

AFFORDABLE HOUSING COMMITTEE

Council of the County of Maui

MINUTES

September 18, 2020

Council Chamber, 8th Floor

CONVENE: 9:02 a.m.

PRESENT: VOTING MEMBERS:
Councilmember Tasha Kama, Chair
Councilmember Michael J. Molina, Vice-Chair
Councilmember Riki Hokama (in at 9:36 a.m.)
Councilmember Alice L. Lee
Councilmember Tamara Paltin
Councilmember Shane M. Sinenci
Councilmember Yuki Lei K. Sugimura (in at 9:13 a.m.)

EXCUSED: VOTING MEMBERS:
Councilmember Kelly T. King
Councilmember Keani N.W. Rawlins-Fernandez

STAFF: Alison Stewart, Legislative Analyst
Ana Lillis, Legislative Analyst
James Forrest, Legislative Attorney
Stacey Vinoray, Substitute Committee Secretary
Jean Pokipala, Council Services Assistant Clerk

ADMIN.: Mimi DesJardins, Deputy Corporation Counsel, Department of
the Corporation Counsel
Linda R. Munsell, Deputy Director, Department of Housing and Human
Concerns
Clyde “Buddy” Almeida, Housing Administrator, Department of Housing
and Human Concerns
Jessica Crouse, Assistant Housing Administrator, Department of
Housing and Human Concerns

OTHERS: Leilani Pulmano (observer)
Faith Chase
Mary Trotto
Douglas Bigley (observer)
Thomas Fischer (observer)

(1) additional attendee

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

CHAIR KAMA: ...*(gavel)*... The Affordable Housing Committee meeting of
September 18, 2020 at 9:00 a.m. has now come to order. So thank you for all...for
being here this morning. So I'd like to remind you that when you are not speaking to

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please mute your microphones and silence any noisemaking devices you may have. So all of us nine Councilmembers are voting Members of the Committee. I'm Tasha Kama, I'm the Chair of the Affordable Housing Committee. And I want to greet with a warm aloha kakahiaka to Committee Vice-Chair Mike Molina. Aloha, Mike.

VICE-CHAIR MOLINA: Good morning and...good morning and aloha, Madam Chair, and to my colleagues and everyone from...broadcasting to you under the virtual bridge here in Makawao.

CHAIR KAMA: Ae, maikai. So Member Riki Hokama will be late this morning, and we welcome him when he does come. I'm not sure if Member Kelly King is here. If she is, aloha kakahiaka, Kelly. I can't see you. Aloha kakahiaka to Council Chair Alice Lee. I see you.

COUNCILMEMBER LEE: Madam Chair, as we say in Kenya, not Kenya, Makawao but Kenya, Africa, shikamoo. Aloha, everybody.

CHAIR KAMA: Aloha, Chair Lee. Aloha kakahiaka also to Member Tamara Paltin.

COUNCILMEMBER PALTIN: Aloha kakahiaka kakou mai Old Lahaina Center.

CHAIR KAMA: Oh maikai. I love that. I love your background. I want to greet also Member Shane Sinenci. Aloha kakahiaka.

COUNCILMEMBER SINENCI: Hey, aloha kakahiaka kakou. Mai Maui nui . . .*(inaudible)*. . . Nice to see everybody.

CHAIR KAMA: Hi. Maikai. Would also welcome Vice-Chair Keani Rawlins-Fernandez if she's here. Aloha kakahiaka. And also, Member Yuki Lei Sugimura will be late with...this morning. So when she comes, we'll greet her. But if she's here, aloha kakahiaka to you too, Yuki. We also have from the Administration, from the Department of Housing and Human Concerns, Linda Munsell, Deputy Director. Good morning, Linda.

MS. MUNSELL: Good morning, Chair.

CHAIR KAMA: I saw Buddy Almeida from the...Housing Administrator. Good morning, Buddy.

MR. ALMEIDA: Good morning, Chair and Councilmembers.

CHAIR KAMA: Also, we have with us from the...as the Assistant Housing Administrator, Jessica Crouse. Good morning, Jessica. And we have with us from the Corp. Counsel Mimi DesJardins. Aloha, Mimi. Okay. So Mimi is not with us yet. Okay. We also have the Affordable Housing Committee Staff. We have Alison Stewart, the Legislative Analyst. Good morning, Alison.

MS. STEWART: Good morning, Chair. Good morning, Members.

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CHAIR KAMA: We have our Legislative Analyst Ana Lillis. Good morning, Ana.

MS. LILLIS: Good morning, Chair. Good morning, Councilmembers.

CHAIR KAMA: We also have our Committee Secretary Stacey Vinoray. Good morning, Stacey.

MS. VINORAY: Good morning, Chair. Good morning, Councilmembers.

CHAIR KAMA: And I'm hoping that he's with us today, our Legislative Attorney James Forrest. Good morning, James. Hoping you're with us.

MR. FORREST: Aloha. I am with you.

CHAIR KAMA: Ah, thank you. Comforting. So I'd like to welcome everyone and thank you all for attending this additional meeting of the Affordable Housing Committee. I thank you for...because this an extra meeting. This is an off week, and you all should have had the entire week off. So I apologize that we had to meet one more time on this one issue. So we're returning to the item that was deferred on our September 9th meeting, AH-11, Amendments to the Residential Workforce Housing [sic] and Affordable Housing Fund. We are in 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 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. Correspondence dated September 10, 2020, from the Director of Housing and Human Concerns, transmitting a proposed bill entitled, A BILL FOR AN ORDINANCE AMENDING SECTION [sic] 3.35, MAUI COUNTY CODE, RELATING TO THE GRANT OR LOAN REQUIREMENTS. The purpose of the proposed bill is to allow the County to be flexible, with County [sic] approval, when funding [sic] affordable housing...projects that may need specific grant or loan provisions to secure additional financing. As in our prior meeting of the two items within AH-11, only the second is on the agenda for consideration by this Committee at this meeting. We can choose to forward the bill, transmitted...as transmitted, to forward the bill with our recommended amendments, or to recommend to Council denial of the proposed bill. But at this time, I'd like to be able to open public testimony on the agendized items. And therefore, testifiers wanting to provide video testimony should join the online meeting via the BlueJeans meeting link provided on today's agenda at mauicounty.us/agendas. Testifiers wanting to provide audio testimony should dial 408-915-6290 and enter the 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 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. And when testifying, please state your name and agenda item you are speaking on. If you are testifying on behalf of an organization or

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if you are a paid lobbyist, please let us know that. 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 so before I begin, I just want you to know that...that you're all going to be seeing more than nine pictures up there. Especially for the Councilmembers, it's the gallery view that...that's...that's being done. So we're not going to be able to see all of us. We're all going to be able to see 25 different people at one time. Unless you are speaking and you're one of the last 25 people to speak, then you will be...I will be able to see you. But we are not sure where people are going to fall in terms of our testifiers and in terms of people who are actually in this meeting. So please be patient as we continue to navigate this platform. So Ms. Stewart, please announce your first testifier on the list, and the next testifier who will follow.

. . .BEGIN PUBLIC TESTIMONY. . .

MS. STEWART: Thank you, Chair. The first testifier on the list is Leilani Pulmano, to be followed by a person logged in as Douglas. Leilani Pulmano, please unmute yourself and provide your testimony.

MS. PULMANO: Hi. I'm sorry, I didn't mean to actually sign myself up. I was just wanting to watch and listen. I apologize.

CHAIR KAMA: Okay. Thank you.

MS. STEWART: Thank you. The next testifier on the list is the name Douglas, to be followed by Dr. Mary. Douglas, do you wish to testify?

MR. BIGLEY: Sorry, I couldn't get off mute. No, I'm not, I did the same thing. I'm not signed up to testify, just listening in. Thank you.

MS. STEWART: Thank you. The next person on the list is Dr. Mary, to be followed by Faith Chase.

MS. TROTTO: Aloha, Committee Members. Can you hear me?

CHAIR KAMA: Yes, we can, Dr. Mary.

MS. TROTTO: Okay. My name is Dr. Mary Trotto. I'm a resident of Kihei. And I'm in support to speak in favor of 17-434, the...the communication from the past Councilwoman Elle Cochran about having affordable housing in perpetuity. I think that when we realize the cost of housing and property on this island, particularly in

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South Maui, and the rising costs, even in this pandemic in condo sales and housing has not gone down, that in order to allow our future generations to enjoy affordable housing on this island, I think that anything that is built needs to be in perpetuity. Thank you very much for your time, and thank you for the work that you all do.

CHAIR KAMA: Thank you for your testimony, Mary. Members, do you have any questions for Dr. Mary? Seeing none. Thank you. Alison?

MS. STEWART: The next testifier is Faith Chase, to be followed by Thomas Fischer.

MS. CHASE: Aloha, Chair. Aloha, Committee. I'm testifying in favor today on Item AH-11 requiring that housing provided pursuant to the Workforce Housing Policy or with Affordable Housing Fund money is kept affordable in perpetuity through deed restrictions. What a great word, "perpetuity." I'm so glad people are not afraid of this word anymore. I would like to thank Elle Cochran for introducing the originating item. I'm also in strong favor in allowing the County to be flexible with Council approval when providing affordable housing funds to those projects that may need specific grant or loan provisions to secure additional financing. In closing, I just want to take this opportunity to suggest that this Committee perhaps assist the Homeless Alliance group in recruiting members. The work done in the group could aid...it might aid well in the Commission on Home...Healing Solutions for the Homelessness, should that pass. The group is in great need of committee members. The advocacy group is at a standstill. The membership committee needs a chair. And I just wanted to take this opportunity to suggest that cross pollination. Maybe...maybe getting on a schedule of sending the minutes of your Committee to the Homeless Alliance, if that's not done already, so that they can have some speaking points. You know it could be an agenda item every time they meet. Thank you for listening to my testimony today.

CHAIR KAMA: Thank you. Members, questions for our testifier? Seeing none. Thank you, Ms. Chase. And I'd like to recognize now Ms. Yuki Lei Sugimura, who just came into our meeting. Good morning.

COUNCILMEMBER SUGIMURA: Good morning. Nice seeing everybody.

CHAIR KAMA: Alison, our next testifier?

MS. STEWART: The last testifier on the list is Thomas Fischer. Mr. Fischer does not appear to be logged in to the meeting anymore.

CHAIR KAMA: And is he the last testifier, did you say?

MS. STEWART: Yes.

CHAIR KAMA: Okay. So before I close public testimony, are there any other people listening on this call that would like to testify? Hearing or seeing none, Members, without objections, I'd to be able to --

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COUNCILMEMBER SINENCI: Chair?

CHAIR KAMA: -- close public test...yes?

COUNCILMEMBER SINENCI: It looks like Mr. Fischer had joined back on. Alison --

CHAIR KAMA: Okay.

COUNCILMEMBER SINENCI: -- do you see him?

CHAIR KAMA: Thank you, Shane.

MS. STEWART: I do see him. Mr. Fischer, if you'd like to provide testimony please unmute your camera and microphone. You're unmuted now.

COUNCILMEMBER PALTIN: Mr. Fischer, cannot hear you.

COUNCILMEMBER SINENCI: I can see him, but I can't hear him. Yeah.

CHAIR KAMA: I can't hear him either. I can't even see him. Oh, okay, I see him. Oh, good morning, Mr. Fischer. Are you trying to call in? Okay. Now my screen's got 25 other people here. Okay. Okay. I see you, Mr. Fischer, but we can't hear you. Can't hear you. Okay.

MR. BIGLEY: Yes, this is Doug.

CHAIR KAMA: Oh I can hear you. Okay.

MR. BIGLEY: Well, this is...

CHAIR KAMA: Go ahead, Mr. Fischer. Thank you.

COUNCILMEMBER PALTIN: That was Doug Bigley, I think.

MR. BIGLEY: Yeah, this is Doug. I don't think Tom is testifying. Evidentially he's not because he's muted, but I don't think he intends to testify.

CHAIR KAMA: No...

MR. BIGLEY: But...I think you should pass. His microphone isn't working.

CHAIR KAMA: Okay.

COUNCILMEMBER PALTIN: I think he's just here as a resource if we need him.

CHAIR KAMA: Okay. Okay. So Mr. Fischer, if you can hear and you are here as a resource, we welcome you when we get to that item, which is very soon because it is the only

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item on the agenda. So Doug, thank you so very much for being here too. So if you want, you can hang out with us also. So Members, I am now, without objections, going to close public testimony.

COUNCILMEMBERS VOICED NO OBJECTIONS

CHAIR KAMA: Thank you. Thank you. So ordered. Okay. I got all the no objections. Thank you. So without objections, the Committee will receive into the record any written testimony received. Any objections to written testimony?

COUNCILMEMBERS VOICED NO OBJECTIONS

CHAIR KAMA: Thank you. So ordered.

. . .END OF PUBLIC TESTIMONY. . .

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

CHAIR KAMA: So today's agenda item, we only have one, and it is AH-11, Amendments to the Residential Workforce Housing Policy and Affordable Housing Fund. Members, while there are two subitems on this agenda, we have only the second subitem on the agenda for consideration today. The other subitem will be coming back to the Committee at a future meeting. The second subitem is revised from the proposal that was before us at our first previous meeting on September 9. My understanding is that the revisions address the concerns that were raised by Vice-Chair...Committee Vice-Chair Mike Molina, among others. It is still my intent to have the Committee take affirmative action if Members so choose on this request from County Administration. At this time, I would like Deputy Director Munsell to present to the Committee on the requested amendments to Chapter 3.35, Maui County Code. Ms. Munsell, would you please proceed?

MS. MUNSELL: Thank...thank you, Chair. Good morning, Chair. Good morning, Committee Members. My name is Linda Munsell --

UNIDENTIFIED SPEAKER: Good morning.

MS. MUNSELL: -- I'm the Deputy Director for the Department of Housing and Human Concerns. With me today is Buddy Almeida, our Housing Administrator. And I understand that Jessica Crouse, our Assistant Housing Administrator, would be joining us in a little while. As you...as the Chair mentioned, before you today is the proposed amendment to Section 3.35, Maui County Code, for your consideration. We really appreciate your time in holding the special meeting today, and in considering...considering this amendment. Thank you very much. As we mentioned previously, the Department's been working to attract projects that prioritize lower AMI households, and with longer affordability periods that leverage funds from non-County

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sources. This...actually, this effort has been really fruitful, and we received a lot of...a number of projects recently that include Liloa Hale, as well as Kaiaulu O Kupuohi, and several more projects that we have on our near horizon. All of these projects are going to be using affordable housing funds as one of their sources of...of funding. Typically, an award from the Affordable Housing Fund is a very small percentage of the overall project cost, and it serves as a gap funding source. Even though it may be small though, this investment really significantly increases the odds of a project receiving other funding that it needs from the State. We're learning how to help these projects score better on their applications, and by doing so, we bring more funding to the County through these other sources for our affordable housing projects. As you know, that when 3.35 was originally enacted, the County really didn't envision these kinds of projects with their complexities. And we've...as we've started to do more of these projects, the Department has learned that we really need to build some flexibility into 3.35 in order to be successful in attracting and supporting these kinds of projects. The proposed amendments before you today are intended to be simple and broad, and to enable potential projects to identify what conditions they need in order to secure additional financing, and to bring those conditions forward for consideration and approval by the Administration, as well as by Council. So this amendment will benefit numerous projects, and ultimately the County, by bringing more projects and better leveraging to our...to our County. So these amendments all...are going to allow the Department to bring forward strong projects that meet our community's needs. They also ensure that any requested deviations from the ordinance is brought to Council for consideration and approval. We really thank you for your time today and for your consideration. As I mentioned, we've got the Housing Division staff available to answer questions, as well as Corporation Counsel here to help us with the actual amendments to the...to the ordinance. Mimi, do you want to walk us through the...the ordinance changes, or do you want me to do that, or how do we want to proceed?

MS. DESJARDINS: Hello? Can you hear me?

CHAIR KAMA: Yes.

MS. MUNSELL: Oh, there you are. Thank you.

CHAIR KAMA: We can hear you.

MS. DESJARDINS: Sorry, I'm having some phone problems. I apologize. Whatever is the pleasure of the Chair. I can either briefly summarize what the changes are. I think pretty much everybody knows what they are. There's a couple of other little things that we found after the meeting last time that I could mention. Otherwise I believe Ms. Munsell could go through that as well. So would you like me to proceed, Chair?

CHAIR KAMA: Yes, please.

MS. DESJARDINS: Okay, thank you. So after the meeting last...I guess it was last week or the week before, we...when we went back to do the additional amendment, which was to change 3.35.060 simply by striking in number B(3) the word "in perpetuity," and

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then some stylistic changes, there was also some consensus at Housing that 3.35.050(A) needed to also be changed to give flexibility to Council to be able to change out some of the financing structure in the AMI sections that are in 2.96. So again, it would have to come before Council to make that deviation, otherwise it would follow the 2.96.060(B) and (C) for for-sale and rental homes. And then other than that, the changes to 3.35.070 I think were fully vetted at the last meeting. There's no changes to what was finally discussed by the end of that meeting. Thank you.

CHAIR KAMA: Questions, Members? Ms. Paltin?

COUNCILMEMBER PALTIN: Thank you, Chair. Can you hear me --

CHAIR KAMA: Yes.

COUNCILMEMBER PALTIN: -- okay? So --

CHAIR KAMA: Yes.

COUNCILMEMBER PALTIN: -- my question is just that Kaiaulu O Kupuohi and Liloa Hale is both 100 percent affordable, and 2.96 is the workforce housing which is...has to be 25 percent affordable, I think. And so would it...if we're looking for the most affordable houses for the longest amount of time, would we do 2.97?

MS. MUNSELL: Chair?

CHAIR KAMA: Ms. Munsell?

MS. MUNSELL: Yeah. Thank you for the question, Ms. Paltin. The...the 2.96 comes in...into this only in terms of how we are distributing some of the AMIs. So if this were an affordable housing for-sale project, for instance, 2.96 actually informs what AMIs that those projects have to be sold in. So they're not necessarily...it can be a 100 percent affordable project, it could be a 50 percent affordable project. What we're referring to in 2.96 is simply the distribution and the affordability periods that are associated with that. Mr. Almeida, do you have anything to add to that?

MR. ALMEIDA: Thank you, Chair. No, Ms. Munsell has described it very well. Thank you.

COUNCILMEMBER PALTIN: Chair, if I could follow up on that one?

CHAIR KAMA: Yes. By all means, yes.

COUNCILMEMBER PALTIN: Thank you. I just was wondering, by affordability periods, did you mean, like, it has to sell within 90 days? I mean, in that AMI category?

MS. MUNSELL: I'll defer that to Mr. Almeida.

MR. ALMEIDA: Thank you, Chair. And thank you for the question, Member Paltin. The

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affordability periods are the deed-restricted periods that the unit or the home must remain either rented at the affordable guidelines or owner occupied for the appropriate period of time.

COUNCILMEMBER PALTIN: Okay. So not that they have to sell it within this AMI for...within 90 days? That's not...

MR. ALMEIDA: No, that...that would be in...in their marketing plan in their...in their marketing of the...of the units itself.

COUNCILMEMBER PALTIN: Okay. Thank you. I'm going to try think on that. Thank you.

CHAIR KAMA: Yeah. Miss...Chair...Chair Lee, yes?

COUNCILMEMBER LEE: Madam Chair, I have a question for Housing and Human Concerns, whether it's Munsell or Buddy Almeida. Can you succinctly say exactly what will change with the passage of this amendment? And then I will ask you another question.

MS. MUNSELL: Chair?

CHAIR KAMA: Yes, go right ahead.

MS. MUNSELL: So this amendment first in 3.35.050(A), what that does is that clears up that unless otherwise approved by Council, we are going to follow the 2.96 as far as the AMIs and the...the...the restriction of the...the deed restriction for those periods. So that's what's going to happen in 3.35. In the past, there's been some conflict between this statement in (A) versus the section under 2...under Section 2(B)(3), where it said objective of..."Demonstrate that the...project directly advances the objective of providing affordable housing in perpetuity." So in the past, when we've done these projects, we follow 2.96, but there's been a question about whether the 2.96 and the in perpetuity question were in conflict. What this amendment now does here says, we're going to follow 2.96 unless otherwise approved by Council. So we often get these projects that have longer...much longer affordability periods. And when we bring those forward to you for approval, you're going to approve those longer affordability periods. So that's the Section (A). And then in Section 3.35.070, we're pretty...we...we say very specifically how those loans and grants are going to be...what the rules are associated with those. And by simply adding "unless otherwise approved by Council," what that does is gives the opportunity for them to be a little more flexible. So for instance, if the project needs, under (B), to be third place in the mortgage lien position, Council can approve that, right? So right now it says it must be first mortgage or may be second mortgage. But often, when we've got these larger streams of financing, it needs to be third position. So what...what it does is simply says, all right, these are what the rules are that we're going to follow unless we're going to go to Council and ask for an exception. And that's what we're doing here.

CHAIR KAMA: Chair Lee, you're muted, Chair. You're muted.

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COUNCILMEMBER LEE: Yeah, I'm trying to get back to...

CHAIR KAMA: Okay.

COUNCILMEMBER LEE: But anyway, Ms. Munsell, the...so what we're trying to do is correct Chapter 3 with regard to adding that language unless otherwise, you know, exempted or approved by the...changed by the Council in...in that regard. So...so the...as it stands with the amendment, any project that has...any affordable project that has AMI units in the neighborhood of 120 percent of median income, 130 percent of median income would have to remain in perpetuity if County funds were used for that project?

MS. MUNSELL: Thank you for the question. No, what it means is that the "unless otherwise approved by council," it would use the affordability periods in 2.96. So if you go to 2.96, an affordable rental project needs to have a 30...I think it's a 30-year...

COUNCILMEMBER LEE: Okay. No, no, no, no, don't keep adding details. I just want clarification.

MS. MUNSELL: Oh, yeah.

COUNCILMEMBER LEE: So this idea of perpetuity applies when and where?

MS. MUNSELL: Actually, it's removing the perpetuity conflict in this section. So we follow 2.96, and then the confusion came because at the very end of that section, it talked about how are we supporting in perpetuity. And so this just removes that altogether.

COUNCILMEMBER LEE: Yeah. But so...so what you're saying is that originally, the amendment proposed perpetuity with regard to the use of County funds, but now that no longer applies? Is that what you're saying?

MS. MUNSELL: No, the amendment didn't address the perpetuity question previously. So the original one that we sent to you did not address the perpetuity question. But when we looked at this again with you guys the last time, that question came up, and so we're resolving that question now.

COUNCILMEMBER LEE: So in other words, County funds, if...from the Affordable Housing Fund can be used for projects in 2.96 which have a variety of AMIs, yeah? And so in other words--and...and not all of these units are going to be in perpetuity.

CHAIR KAMA: Correct.

COUNCILMEMBER LEE: Yeah?

MS. MUNSELL: That is...that is correct. However, again, what...if you remember back to the opening statement, our goal is to try to attract projects that have got longer affordability periods and serve lower AMIs. So according to the original ordinance, we

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were following 2.96, but we're not always going to do that with these funds. We want to actually invest in projects that do longer affordability periods and lower AMIs. So most of the projects that you're going to see now, going forward, are going to be the projects like Liloa Hale that are 60 percent and below, the Kaiaulu O Kupuohi...sorry, Kupuohi, which is also 60 percent and below.

COUNCILMEMBER LEE: Okay.

MS. MUNSELL: Both of which have much longer affordability periods. But they're not in perpetuity.

COUNCILMEMBER LEE: Okay. For the longest time while I was there, and probably a decade later, we never used County funds for market homes, ever. All these monies were geared toward nonprofits, and it went to senior homes, homeless projects, et cetera. So I'm not really clear why the need for this amendment. Is...you know, unless...unless in the last few years monies from this fund were given to private developers where...is that true?

MS. MUNSELL: Thank you, Chair. If you actually look at the...and I'll try to pull it up, our annual report that is submitted to the Council, we have been shifting towards doing the larger rental projects. So if you recall the presentation that we did earlier in the year for the Hawaii Housing Planning Study, where we talked about the need...the desperate need in the lower AMI categories. And those are not usually going to be people who are going to purchase their homes. Those are going to be rental homes typically. So what our...what our goal is, is to begin investing in those kinds of projects. Even if you were looking at our older projects, not all of them were in perpetuity. And again, all of these projects had to come to Council for approval. So it wasn't just the Administration saying, oh, we're going to change these rules, they...they were vetted through the Council. We did a lot of investment in Habitat for Humanity. Those projects, as I recall, have got a 20-year affordability period. Hale Mahaolu, because they are a nonprofit and the way that they're structured, they do do affordability in perpetuity as I understand it. But I'm thinking that the vast...a lot of the projects that we've invested in are not necessarily perpetuity projects.

COUNCILMEMBER LEE: Okay, thank you.

MS. MUNSELL: Let me pull that up.

COUNCILMEMBER LEE: Okay, thank you. And...and if I may at some point ask for Mr. Bigley's comments. Thank you.

CHAIR KAMA: Thank you, Chair. I'm going to...before I call on you, Mr. Molina, I want to recognize Mr. Hokama, who came in during our discussion. Good morning, Mr. Hokama.

COUNCILMEMBER HOKAMA: Good morning, Chair. Thank you very much. I've been listening to the...to the meeting. Thank you.

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CHAIR KAMA: Okay. Mr. Molina, you had some questions to be directed to the Department?

VICE-CHAIR MOLINA: Yeah. Thank you, Madam Chair. But not so much questions, but just to provide a quick, brief history about 3.35 and how we got here. Back in 2006, after the electorate approved the Affordable Housing Fund Charter amendment, I sponsored the enabling legislation, which we now know today as Chapter 3.35 of the Maui County Code. And in that enabling legislation, it was my intention for permanent affordable housing, not what one would call temporary affordable housing. So just in general, with regards to the in perpetuity, by removing that wording, you know, it is my feeling that we're compromising our need for a continuous source of affordable housing. And at the last meeting, it was noted by administrative staff that if we maintain a hard line on the in-perpetuity provision, we could potentially sacrifice other housing projects. And I can appreciate that. But it's my belief that if a project wants to be temporary affordable housing, then other funding sources should be considered at the Federal and State level, and maybe through the private sector. So if a project is truly affordable, it should be affordable forever. So, you know, I'm...personally, I'm a little uncomfortable with changing an ordinance to accommodate any specific developments because I think if a development is true to their convictions they're going to find the resources to build a project. So I believe the Council and the Administration and--yes, have seriously compromised on the in-perpetuity provision of the enabling legislation in the past. So I say we need to draw the line in the sand. We need to compromise no more, and adhere to the Code the way it was intended to be. So in my opinion, I say going forward, if a development wants to use affordable housing funds, they must be providing affordable housing in perpetuity. Otherwise, if they want what's called temporary affordable housing, they should seek other sources of funding. Thank you, Madam Chair.

CHAIR KAMA: Thank you, Mr. Molina. Members, any other questions?

MS. DESJARDINS: Chair? Chair, can I say something?

CHAIR KAMA: I...

MS. DESJARDINS: This is Mimi.

CHAIR KAMA: Oh, yes, Mimi, go ahead.

MS. DESJARDINS: I...I just want to try to help clear one other little thing up here that...that is troublesome about the way that this is written right now, and one of the reasons why there's a proposed amendment to 3.35.050. 3.35.050 requires that affordable housing...that ownership housing units financed by the Affordable Housing Fund shall be subject to the restrictions under 2.96.060(B) and (C). And if you go to 2.96.060(B), for example, that has to do with deed restrictions, and it requires that below-moderate income units have a deed restriction of ten years, moderate eight, and above-moderate five. So if there are...if there's a requirement to place deed restrictions when this fund is supposed to be used only for in perpetuity, why would you have a deed restriction if

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it's in perpetuity? So there's a little bit of a conflict there, which was one reason why we went further back than just the discussion we had at the last meeting and looked at this and said, reference to 2.96 under this flies in the face of the in-perpetuity language. When you look at 3.35.060, the requirements for a grant, the very last requirement is to demonstrate that the subject project directly advances the objective of providing affordable housing in perpetuity, period. So it has to be in perpetuity to use this fund. Right now, housing projects are passing through this without them being in perpetuity. Okay. So what we're trying to accomplish here, I think, is to say you can...you can require in perpetuity all you want, but this gives you the flexibility to not if you choose not to. But it certainly gives you the ability to continue to use this fund only in perpetuity. But if you don't change out 3.35.050(A) then there's this conflict about how it has these deed restrictions in there that doesn't make sense when you're talking about in perpetuity. Okay. So I just wanted to raise that as well as...as one of the contradictions in 3.35 that I think we're just trying to clean up. Thank you.

MR. ALMEIDA: Chair, this is...

CHAIR KAMA: Mimi...yes?

MR. ALMEIDA: I'm sorry to interrupt, Chair. This is Buddy Almeida.

CHAIR KAMA: Buddy.

MR. ALMEIDA: I just wanted to add --

CHAIR KAMA: Yes.

MR. ALMEIDA: -- real quick, I completely understand Mr. Molina's position and his comments. I just wanted to add to what Mimi just said, is that in the end, Council approves, you know, all projects that are recommended by the Department. You have the final say on what gets approved and how it gets approved. It...again, as Mimi stated, it's just the flexibility to be able to review all projects. We have set up the Affordable Housing Fund scoring criteria to only recommend projects that have longer deed restrictions, such as Hale Mahaolu, Mr. Bigley's projects, and others. Those are the projects that have typically been approved in the past, all to nonprofits, most of them with very long deed restrictions. So we just wanted to clean that up to make sure there's no confusion. But again, in the end, it's this body's decision on what does and does not get approved from the fund. Thank you.

CHAIR KAMA: I just...I just want to ask a question then. So while we're talking about in perpetuity for affordable housing project, we're mostly talking about rentals, right? Because if we talk about keeping a project in perpetuity that comes with homeownership, then you're basically keeping that homeowner in poverty by keeping the in perpetuity there. So it's my understanding then that as projects come before the Council, we can decide whether we want to apply that or not apply the in-perpetuity language or to that particular project. Is that correct, Mimi? Am I

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understanding this correctly?

MS. DESJARDINS: Are you asking me, Chair? I'm sorry.

CHAIR KAMA: Yes, I am, Mimi.

MS. DESJARDINS: Yeah. Well, the way that the law is written right now, and I...and Mr. Molina pointed this out last time correctly, right now, you are not supposed to use these funds for any --

CHAIR KAMA: Correct.

MS. DESJARDINS: -- projects other than those in perpetuity. But --

CHAIR KAMA: Right.

MS. DESJARDINS: -- it's odd that it also mentions following deed restrictions from 2.96. You don't have to have deed restrictions if it's in perpetuity --

CHAIR KAMA: Right.

MS. DESJARDINS: -- in my opinion legally. But yeah, so what it's trying to do is to become more real with what's really been happening. Because these projects that are passing out of this fund are not in perpetuity. And so if you want them to be, you can. But right now, they...there shouldn't be any project using these funds the way it's written unless they are supporting in perpetuity.

CHAIR KAMA: So as each project comes up before the Council, the Council did...can decide whether they want that project to stay in perpetuity or not stay. So that's what it...so that's what this actually gives the power of the Council to do; is that right?

MS. DESJARDINS: That's what...that's what's being proposed here, to try to be --

CHAIR KAMA: Okay.

MS. DESJARDINS: -- more realistic about projects.

CHAIR KAMA: Right.

MS. DESJARDINS: You know, and that would support --

CHAIR KAMA: Right.

MS. DESJARDINS: -- and Buddy can...can address this better than I can, but when you go out...when Housing goes...puts out an RFP for these projects to use these funds, the broader the criteria, the more likely you will, you know, you will get more people that are seeking this funding. But ultimately, it's part of your budget. Every year you

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decide whether these projects are going to be funded out this fund or not, not Housing.

CHAIR KAMA: Right. Okay. Okay. I get that, Mimi. Thank you. I think I saw Ms. Tamara Paltin's hand. Yes, Ms. Paltin?

COUNCILMEMBER PALTIN: Thank you, Chair. And I think I understand what the intent of this bill is. My question is, like, so all the projects that we've used the Affordable Housing Fund, we've already done it, like Habitat for Humanity and all these other ones. If we don't pass this, do those other ones that we already passed goes away? And if it doesn't goes away, then why don't we just continue on like how we are because we've already done it? Or are you saying that what we did in the past was illegal, and if we don't pass this, then all of those things you going ask the money back? Because kind of the way that you explained it, like, you know, the less flexibility, so we'd only be able to give affordable housing funds to say, Na Hale O Maui, who maintains affordability in perpetuity with this language going forward. Because I mean, if there is an entity out there that does it, and we give them all the affordable housing money because they do it in perpetuity, I just was wondering. Because it seems like we already did it, so why do we need to change the law? Because we did it, we'll just keep doing it. That's...that's just the question I have on the legality aspect of we already did it that way, were...were whoever passed the...been flexible already, did they break the law? I just...that's my question.

MS. DESJARDINS: You know, I'm not going to get into a discussion about whether you folks have broken the law at this point. But I will tell you that once you do this, you know, once you...you give funding, the grant...grant applications have to be approved. I mean, there's like a whole procession of stuff that occurs. My point is, if you are going to provide this...these funds to projects not in perpetuity, give yourselves the ability to do that by changing out the law. Because you can read it yourself, read...read number 1, "Title to any real property must be held in perpetuity by grantee/borrower unless conveyed to the County, or to a qualified nonprofit or community land trust." So you can draw your own conclusion about the...the projects that are funded. Maybe they'll ask to come back in and ask that their resolutions be amended because they're not in perpetuity. I don't know. I'm not here to have that discussion. Just trying to address an issue that has come up on one occasion that you folks are going to be reviewing if this is successful. But it's probably going to affect other projects that have been approved as well. So that's...that's the point here of bringing this before you.

MS. MUNSELL: Chair?

CHAIR KAMA: Yes, Ms. Munsell?

MS. MUNSELL: Maybe just to help you a little bit. I can...we can talk about what has been approved, what has been receiving affordable housing funds, if that would be helpful.

CHAIR KAMA: I think anything at this time would be helpful to help clarify in the minds of the...the Members where we're going with this. To be able to clarify things, to make it

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clear so that when they decide on...on...on...to...to accept it or reject it, they're clear about what they're saying. And if there's still some doubt or questions or--sometimes you have stuff in your head that...that you want to ask, but you just don't know how. So I think any clarification statements you can make would be helpful.

MS. MUNSELL: Yeah. Yeah. Thank you. And I...I know that it's...when we talk about really short affordability periods, it's...it's a little bit nerve-racking when we're using County funds to make these investments. But just to give you some...some help, the first years that we did this, the Mokuhau Apartments and Hale Mahaolu both received funding. The Mokuhau Apartments is owned by Family Life Center. So my expectation is that both of those projects would be in-perpetuity projects. The next fiscal year, we did Kulamalu, which is, of course, the County-owned project. Imi Ikena [sic], which is a LIHTC project, so that has a 60-year affordability period. Arc of Maui received funding for a project on Molokai. I am not certain what that affordability period would be, but maybe Mr. Almeida can help us. Kahawai Apartments, which was a Habitat for Humanity project, received funding, that's a 20-year deed restriction. Na Hale O Maui received funds. Of course, they're the community land trust, and so those would be long-term affordability projects. Kenolio Leilani, that was a Lokahi Pacific for-sale project, 80 percent AMI and below. I'm not sure what that one would be. Helani Garden...we can...we can get these...these to you. But for the most part --

CHAIR KAMA: Okay.

MS. MUNSELL: -- what we're investing in are long-term affordable projects, not necessarily perpetuity projects, but long term. They're not...they're not the eight-year and ten-year things that you guys are afraid of.

CHAIR KAMA: Okay. I see Chair Lee's hand up. Ms. Lee? Yes, go ahead, Chair.

COUNCILMEMBER LEE: Yeah. I have a button that's not cooperative, my mute button. Anyway, I wanted to ask Ms. Munsell, the first two projects that you mentioned that received Affordable Housing Fund money, what year was that?

MS. MUNSELL: So the...thank...thank you for the question. The first ones were in 2010. So Mokuhau Apartments and Mahaolu Ehiku were both in 2010.

COUNCILMEMBER LEE: Yeah. And that's what I thought. I...I knew that when I was director, we...we used regular County funds, general funds for various projects. And without any kind of direction from the Council, we just primarily used that money for nonprofits, and for the very low end, and for the projects that really were not by design, but...but by need, they were in perpetuity. Because Hale Mahaolu is not going to turn around and resell their units, I...you know. So a lot of the...those monies went for that. So that's why I needed the clarification. When something passes in one year, sometimes it takes a while for it to be implemented. You know...you know, oftentimes administrative rules have to be established, et cetera, et cetera. So it...it's...it's fairly recent, so only ten years ago that the monies were distributed. Okay. So Madam Chair, what we're really dealing with at the moment is to add the...the...the language

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in that gives the Council flexibility. Yeah. But --

CHAIR KAMA: Yeah.

COUNCILMEMBER LEE: -- does not direct the Council one way or the other. Okay.

CHAIR KAMA: Correct.

COUNCILMEMBER LEE: I...I can...I just want to let you know that I can support that. Thank you.

CHAIR KAMA: Thank you, Chair. Yes, Ms. Paltin?

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Ms. Munsell, for the explanation. I think it really helped me out to see what is the problem that we're having. Like you said, we don't want to see the five, eight, and ten-year affordabilities, but 2.96 is what...is that...that's what it is, is five, eight, and ten-year affordabilities. And so I don't understand why we need 2.96 as the rule if it's actually the longer term projects that we all want to see. Like instead of 2.96, can we just say 30-year affordability minimum or then flexibility? Because that way we're having like a baseline of what we expect for the affordable housing funds, not just willy-nilly flexibility. Based on 2.96 which, you know, I mean, now is not the time to update that, but we all want to update it. But like you said, nobody likes the five, eight, and ten, and that's not your intention. So why don't we just take that off the table and start it at like, say, 30, and say, you know, by change, like, if that's what's you're going...or even 20, but like you said, five, and eight, and ten is what makes it really unpalatable to me. I can...I can work with you what you got. If long-term affordability is what these funds are used for, then, you know, as a flexibility that's...that's kind of my baseline, not five years as how 2.96 currently stands. So I guess I wouldn't support 2.96, but I'd support a longer term than what 2.96 currently is.

CHAIR KAMA: And I think that would probably be our discussion when we do 2.96. Today we're doing 3.35.

UNIDENTIFIED SPEAKER: Chair?

CHAIR KAMA: Right, Mimi?

MS. DESJARDINS: No, that's correct. You're looking at 3.35. I mean, I...I think what Member Paltin's suggestion --

CHAIR KAMA: Yeah.

MS. DESJARDINS: -- could probably lead to is at some point just repeal 3.35.050 completely, and don't even make reference to 2.96 in 3.35. Just leave it...leave it empty. Or...or --

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CHAIR KAMA: Okay.

MS. DESJARDINS: -- leave it, you know, leave it blank.

CHAIR KAMA: Okay. Let's...let's chew on that a little while, while I call on Mr. Molina.
Mr. Molina?

VICE-CHAIR MOLINA: Yeah. Thank you, Madam Chair. Just following up, I wanted...I'd like to ask Ms. DesJardins a question on that. So by removing the in-perpetuity language then, would that hinder the Council's ability to decide whether they...they want a project to be in perpetuity?

UNIDENTIFIED SPEAKER: No, no, your choice.

MS. DESJARDINS: Yeah, I don't believe so.

VICE-CHAIR MOLINA: Yeah, I need to understand.

MS. DESJARDINS: -- . . . (*inaudible*). . . Molina. I...I think...okay, what...what's happening in this proposal is that 3.35.060 are the actual...anybody who's applying for a grant or loan must follow these. And that's where the in perpetuity is in there is being removed. So you can apply without this, you know, restriction of in perpetuity. But when it gets to whether you're going to grant it or not, the in-perpetuity language is going to remain in there unless otherwise approved by Council. So in other words, the presumption is it will be in perpetuity unless you approve otherwise. So it does get...it's changing only your ability to say no, but it's not removing in perpetuity as a requirement unless you vote to remove it.

VICE-CHAIR MOLINA: Okay. All right. Thank you.

CHAIR KAMA: Ms. Sugimura, you have a question?

COUNCILMEMBER SUGIMURA: Thank...thank you, Chair. So I...I'm listening to the discussion. Appreciate Mimi DesJardins, Mr. Molina's input, and Mr. Almeida. Because actually, what this is trying to do is just follow what our practice has been. So I support this. It just...it just is housekeeping basically, cleaning up language. And I...I value Mr. Molina's input in terms of being able to give us a little historical knowledge about this. And so thank you, Mr. Molina, for that. I appreciate that.

CHAIR KAMA: Members, do we have anyone else that has questions? Oh, Mr. Sinenci, yes?

COUNCILMEMBER SINENCI: Thank you, Chair. Yeah so just following up on Member Paltin's question about 2.96.060 that is being referred to under (A)(1), "Ownership housing units financed by the affordable housing fund must be subject to the restrictions of subsection 2.96.060(B)." So would we consider...if...if we didn't support the five, eight, and ten in 2.96.060, could we possibly take that section out? Ms. DesJardins?

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MS. DESJARDINS: Yeah, you could...you could choose to just not reference 2.96 at all, and just say when you're dealing with the Affordable Housing Fund, you folks will make up your own criteria. But what's kind of odd right now is that you're supposed to be following deed restrictions under 2.96, but then it's also supposed to be an in perpetuity. So that's a bit of a conflict. But yeah, I mean, you could choose to remove it and the...the result would be no more mention of deed restrictions of eight years, ten years, and five years as...as required. Right now, it's required.

COUNCILMEMBER SINENCI: Okay. But right now it's...in the proposed bill, it's under 2.96.060(B) is included in Item A. So that would still...if we needed to add the language "unless otherwise approved by the council" then that section would still remain with the --

MS. DESJARDINS: That's correct.

COUNCILMEMBER SINENCI: -- with the approval of the Council. Yeah. Okay.

MS. DESJARDINS: Right.

COUNCILMEMBER SINENCI: All right. Thank you for the clarification.

MS. DESJARDINS: So it was made...yes. The presumption is --

COUNCILMEMBER SINENCI: Go ahead.

MS. DESJARDINS: -- you're going to follow it unless you say otherwise. Yeah. So that's the amendment. Yeah, exactly.

COUNCILMEMBER SINENCI: But we can hemo the emphasis on 2.96 in 3.35 until we can eventually address 2.96, yeah?

CHAIR KAMA: Correct.

MS. DESJARDINS: Correct.

COUNCILMEMBER SINENCI: Okay, thank you. Thank you, Chair.

MR. ALMEIDA: Chair, may I just add a little something?

CHAIR KAMA: Yes, Mr. Almeida.

MR. ALMEIDA: Thank you very much, Chair. To add to Mr. Sinenci's comments and concerns, basically 2.96 is...is just the base. It helps us when we do our RFPs to outline at a minimum what we're looking for. Just to give some comfort, the Department has never recommended any project...for-sale project that has a deed restriction of ten years or less. We...we always look for the longer affordability periods.

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Those are the ones that score higher based on our scoring criteria, and that's what we look to recommend to this body. So I just wanted to add that to know that no project has ever been recommended with short deed restrictions of that nature. Thank you.

CHAIR KAMA: Thank you, Mr. Almeida.

COUNCILMEMBER SINENCI: Oh, okay.

CHAIR KAMA: Mr. Sinenci?

COUNCILMEMBER SINENCI: So Chair, for Mister...Mr. Almeida, you...you prefer that if we are going to address the...the five, eight, ten, that we do it within the confines of 2.96 and not here on 3.35, yeah?

MR. ALMEIDA: Yes. That would be my recommendation. Because again, 2.96, as the language states in 3.35, we...we just use that as a base. It gives us a guideline. When we hold our workshop and we meet with the developers, they know at a minimum what's expected. But we also always advise them that it's the longer deed restricted projects that are the ones that are going to, you know, be more heavily considered and favored upon when we make our recommendations. It's...it's just a base so that as Mimi described earlier, we have something in there that, you know, outlines again, at a minimum, what it is. But we...we...they definitely know that longer deed restrictions are expected.

COUNCILMEMBER SINENCI: Okay, thank you. Thank you, Chair.

CHAIR KAMA: Oh, you're welcome, Mr. Sinenci. Members, any other...yes, Mr. Molina?

VICE-CHAIR MOLINA: Yeah. Thank you, Madam Chair. Just question for Director Munsell if she could help refresh our memories. The projects that you mentioned that had access to these affordable housing funds, these were all 100 percent affordable housing projects? And I guess currently, if a development does not provide 100 percent affordable, say 60 percent, are they still eligible to get affordable housing funds, even though it's less than 100 percent?

MS. MUNSELL: Thank...thank you for the question. Generally, if you've got...and I'm...I'm looking through the list. I think that these all appear to be 100 percent affordable projects. I know that on projects where we've had Federal funds, for instance...I mean, if there were some that were...some that were...we only invested in certain units. And those were for-sale projects. But yeah, I'm looking through this list, they all look like they were all 100 percent affordable projects that we were investing in.

VICE-CHAIR MOLINA: Okay. Thank you. Thank you, Madam Chair.

MS. MUNSELL: Mister...Mr. Almeida, if he could...if there's...did...if I misstated that, he could add to that.

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MR. ALMEIDA: Thank you, Chair. And thank you, Member Molina. Ms. Munsell is correct, all projects that have been approved under the fund have been 100 percent affordable projects.

CHAIR KAMA: So I have a question. So, Ms. Munsell, how many of those projects were for sale, and how many were for rental?

MS. MUNSELL: If you can give me a few minutes, I'll...I'll get that for you.

CHAIR KAMA: Okay. Thank you. And then another question I had, and you may not have it today, is if we...if you looked at all the affordable housing projects that we have funded in the past with affordable housing dollars, how much did we...how much of County funds were leveraged, and how much money was actually utilized in leveraging those funds? And I know you don't have it today, but you can get that to us later.

MS. MUNSELL: So...so Chair, thank...thank you for that question. We actually...Mr. Almeida, we submit a report to you and that report...the annual report was just sent out to you as of...the date of this is August the 13th. And it actually lists all of the projects that have been invested in in that...through the Affordable Housing Fund. And it also...it doesn't give the leveraged funds. And I'm not sure that we would have all of that data, but we can take a look and see.

CHAIR KAMA: Yeah. Yeah.

MS. MUNSELL: Yeah. But the whole...the whole goal was to try and be a smaller portion.

CHAIR KAMA: The maximum. Yeah.

MS. MUNSELL: Yeah.

CHAIR KAMA: Right. To see what...what that looks like because I think that's important for us to...to see. I mean, for me too, because, you know, when I think about who...who...who are the taxpayers of this County, right. Most of the taxpayers are homeowners. So while we're trying to...to build units for those who...who will probably not own a home in recent times, at some point in time, everybody that, for me, I see who's going to be renting at some future time may want to own a home. And we have to make sure that...because we have so many people, I think, in rentals, and we don't get the tax revenue that we would want to have, I think, over time. I'm just thinking in the future. Thank you. Did I see...Mr. Hokama, is your hand up, Mr. Hokama? So Members, I don't have any questions, does anyone else have any questions? I see your lips moving, Mr. Molina, but I don't hear anything. Okay. Okay. Okay. That was a terrible echo. Okay. So I think...okay. Members, it's 10:08, and we haven't had a break. But I would like to beg your indulgence if you would just bear with me. But it's up to you folks, if you want to take a break now or just continue on. Because I would like to be able to recommend to entertain a motion of approval of the proposed bills as submitted into the record today. That's my...my...what I'd like to do, if that's okay with you all.

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COUNCILMEMBER SUGIMURA: So move.

CHAIR KAMA: Yes, Ms. Lee?

COUNCILMEMBER LEE: Well, I'm ready to vote.

CHAIR KAMA: Okay.

COUNCILMEMBER LEE: On...on this particular...you know, what...to me, there's a...there's a sense of...sense of urgency in a way that could clarify the language.

CHAIR KAMA: Yeah.

COUNCILMEMBER LEE: Well, in Chapter 3. But you can keep the subject matter in your Committee --

CHAIR KAMA: Absolutely.

COUNCILMEMBER LEE: -- if more changes...you know, if people want to make more changes.

CHAIR KAMA: Yes.

COUNCILMEMBER LEE: But let's get this clear because there is this conflict that we should resolve today. Thank you.

CHAIR KAMA: Yes. Yes. Thank you, Chair. Mr. Hokama?

COUNCILMEMBER HOKAMA: Thank you. I had a brain freeze, Chair, so I apologize, when you did ask if I had a question. I know I had one and then it ran away and then it came...finally came back. Just one of the things that for (B) that while I...I support the intention, Chair, but what I wanted to make clear, and I'm...I'm glad Ms. DesJardins is joining us this morning. I want to make sure that anyone that asks for a County grant or loan is not going to use it to satisfy a condition from the County, to satisfy another condition. So if we made a condition of required housing for an entitlement, I don't want them now later to come back and ask for our affordable housing funds to satisfy their requirement of affordable housing. I don't think that's the purpose of the fund. Okay. It's not to use our money to pay for their condition of entitlement that we imposed on them. So, you know, if it's already clear, Ms. DesJardins then, you know, thank you. But if it's not, it's something I want us to consider. Thank you.

MS. DESJARDINS: Are you talking about using the funds to purchase credits for the affordable housing project or something?

COUNCILMEMBER HOKAMA: Yeah, let's say the condition is, yeah, you know, you owe us for this entitlement, pick a number, whatever, 50 affordable rental units. Then

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they...it's...it's...then they're going to apply to the County or under a RFP from the Department and says, yeah, we want a grant of \$4 million, and we're going to use it to help satisfy our 50 affordable units we owe the County. So the County paying itself for them to provide us the units.

MS. MUNSELL: Chair?

COUNCILMEMBER HOKAMA: I don't think that was the intent.

MS. MUNSELL: Chair?

CHAIR KAMA: Okay.

UNIDENTIFIED SPEAKER: Wow.

CHAIR KAMA: Is that something that has to be written someplace, Mimi, do you know?

COUNCILMEMBER HOKAMA: It happened to us already once, I can tell you that. And I want --

MS. MUNSELL: Chair?

COUNCILMEMBER HOKAMA: -- to make sure it doesn't happen again. Thank you, Chair.

MS. DESJARDINS: Well, I would...yeah, I would...yeah, I defer to Ms. Munsell on how that...how that --

CHAIR KAMA: Okay.

MS. DESJARDINS: -- the RFP process works, and what they choose.

CHAIR KAMA: Okay. Ms. Munsell?

MS. MUNSELL: Yeah, Chair, I think what Mr. Hokama is referencing is, for instance, if there's a 2.96 project, they're required to provide 25 percent of their units as affordable units. And so he would not want affordable housing funds invested in those 25 percent units. Same for a 201H project, where they're required to provide more than 51 percent of their units. I think that the suggestion is that they should have to provide those units, and not receive an investment from the County through the affordable housing funds in order to do so. Am I correct, Mr. Hokama?

UNIDENTIFIED SPEAKER: Yeah.

COUNCILMEMBER HOKAMA: That's pretty much it. I mean, if not, then you should be doing the project. We're paying for it.

MS. MUNSELL: Right. So the question then is whether that needs to be included into 3.35

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as one of the...in the ordinance itself.

CHAIR KAMA: Mr. Hokama?

COUNCILMEMBER HOKAMA: Yeah, so are you...so thank you, Chair. So Ms. Munsell, would you folks be supportive so that it brings clarity to the policy of what the fund can be used for?

MS. MUNSELL: Chair?

CHAIR KAMA: Yes, go right ahead.

MS. MUNSELL: You know, I'd ask for Mr. Almeida's input as well. But my...my thought would be that in general, a project that is just simply doing the minimum requirement of 2.96, for instance, in a for-sale project, and selling at the AMIs that are outlined in 2.96, I would agree with Mr. Hokama. However, if that project is proposing that they might sell those units below like 80 percent AMI, in order to so, they might need some investment from the County. So I would hate to shut the door entirely, but I would agree with Mr. Hokama that you want to be very judicious in which projects you would agree to invest affordable housing funds into. They would have to be doing much lower AMIs than the 2.96 in order to receive, in my opinion, the support of the Department.

COUNCILMEMBER HOKAMA: Chair, if I may?

CHAIR KAMA: Yes, Mr. Hokama.

COUNCILMEMBER HOKAMA: Ms. Munsell, thank you very much. I think you hit the nail right on the top of the head by some of your comments, so I thank you for that. It made it clearer for me. Because then like, you know, when we finally get to 2.96, I don't know if the language is driving it. So the end result or one of the goals of our mission of affordable is that the County ends up potentially needing to purchase all this real property because the equity that you can get from a maximum capped resale is now way below your appraisal value. And I know the County has purchased land above appraisal value before, but are we going to then subsidize the difference of equity? And are really trying now to manipulate the value of land that our real property appraisal program is based on? The mass appraisal of general equity of the general sales. So I don't know if, you know, Finance, Mister...Mr. Teruya would have a comment to you on that, Chair. Because eventually then, we are going to say the County is willing to limit its tax collection revenues from certain sources because we're going to cap the potential resale values even if the appraisal could be double. So I just want you to think about it, Chair. That's what keeps me up at night. Thank you.

CHAIR KAMA: Thank you, Mr. Hokama. Well said. Well said. Mr. Molina?

VICE-CHAIR MOLINA: Yeah, thank you, Madam Chair. An amendment...actually not an amendment, but the motion has been placed on the floor. I believe the maker of the

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motion, was that Councilmember Sugimura? Okay. I'd like to give you a chance to speak on the motion because I have a proposal to consider. But I'll yield to you first as the maker of the motion as to why you want this motion you're in support of.

COUNCILMEMBER SUGIMURA: So there's no second. I was waiting for a second.

CHAIR KAMA: Yeah.

VICE-CHAIR MOLINA: Oh, there was no second? Okay.

COUNCILMEMBER SUGIMURA: No second.

CHAIR KAMA: I didn't hear a second. Yeah.

COUNCILMEMBER SUGIMURA: Mr. Hokama just second.

CHAIR KAMA: Oh, okay. So thank you. So it has been moved and seconded to...to accept the motion as...okay. So the motion on the floor is actually to approve the...the...the ordinance. And if you want me to read it, I can read it for everybody.

COUNCILMEMBER SUGIMURA: 3.35.070. Yeah.

CHAIR KAMA: It's A BILL --

COUNCILMEMBER SUGIMURA: So...

CHAIR KAMA: -- FOR AN ORDINANCE AMENDING SECTION 3.35, MAUI COUNTY CODE, RELATING TO THE GRANT OR LOAN REQUIREMENTS.

COUNCILMEMBER SUGIMURA: Yeah.

CHAIR KAMA: So it's been moved and seconded. So discussion? Ms. Yuki Sugimura?

COUNCILMEMBER SUGIMURA: I think I said it earlier. After listening to what the Members have said and the Department and Corp. Counsel, that this clarifies really what the Council has been doing and...over the years. So thank you. I support this.

CHAIR KAMA: Okay. Mr. Molina?

VICE-CHAIR MOLINA: Yeah. Thank you, Madam Chair. To add maybe some more specificity, and especially in relation to the concern about the in-perpetuity language, I'd like to amend Section 3.35.060 by adding the following language. Under Section (A)(3) [sic] it states that "Demonstrate that the subject project directly advances the objective of providing affordable housing in perpetuity." Now, after the word "perpetuity," this is the language that I'd like to propose, "however, a request for exemption from this provision shall be considered by the council if the following applies: 1. The project is providing 100 percent of the dwellings units as affordable;

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and 2. That the dwellings shall remain affordable for not less than 30 years.” That is my proposed amendment, Madam Chair. If there is a second, it’s still alive.

COUNCILMEMBER PALTIN: Second. Second.

CHAIR KAMA: Oh, thank you. So Mr. Molina...so it’s been...Mr. Molina, it’s been moved and seconded that we accept Mr. Molina’s amendment. Mr. Molina, can you please repeat that again?

VICE-CHAIR MOLINA: Yeah, thank you, Madam Chair. Well, this is more like a compromise.

CHAIR KAMA: Yeah.

VICE-CHAIR MOLINA: Again, to me, it just adds more specificity to the, I guess, requirements to...for the eligibility to get the affordable housing funds as far as for any particular project. So that’s the reason for this proposal. And I know you mentioned a possible recess. If it’s...would be possible, we could recess, and I could work with you and your staff on hammering out this language. Because I know it’s rather lengthy. So if that’s...unless Staff got all the language. We could take a break and then...

CHAIR KAMA: Let’s ask Staff.

VICE-CHAIR MOLINA: Yeah.

CHAIR KAMA: Let’s ask Staff. Staff, did you get Mr. Molina’s amendment? Because I know there are two things you asked.

MR. FORREST: Chair? This is Forrest.

CHAIR KAMA: Yes? Yes?

MR. FORREST: It’s a good opportunity to practice what we were talking about in a meeting yesterday, which is that you guys can vote on the intent of the legislation, and Staff can draft corresponding regulations later.

CHAIR KAMA: I love that hat.

MR. FORREST: So no need to draft on the fly.

CHAIR KAMA: Mr. Molina?

VICE-CHAIR MOLINA: Yeah. Madam Chair, also as a...for additional assistance, I’ll have my staff member email the proposed amendment to all the Members.

CHAIR KAMA: Okay. Okay. Mister...Mr. Sinenci, was your hand up or...okay, the thumb

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was up. Okay. Mr. Hokama, was your hand up for something?

COUNCILMEMBER HOKAMA: Yes, Chair. No, I appreciate Mr. Molina making the effort to get us the...his propose in written. I don't vote on anything I cannot see, especially amendments. He was quite lengthy, so yeah, I appreciate his efforts --

CHAIR KAMA: Okay.

COUNCILMEMBER HOKAMA: --to make us aware of the actual amendment he's proposing.

CHAIR KAMA: Okay.

COUNCILMEMBER HOKAMA: Thank you, Mike.

VICE-CHAIR MOLINA: No problem.

CHAIR KAMA: Okay.

VICE-CHAIR MOLINA: Yeah. And, Madam Chair --

CHAIR KAMA: So...

VICE-CHAIR MOLINA: -- yeah...

CHAIR KAMA: Yes, Mr. Molina?

VICE-CHAIR MOLINA: Oh, yeah. Just wanted to add that maybe once the Members get the amendment and during a brief recess they can go over it --

CHAIR KAMA: Yes.

VICE-CHAIR MOLINA: -- digest it and --

CHAIR KAMA: Yes.

VICE-CHAIR MOLINA: -- then come back out of the recess and make a decision from there.

CHAIR KAMA: Absolutely.

VICE-CHAIR MOLINA: So that's...yeah.

CHAIR KAMA: Thank you, Mr. Molina. So Members, we're going to call...I'm going to call for a recess. It is now 10:21. Is 10:30 too soon, or is 10:45 better?

COUNCILMEMBER SUGIMURA: Forty-five.

CHAIR KAMA: What do you want, 10:35? 10:35.

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COUNCILMEMBER SUGIMURA: Yeah.

CHAIR KAMA: Thirty-five? Okay, I see a couple heads nod...oh I see Tamara's thumb. Okay. So recess until 10:35. Thank you, Members. . . .*(gavel)*. . .

RECESS: 10:21 a.m.

RECONVENE: 10:38 a.m.

CHAIR KAMA: . . .*(gavel)*. . . The Affordable Housing Committee will now reconvene at 10:38. Thank you for being back on time, Members. So I think we left off with Mr. Molina. He had...for those of you who have not or do not know, the amendment to...the amendment that Mr. Molina had spoken about earlier is on Granicus. So if everybody wants to refresh their screens, they can go into Granicus and get the amendment. So Members, today we have an amendment to the motion on the floor. And if you all...should have it by now that amends Section 3.35.060. So again, Mr. Molina, would you like to speak to your amendment, or do you think you've said it all?

VICE-CHAIR MOLINA: No...no, I'll go ahead and speak one more time, make it a little bit more clear --

CHAIR KAMA: Thank you.

VICE-CHAIR MOLINA: -- to all. And thank you for considering this amendment, and for the recess to allow my staff to get the language to all of the Members. Again, my...my position is, on this proposed amendment, it's...it's somewhat like a compromise. It keeps the in-perpetuity language in, but also gives the Council the flexibility to consider any requested exemption by the applicant for these affordable housing funds based on the fact that the project has to be 100 percent affordable, and that the remaining dwellings have to be affordable for a minimum of 30 years. So that's the reason for the amendment, Madam Chair. Thank you.

CHAIR KAMA: Okay. Would others like to speak to the amendment to the main motion?

COUNCILMEMBER PALTIN: I would.

CHAIR KAMA: Miss...

COUNCILMEMBER PALTIN: I'd like to propose --

CHAIR KAMA: Yes, Ms. Paltin?

COUNCILMEMBER PALTIN: -- an amendment. May I please propose an amendment to the amendment? I can email it to you guys right now.

CHAIR KAMA: How friendly is your amendment?

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COUNCILMEMBER PALTIN: I think it's kind of friendly. It's just with the exception of the managers and related unit. You know, like the Kaiaulu O Kupuohi project, and when you have 60 percent and below, you kind of want to have an onsite manager. And, you know, I think that one has a social service worker onsite, and those might not fall within the 100 percent affordability of the project. Because, you know, it's...it's like the person's job is his residence or, you know, just to keep the...the projects we got going along. And...and, you know, maybe in the future, like I...I totally support 2.96, fixing that. And...and maybe we can take a deeper dive onto like, you know, all the things we want to do. But just for the purposes of, you know, some of the projects moving forward, I think this friendly would address the situation. I mean, if it's 60 percent and below, all affordable or whatever, kind of just want to have a manager's unit to help folks out and make sure that there's no vandalism or whatever.

CHAIR KAMA: Okay. So Ms. Paltin has proposed an amendment to the amendment. I think...

COUNCILMEMBER PALTIN: Shall I email it?

CHAIR KAMA: That would be helpful, I think. And it'll be even better if there's a second to the amendment to the amendment.

COUNCILMEMBER SINENCI: Second.

CHAIR KAMA: Okay. Was that you, Mr. Sinenci? Did you second the motion? Okay, thank you. So it's been moved and seconded to amend the amendment. Moved...motion maker is Ms. Paltin, and the seconder is Mr. Sinenci. So could you send that over to us? And you could also --

COUNCILMEMBER PALTIN: Yeah. I just...

CHAIR KAMA: -- speak to it.

COUNCILMEMBER PALTIN: I just sent it. Hopefully you guys get it.

MS. MUNSELL: Chair?

CHAIR KAMA: Okay. It depends. Yes, Ms. Munsell?

MS. MUNSELL: Before we...before we go too far down this...this path, just wanted to make one observation. That putting this amendment in this section still conflicts with Section 1 of the Code where we refer to 2.96. So my suggestion would be more to have a discussion about moving the 30...30-year minimum deed requirement to Section 1, and then perhaps giving the project more weight if it supports in perpetuity. I...I like what Ms. Paltin is suggesting as well about the manager's units. But again, if we...if we place this amendment here as Mr. Molina is proposing, it still conflicts with Section 1, and we need to clear that up still. Thank you.

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CHAIR KAMA: Okay. So it seems like we have a conflict in the conflict of the...and when it comes to the motion or the amendment. Okay. So folks...now I lost you folks. Oh, here I am. Oh wait. Sorry, people, I don't know where my...what happened to my camera. Okay, we're back. Sorry. Okay. So...yes, Ms. Lee?

COUNCILMEMBER LEE: I think this is getting kind of complicated.

CHAIR KAMA: Yes.

COUNCILMEMBER LEE: I...I was hoping we would just be able to take care of one item today. And then...

CHAIR KAMA: Me too.

COUNCILMEMBER LEE: And then we can come back to it. But if everybody wants to make all these kinds of changes, then we...we ought to defer this item, and come back with the...the language, you know, rather than keep adding things on the fly, so to speak. We...we need to...I don't know. Why not defer this matter, and then get the language sent to us? And if there's anything else that triggers another amendment, you know, ask the Members to please provide that third or fourth amendment now. Because every time we meet, there's....there's changes. It's like somebody thinks of something different, you know.

CHAIR KAMA: Well, that's what they do...

COUNCILMEMBER LEE: I don't know, I hate to keep doing that. So let's just do it one time.

CHAIR KAMA: I think we tend to agree with you, it's just that we don't all maybe think about it at the same time. But we think about it after we've mulled on it. You know, after today's meeting I'm sure people are going to go home and think, I should have said this or I should have done that. But in the meantime...so we have...yes, Mr. Molina?

VICE-CHAIR MOLINA: Yeah. Thank you, Madam Chair. With regards to Director Munsell's suggestion, I'm okay with that if it makes it, you know, moving that...I guess what was it, the 30-year proposal to the...to a different section?

CHAIR KAMA: Move it to Section 1.

VICE-CHAIR MOLINA: Yeah, Section 1. Yeah. I mean, that's fine. Wherever it's deemed appropriate and --

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

VICE-CHAIR MOLINA: -- approved by Corp. Counsel. Yeah.

CHAIR KAMA: Okay.

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MS. DESJARDINS: Can I make a quick couple...two comments, Chair?

CHAIR KAMA: Yes, Mimi.

MS. DESJARDINS: Okay, so since you're now placing in there an absolute...in order to qualify for these funds, you have to have dwellings that remain affordable for not less than 30 years. If that's going to be your...your...your mandatory minimum requirement, it seems appropriate to me to place it where Mr. Molina is suggesting under 3.35.060(B)(3) because that's the section that you're proposing your amendment. But that means that it makes more sense to just delete then 3.35.050(A) in its entirety, and don't...don't refer to 2.96 at all. That would be my suggestion. As far as deferring, I can tell you that if you defer this past today, the project that we're concerned about is...is not going to...is...is going to probably not happen. I don't represent the developer, but I know...pretty intimate with the details of what we're trying to accomplish here. So I think deferral is dangerous. But I think easily, you could take out that 2.96 section.

MR. ALMEIDA: Chair?

CHAIR KAMA: Yes, Mr. Molina?

MR. ALMEIDA: Sorry, this is Buddy Almeida.

CHAIR KAMA: Oh, I'm sorry. . . . *(inaudible)*. . . Oh, okay. Go ahead.

MR. ALMEIDA: Yes. I just wanted to...thank you. Completely appreciate Mr. Molina and...and his thought process. I understand exactly what he's looking for. It's...it's just to do something like this, you know, on the floor, it...I would want to...you know, because we...we have only funded nonprofits through this fund. And I know that nonprofits like Habitat for Humanity and Lokahi Pacific have very specific programs that I think are, you know, bound to 25 years on their homeownership. And I wouldn't want to pass something without having had the time to do due diligence to see what would or would not be affected. In the end, you know, this body does have the authority to approve whatever is presented before them. And the...the more simple we can keep that would be the best policy, I think. I just wanted to add that. Thank you so much.

CHAIR KAMA: Thank you, Mr. Almeida. So Members...so Ms. Sugimura, was your hand up before Mr. Almeida spoke?

COUNCILMEMBER SUGIMURA: Thank you. I wanted to hear from Mr. Almeida because he has such depth in working with this 2.96 or in general.

CHAIR KAMA: Okay.

COUNCILMEMBER SUGIMURA: So he's saying keep it as simple as possible.

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CHAIR KAMA: Right. Ms. Lee?

COUNCILMEMBER LEE: Okay. I didn't realize that there was some kind of timeline on this taking action today. So I don't think we ought to defer it, I think we got to...should deal with it. But deal with it so that we take care of the conflict, at least. And then if there are no further amendments, then how about we follow the suggestion of Corp. Counsel? Would...would that be acceptable to you, Mr. Molina?

VICE-CHAIR MOLINA: Well, I guess we're...one thing I don't want to do is endanger the project that's in question here. But, you know, my whole thing was about...the concern was about the in-perpetuity language, how it could be taken out or interpreted, but whatever will work. But I just leave it at that. Thank you.

COUNCILMEMBER LEE: Okay. And Madam Chair? Madam Chair?

CHAIR KAMA: Yes, Miss...Ms. Lee?

COUNCILMEMBER LEE: No, I thought...I thought Corp. Counsel just said to move his amendment to a different section. Not to delete his proposal, but to put it in the appropriate place. I wasn't suggesting deleting anybody's proposal. You know, just...

MS. DESJARDINS: I...I was...

COUNCILMEMBER LEE: We...

MS. DESJARDINS: Yeah.

COUNCILMEMBER LEE: We have two on the floor. We have two on the floor. Two --

CHAIR KAMA: Yeah.

COUNCILMEMBER LEE: -- possible amendments on the floor that I think perhaps there is enough support for. So we can probably move it forward, but we need to put it in the right place is all I'm saying.

CHAIR KAMA: Right.

COUNCILMEMBER LEE: Thank you.

CHAIR KAMA: Right, right. Mimi, were you wanting to speak?

MS. DESJARDINS: Yeah, I'm sorry. I didn't mean to make things foggy. But no, I...I agree with where Mr. Molina has suggested that it be placed. I think Ms. Munsell had suggested that it be changed. But I also didn't realize when Mr. Almeida mentioned like Habitat for Humanity, they have less than --

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CHAIR KAMA: Yeah.

MS. DESJARDINS: -- 30-year restriction.

CHAIR KAMA: Yes.

MS. DESJARDINS: I didn't realize that. So I just think that if you're going to put a 30-year deed restriction in the requirements for the grants for loan proposals, then you need to do away with any mention of 2.96. Because you're just creating another conflict by having mandatory minimum 30-year deed restriction or eight, five, and ten, unless Council approves otherwise. That just doesn't make sense.

CHAIR KAMA: Yes, Ms. Lee?

COUNCILMEMBER LEE: Oh, I can wait for Ms. Paltin and the others.

CHAIR KAMA: Okay. Ms. Paltin?

COUNCILMEMBER PALTIN: Thank you, Chair. I just wanted to vocalize. I...I can support the original motion without the amendment if the plan is to fix 2.96 before any next project comes up for funding from the Affordable Housing Fund. You know, having no baseline makes me kind of uncomfortable. I can support 30 years and the...and Mr. Molina's proposal. But I...I do feel kind of uncomfortable from removing anything. And I'm...I'm okay with the original motion if our intention is to go in pretty quick right after and say, you know, the five, eight, and ten doesn't work with us. I...I know Member Rawlins-Fernandez isn't ready with her proposal to amend 2.96, but my proposal I turned in a while ago, and it's...it's nothing major. It's just, you know, these types of little adjustments that we keep talking about in the meetings. So I can support the original motion if...if there is a solid commitment from the group to just go in and tweak 2.96. We don't have to do the whole major overhaul, we can do it in steps or what. But, you know, I can trust that the Administration is looking for the long term. We vocalized that five, eight, and ten is definitely not what we're looking for. We vocalized that we prefer the 100 percent and not to use these affordable housing funds not to satisfy other conditions that the County put on a project. And if...if we're prepared to follow through, I can...I can support the original motion. And if that's not in the upcoming timeline, I can support Mr. Molina's amendment with the...the friendly about the manager's unit and the social services' unit and wait. Use that as the stop-gap until we go back in and...and tweak out 2.96 so that it's not...you know, not the five, eight, and ten. Maybe not the 140 percent, you know, those...those things that haven't been really helping us because they flip out of affordability. So, you know, depending on what your guys' intentions are, if...if we're going to commit to, you know, doing the...the minor tweaks on 2.96 right away or before the next Affordable Housing Fund loan or grant application comes through, I'm cool with it. And I don't know, I'm not sure if that was my second and final.

CHAIR KAMA: No, that was your fourth and final. No, I'm only kidding. The...the 2.96, I don't know what that's going to be looking like in the future. I mean, I said I...I may

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have...I'm not sure, I think I have a couple of 2...201Hs coming forth. I don't think they're looking for AH monies. But I think another one coming up, I think Hale Piikea is coming back. I think they're looking for AH funds. So to be able to get this on the calendar is probably...it's October, probably not until the end of the year...closer to the end of the year, and that might not work. So just to let you know what the calendar for AH looks like. But getting back to the original intent. The original intent of...of what we're doing today was to give...and...and actually gives consent. It gives permission, it gives authority, and it gives power to this Council to determine, as each project comes through, whether or not we want to apply 2.96. Whether or not we want to apply, it's a whether or not. So you are in...as a...as a Council, you have the power to do these things without having to put it in an ordinance. But that's all that...that's all that this ordinance today is going to do. But we now have...do we have one...so are you withdrawing your amendment, Ms. Paltin, in support of the original amendment, Mr. Molina's amendment?

COUNCILMEMBER PALTIN: I think if...if his amendment goes through, it's...it's pretty important to clarify that the managers and the social service units aren't counted toward the 100 percent affordability. Or I see that our Corp. Counsel says that they haven't been treating it like that, but, you know, it seems we haven't been following the Code anyway. So if we're trying to fix things, let's fix it all the way, you know, that the manager's unit and related units are not meant to hold up the affordability of...of the project. So --

CHAIR KAMA: Okay.

COUNCILMEMBER PALTIN: -- if...if the amendment is still moving forward, my amendment to the amendment or the friendly, I think it's...it's prudent.

CHAIR KAMA: Mr. Molina?

VICE-CHAIR MOLINA: Yeah. Thank you, Madam Chair. I...I concur with Member Paltin's consideration because we need to add as much specificity as possible so that way, in the future, there's no alleged misinterpretation of the law. And, you know, the more we have it in writing, the clearer it is. That's how I see it. So I would stand in support of Member Paltin's proposal.

CHAIR KAMA: Okay. So we have two...two amendments before us, ladies and gentlemen. One of them is Ms. Paltin's, is...and her concern with the manager and the social service units not be part or included in the affordable housing funding count, which actually exempts them from that. So all those in favor of the second amendment to the amendment, please say "aye." Raise your hands.

VICE-CHAIR MOLINA: Aye.

COUNCILMEMBER LEE: Aye.

CHAIR KAMA: Okay. I see Mr. Molina, I see Ms. Paltin, I see Ms. Lee, I see Miss...okay.

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Okay, I'm sorry, but...okay, thank you. Okay, thank you. So...okay. Please raise your hands again because there was a shift on my screen and I want to make sure I saw...I captured everybody. So I see Mr. Molina, Ms. Lee, Ms. Paltin, Mr. Sinenci, and myself. All those opposed to the amendment, please raise your hands or say no.

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

NOES: Councilmember Sugimura.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmembers King, Hokama and Rawlins-Fernandez.

MOTION CARRIED.

ACTION: APPROVED AMENDMENT.

CHAIR KAMA: And I see one opposed which is Ms. Sugimura. So...so we have five "ayes," one "no." Did I count right, six? And we have three excused, Ms. King, Miss...Mr. Hokama, and Ms. Rawlins-Fernandez. Okay. Thank you very much, Members. So we have Mr. Molina's amendment on the floor. Mr. Molina...so all those in favor of Mr. Molina's amendment please say "aye" or raise your hand.

VICE-CHAIR MOLINA: Aye.

CHAIR KAMA: So I...so I see Mr. Molina, Ms. Lee, Ms. Paltin, Mr. Sinenci, and myself. So I see five "ayes." And any "noes?"

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

NOES: Councilmember Sugimura.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmembers King, Hokama and Rawlins-Fernandez.

MOTION CARRIED.

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ACTION: APPROVED AMENDMENT.

CHAIR KAMA: And one “no,” Ms. Sugimura. So the motion pass...both amendments pass. And so now we’re going to vote on the original motion was to pass the...the ordinance in its entirety, including the two amendments. So all those in favor of passing the original ordinance, please say “aye” or raise your hands.

COUNCILMEMBER LEE: Aye.

VICE-CHAIR MOLINA: Aye.

CHAIR KAMA: So I see Mr. Molina, Ms. Lee, Ms. Paltin, Mr. Sinenci, and myself. So five “ayes.” Any “noes?”

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

NOES: Councilmember Sugimura.

ABSTAIN: None.

ABSENT: None.

EXC.: Councilmembers King, Hokama and Rawlins-Fernandez.

MOTION CARRIED.

ACTION: FIRST READING of bill and FILING of communication.

CHAIR KAMA: One “no,” Ms. Sugimura. And three excused, Mr. Hokama, Ms. King, and Ms. Rawlins-Fernandez. Members, thank you so very much for your discussion. Thank you for your attendance today. Thank you all for all of the additions to what we’re going to be doing in our future Housing meetings. So Members, we have come to the end of our meeting. So...but I just want to ask, Stacey, were you able to capture the questions that we wanted to be able to send to the Departments?

MS. VINORAY: Hi, Chair. The questions were how many were for sale and for rent. And the second was how much County funds were leveraged. Those questions?

CHAIR KAMA: Yes.

MS. VINORAY: Okay. Thank you.

AFFORDABLE HOUSING COMMITTEE MINUTES

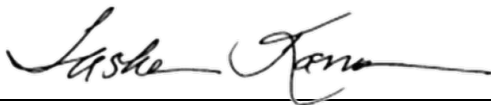
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CHAIR KAMA: Okay. Thank you. So Members, if there are no other questions or comments...do we have any other questions or comments from anyone? Okay. Seeing none or hearing none. We are...we have concluded...concluded the business for the day. Thank you all. Have a great weekend. And the Affordable Housing Committee meeting is now adjourned. . . .*(gavel)*. . .

ADJOURN: 11:01 a.m.

APPROVED:

A handwritten signature in black ink, appearing to read 'Tasha Kama', written over a horizontal line.

TASHA KAMA, Chair
Affordable Housing Committee

ah:min:200918-d

Transcribed by: Daniel Schoenbeck

AFFORDABLE HOUSING COMMITTEE MINUTES

Council of the County of Maui

September 18, 2020

CERTIFICATION

I, Daniel Schoenbeck, hereby certify that pages 1 through 38 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 13th day of October 2020, in Wailuku, Hawaii

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

Daniel Schoenbeck