurricane it would be able to withstand, but up to a Category 3 or 4, it could withstand the strength of wind?

MS. TSUHAKO: Well, you know, I...I'm not an expert on that. And...and I would...I would guess, if I had to guess, that it's not going to withstand a Category 4 hurricane-strength wind because many of our existing infrastructure buildings won't withstand that. But I do know that it...it has the capacity to handle the wind. Nothing blew away. You know, we...we took all the necessary precautions like asking people to take their...some people stored stuff outside their units. We asked them to put it inside. And so we did what we can to minimize the damage, you know, not having bicycles or stuff flying around. And I think we would do this exact same thing should another hurricane threaten. I think it would be better to ask people to evacuate and go into someplace where we know for certain can withstand a Category 3 hurricane.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay, mahalo. Last question for Director Tsuhako, and then I have one question for Mr. King. So going back to loaning out the stored nine pallet units, will that be something that would be like open and available to everyone? Like, you know, like nonprofits or...I'm just wondering if, you know, to prevent any kind of, you know, favoritism or that, you know, we're not having, like, this open process for everyone to have equal access to County resources. That just so happened, you know, this one nonprofit asked about the ones in storage and other nonprofits could use it, but it...you know, never inquired. So as far as like equal access to use of that, the unused pallets, what would that...that protocol or process be?

MS. TSUHAKO: I believe...I haven't seen the correspondence, but I believe there was correspondence between the agency and the Mayor's Office. And the request for sharing of those units was...was approved. And I would say that any other nonprofit partner that we have in the community who might be able...or have a need for that could do the same. And I think if they're available, the Mayor would certainly consider making a loan of those, especially if it...if it furthers our...our mission to take care of people in the community.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay, mahalo, Director. And then, Mr. King?

MR. KING: Yes, Councilmember Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: Aloha. Mahalo. So I have one question. And I understand in previous questions to Director Tsuhako, she mentioned that she wasn't part of the procurement process. Were you part of that procurement process?

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MR. KING: Yes, somewhat. I was not involved with the development of the specifications. That was done, I think, by Josiah Nishita or perhaps Sandy Baz. I...my communication was with Josiah. And then we did all the bid processes, and accepted the bids electronically through our public purchase system.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. So I guess, I was going to ask about, you know, Hawaii County erecting their emergency housing units after the volcano, and how that structure compared to the pallet units that we ultimately got. And if we purchase any more emergency units like that, if something like that will be analyzed on the, you know, cost benefit. And like Member Molina had brought up, the durability and the long lastingness of it.

MR. KING: Yeah, I'm not sure I can answer that. That...again, that would be a good question for Josiah. I could...I can tell you that were attracted to the ease of erecting these things. They're...they can be put up within a matter of minutes. And so that was a...that was a big factor. And I know they were in a big hurry when they came to me.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay, mahalo, Mr. King. Mahalo, Chair.

CHAIR KAMA: You're welcome. Miss...oh, Chair Lee, yes?

COUNCILMEMBER LEE: Thank you, Madam Chair. Director, you know, before you know it, it'll be December 31st, and our COVID monies will be gone. So whether it's with supporting more pallet homes or...or something similar, do you have like maybe a six-month plan from December to June again where...when new monies will be available from the budget? For the homeless.

MS. TSUHAKO: Thank you, Council Chair Lee. We...we do have some funding in the...the Council was very generous in appropriating funds in the homeless allocation. So we have some funding that we can use. We will be planning not only with the Homeless Alliance agencies, but also...also trying to look...work with the State through the Governor's coordinator on homelessness and the Department of Human Services Homeless Programs Office in trying to address some of these...these pockets of need that we see emerging. So for example, there's a meeting tomorrow morning in which we'll convene and discuss how...how the State may assist us in having a isolation site for those who are without shelter, but who need to quarantine. So we're...we're trying to look at sort of all those...all those identified needs and...and plan toward getting there with a combination of what we have available in County funds, as well as what the State has to offer through either the Homeless Programs Office or in this case, through the Department of Health's Adult Mental Health Division. Because many of the homeless and...you know, the unsheltered homeless may be those who have a severe and persistent mental illness, which makes it much more challenging for our agencies to house them. Right, it takes longer to get documents, it takes longer to find them, it takes longer to house them, even though they may be at the top of the list for our permanent supportive housing resources. So we want to, you know, actively look at all those potential sources of support and kind of plot it out as we know the CARES

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funding expires. Actually our spending, deadline is more like the middle of November.

COUNCILMEMBER LEE: Okay. So why is it more people don't want to reside at the...in the pallet homes? What are the main reasons why?

MS. TSUHAKE: I think there's a...and I don't mean to...to paint everybody with one brush, but I think there's a...there's a certain level of comfort and freedom that comes from living in unsheltered conditions, and certain lifestyle people get acclimated to. And it's challenging sometimes for people to accept that even if you...you know, you move into this pallet home, there's still expectations for your behavior. There's expectations of...of working with the case managers to get housing. So if somebody just wants to cruise it with their friends and drink when they want to drink and smoke when they want to smoke, the pallet home is not going to be a very attractive alternative for them because they're not going to be able to do what they want to do when they want to do it. But not everybody is like that. Other people are afraid. We took in a young person recently who has a high vulnerability score because of some health issues. And when the admission was first offered to him, he declined. And it was only through the intervention of Maude Cumming, who physically brought him to the site and showed him what it was that got him to agree to accept placement there. And sometimes those things have to happen too, before people are willing to accept that offer. So, you know, like I said, I don't mean to stereotype people, but there's a certain degree of comfort that comes without any structure. And people get very socialized to be that way, and it's hard to change.

COUNCILMEMBER LEE: So, you know, for the most part, I think the...the really chronic homeless are those who have some kind of mental disorder. And as an alternative to the pallet homes, could we help pay for the Molokini Ward so that they have a place to go? I mean, I'm serious, you know, like help the State pay for the services they're supposed to provide.

MS. TSUHAKE: Yeah. I think the capacity of the hospital's psychiatric unit is a major concern. I...I know that recently they were full, and they actually sent a patient to a different hospital on a different island because of their lack of capacity. And so, you know, I...I haven't spoken with anybody at the hospital to...to offer any sort of financial support. And I...and I think that that would be a decision that...that not just the Administration, but I think the Council would need to...to understand and make a commitment to doing as well. I don't know what the limitation is in terms of how many people there, but there's certainly...I agree with you, there's certainly many chronically homeless people whose primary challenges are severe and persistent mental illness, combined with the substance...substance abuse.

COUNCILMEMBER LEE: Okay. I'm pretty confident that I speak for most of the Councilmembers that we're very open to new and innovative and creative ways to deal with the homeless. So, you know, if you come across some of these things, don't hesitate to let us know because honestly, we're at the point where, you know, we will try whatever we think will work. Because obviously, a lot of things haven't worked in the past. So, you know, we...we want to have that opportunity. I think our Budget

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Chair and all the Councilmembers, you know, would commit to something that. Because we can't just let this go on and on and on and on. You know, we got to put our foot down and do something serious about this. Thank you.

UNIDENTIFIED SPEAKER: Thank you, Chair.

CHAIR KAMA: Members, it's getting close to that time of the day yet. If there are no other questions, I think we've concluded our business for the day, and that I think without further ado, I'd like to be able to adjourn this meeting and file this communication. Do I need a motion to file?

COUNCILMEMBER LEE: No objections.

CHAIR KAMA: Oh, thank you. Thank you. So I guess I don't need --

COUNCILMEMBER RAWLINS-FERNANDEZ: File...

CHAIR KAMA: --a motion to file. Yes?

COUNCILMEMBER RAWLINS-FERNANDEZ: File...file, not defer?

CHAIR KAMA: File. That's why I'm asking, do I need a motion?

COUNCILMEMBER RAWLINS-FERNANDEZ: I move to file...

CHAIR KAMA: If not, I can...I can --

VICE-CHAIR MOLINA: So move.

CHAIR KAMA: --defer if you want to bring it back again.

COUNCILMEMBER SUGIMURA: So move.

COUNCILMEMBER RAWLINS-FERNANDEZ: Second.

VICE-CHAIR MOLINA: Second.

CHAIR KAMA: Was that a motion to file or defer?

COUNCILMEMBER LEE: What was the motion?

COUNCILMEMBER SUGIMURA: Oh. File yeah. You wanted to file?

CHAIR KAMA: File. I want to file, yeah.

COUNCILMEMBER SUGIMURA: Oh, okay.

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CHAIR KAMA: Yeah. Okay. So all those in favor of filing this...all in favor of the motion to file this --

COUNCILMEMBER SUGIMURA: Item.

CHAIR KAMA: --item, say "aye."

COUNCILMEMBERS: Aye.

VOTE: AYES: Chair Kama, Vice-Chair Molina, and Councilmembers Lee, Paltin, Rawlins-Fernandez, Sinenci, and Sugimura.

NOES: None.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmembers Hokama and King.

MOTION CARRIED.

ACTION: DEFER pending further discussion.

*Note: Motion to recommend filing of communication was approved during meeting; however, status is **DEFER** because agenda stated "No legislative action will be taken."*

COUNCILMEMBER LEE: Yeah, this is only with a pallet, right, this is only the pallet housing?

CHAIR KAMA: Oh, it's only the pallet. Yeah, the pallet.

COUNCILMEMBER LEE: Yeah.

CHAIR KAMA: Yeah. Okay. I saw eight hands. Okay, thank you. And one excused, Mr. Hokama. No, two excused, Mr. Hokama and Ms. King. Is that correct? Two, four...six. Right. Okay. So there's seven "ayes," two excused, Mr. King...Mr. Hokama and Ms. King. Thank you. So Members, the --

MS. VINORAY: Chair?

CHAIR KAMA: --Affordable Housing Committee is...

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MS. VINORAY: Chair? This is --

CHAIR KAMA: Yes?

MS. VINORAY: --Stacey. Sorry.

CHAIR KAMA: Yes?

MS. VINORAY: Can I confirm --

CHAIR KAMA: Yes.

MS. VINORAY: --Councilmember Sugimura made the motion, and it was --

CHAIR KAMA: Yes.

MS. VINORAY: --seconded by Councilmember Molina; is that correct?

COUNCILMEMBER LEE: No.

MS. VINORAY: Or...

VICE-CHAIR MOLINA: Rawlins-Fernandez.

COUNCILMEMBER LEE: Rawlins-Fernandez.

MS. VINORAY: Rawlins-Fernandez. Okay. Thank you very much.

CHAIR KAMA: Okay, thank you. We got you, Keani. Okay. So Members, the Affordable Housing Committee is now adjourned. Thank you. Aloha. . . .*(gavel)*. . .

ADJOURN: 4:11 p.m.

APPROVED:



TASHA KAMA, Chair
Affordable Housing Committee

ah:min:200909:ds

Transcribed by: Daniel Schoenbeck

AFFORDABLE HOUSING COMMITTEE MINUTES
Council of the County of Maui

September 9, 2020

CERTIFICATION

I, Daniel Schoenbeck, hereby certify that pages 1 through 63 of the foregoing represents, to the best of my ability, a true and correct transcript of the proceedings. I further certify that I am not in any way concerned with the cause.

DATED the 9th day of October 2020, in Kula, Hawaii

A handwritten signature in cursive script, reading "Daniel Schoenbeck", is positioned above a horizontal line.

Daniel Schoenbeck