

# **AFFORDABLE HOUSING COMMITTEE**

**Council of the County of Maui**

## **MINUTES**

**February 22, 2021**

**Online via BlueJeans Link**

**CONVENE:** 1:35 p.m.

**PRESENT:** VOTING MEMBERS:  
Councilmember Gabe Johnson, Chair  
Councilmember Michael J. Molina, Vice-Chair  
Councilmember Tasha Kama  
Councilmember Kelly Takaya King  
Councilmember Alice L. Lee  
Councilmember Tamara Paltin  
Councilmember Keani N.W. Rawlins-Fernandez  
Councilmember Shane M. Sinenci  
Councilmember Yuki Lei K. Sugimura

**STAFF:** David Raatz, Supervising Legislative Attorney  
James Forrest, Legislative Attorney  
Richard Mitchell, Legislative Attorney  
Alison Stewart, Legislative Analyst  
Ana Lillis, Legislative Analyst  
Wilton Leauanae, Legislative Analyst  
Rayna Yap, Committee Secretary  
Lenora Dineen, OCS Assistant Clerk

Evan Dust, Executive Assistant for Councilmember Tasha Kama  
Davideane Sickels, Executive Assistant for Councilmember Tasha Kama  
Kate Griffiths, Executive Assistant for Councilmember Gabe Johnson  
Autumn Ness, Executive Assistant for Councilmember Gabe Johnson  
Keisa Liu, Executive Assistant for Councilmember Gabe Johnson  
Jordan Helle, Executive Assistant for Councilmember Yuki Lei K. Sugimura  
Axel Beers, Executive Assistant for Councilmember Kelly Takaya King  
Sarah Pajimola, Executive Assistant for Councilmember Keani N.W. Rawlins-Fernandez

**ADMIN.:** Linda Munsell, Deputy Director, Department of Housing and Human Resources

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Clyde “Buddy” Almeida, Housing Administrator, Department of Housing and Human Concerns

Jessica Crouse, Housing Specialist, Department of Housing and Human Concerns

Erin Wade, Redevelopment Program Planner, Department of Management

Mimi DesJardins, Deputy Corporation Counsel, Department of the Corporation Counsel

**OTHERS:** Michael Williams, President, Maui Tomorrow Foundation; and Board Member of Stand Up Maui (AH-3, AH-4(1), AH-5)  
Michael Trotto, Board Member, Na Hale O Maui (AH-3)  
Jason Economou, Government Affairs Director, Realtors Association of Maui (AH-3)  
Tom Cook (AH-3)  
Cassandra Abdul, Executive Director, Na Hale O Maui (AH-3)  
Andrew Choy, Acting Planning Program Manager, Department of Hawaiian Home Lands (AH-5)  
Stewart Matsunaga, DHHL Development Land Administrator, Department of Hawaiian Home Lands (AH-5)  
Zhan Lindo (AH-4(1))  
Tom Blackburn-Rodriguez (AH-5)  
James Terry, Sergeant, Maui Police Department (AH-4(1))  
David Ward, President of Board, Na Hale O Maui (AH-3)  
Stan Franco, Stand Up Maui (AH-4(1), AH-5, AH-3)  
Blossom Feiteira  
Nicole Hokoana, Chief Operating Officer, Maui Behavioral Health Resources (AH-4(1))  
Malia Bohlin, Maui Behavioral Health Resources (AH-4(1))

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

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CHAIR JOHNSON: . . . *(gavel)* . . . Aloha. Will the Affordable Housing meeting on February 22nd come to order, the time is 1:35 p.m. I’m Gabe Johnson, Committee Chair, welcome all. May I please ask that we silence all cell phones and noisemaking devices. This online meeting is being conducted in accordance with the Governor’s most recent emergency proclamation on COVID-19. The proclamation partially suspends the Sunshine Law allowing Council and its Committees to conduct meetings, any Councilmembers or Members of the public physically present in the same location. If connection is lost, the Committee will recess and will not be considered a loss of quorum of...unless connectivity cannot be restored within 15 minutes. If connected...connectivity cannot be restored within 15 minutes, the meeting will automatically reconvene to 9:00 a.m. on the following Tuesday at the same meeting link, unless the Committee announces a different date and time. Committee Staff will make good faith efforts to keep the public informed. Joining us today are Committee Vice-Chair Mike Molina, welcome.

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VICE-CHAIR MOLINA: Aloha and good afternoon, Mr. Chair, from the sunny virtual bridge up here in Makawao.

CHAIR JOHNSON: Yeah, right on. Okay. Moving on, we got Councilmember Tasha Kama, welcome.

COUNCILMEMBER KAMA: Aloha awakea, Chair. It's a beautiful day in the neighborhood of Kahului, even if the bus hub is under construction.

CHAIR JOHNSON: Kind of loud over there, huh? Okay. Councilmember Kelly Takaya King, welcome, welcome.

COUNCILMEMBER KING: Thank you, Chair. Aloha. Good afternoon, everybody. Looking forward to a robust meeting, it looks like a packed agenda.

CHAIR JOHNSON: Yeah. That's the only kind we know. Moving on, we got Council Chair Alice Lee, welcome.

COUNCILMEMBER LEE: Mr. Chair, salam. Salam, and I'm in Ethiopia. Thank you.

CHAIR JOHNSON: Okay. I keep forgetting salam. Yes, salam to you. We have Councilmember Tamara Paltin, welcome.

COUNCILMEMBER PALTIN: Aloha 'auinalā kākou.

CHAIR JOHNSON: We have Councilmember Vice-Chair Keani Rawlins-Fernandez, welcome.

COUNCILMEMBER RAWLINS-FERNANDEZ: Aloha 'auinalā, Chair, mai Moloka'i nui a Hina and salam kākou.

CHAIR JOHNSON: Salam to you. Next, we have Councilmember Shane Sinenci.

COUNCILMEMBER SINENCI: Yeah. Aloha 'auinalā, Chair. Hauoli o wau ma'ane'i and salam everyone.

CHAIR JOHNSON: All right. And finally we have...oh, one sec, we got to mute something. Next, we have Councilmember Yuki...Yuki Lei Sugimura and last.

COUNCILMEMBER SUGIMURA: Oh, hi, everybody, from the County Building. Nice seeing all of you.

CHAIR JOHNSON: And right...from the Administration, we have Deputy Director of Housing and Human Concerns Linda Munsell.

MS. MUNSELL: Aloha, Chair and Committee Members. Thank you for having me here today.

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CHAIR JOHNSON: Aloha. And we have Housing Administrator Buddy Almeida.

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

CHAIR JOHNSON: Good afternoon. And we have Deputy Corporation Counsel Mimi DesJardins.

MS. DESJARDINS: Aloha. Good afternoon, everyone.

CHAIR JOHNSON: Good afternoon. And we also have from Housing, Jessica Crouse.

MS. CROUSE: Aloha. Good afternoon, Chair and Members.

CHAIR JOHNSON: And our Committee Staff is Legislative Analysts Alison Stewart and Ana Lillis. We have Secretary, Rayna Yap, Attorney James Forrest, and Assistant Clerk Lei Dineen. All right. So let's move on with public testimony. Today we have...we have three items on the agenda. Let's see here...AH-4(1) Presentation on Homelessness as it Relates to Substance Abuse and Mental Health. AH-5 Amendments to Chapter 2.96 Maui County Code, "Residential Workforce Housing Policy". And AH-3 Grant of Real Property to Na Hale O Maui (Lāhainā). Testifiers wanting to provide oral testimony should join the BlueJeans meeting via the information posted on the agenda. Written testimony can be sent using the eComment list...link listed next to the agenda on the website [mauicounty.us/agendas](http://mauicounty.us/agendas). Instructions on how to submit testimony via eComment can be found at [mauicounty.us/eComment](http://mauicounty.us/eComment). Oral testimony is limited to three minutes per agenda item. If you are testifying on more than one item, an alarm will sound after each two-minute interval. While waiting for your turn, please be courteous in turning off your video and microphone. Also, the BlueJeans chat should not be used to provide testimony or commentary, or to engage conversation during the meeting. When you're called upon, please state the following: your full name for the record, if you are testifying on behalf of an organization, or if you're a paid lobbyist in the agenda items you are testifying on. If you joined this meeting via Bluetooth [sic], Staff will assume you wish to testify, and will add your name to the list which is posted in the chat. If you wish to be removed from the list, you should disconnect from BlueJeans and view the meeting instead; you can check out *Akakū* Chanel 53, Live on the County Council's Facebook page, or visit [mauicounty.us/agendas](http://mauicounty.us/agendas). All testifiers will be disconnected from the BlueJean meeting once testimony is closed. Mahalo for your patience and cooperation. Members, I'd like to proceed with oral testimony, with no objections.

### **COUNCILMEMBERS VOICED NO OBJECTIONS**

CHAIR JOHNSON: All right. Mrs. Stewart...Ms. Stewart, will you please call the first testifier.

**. . . BEGIN PUBLIC TESTIMONY . . .**

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MS. STEWART: Yes, Chair. The first person signed up to testify is Michael Williams.

MR. WILLIAMS: Aloha, Chair Johnson, Councilmembers. I'm Michael Williams, President of Maui Tomorrow Foundation, and also testifying today as a board member of Stand Up Maui, on the...I'm going to testify on all three of your action items. The first one, the donation of the home to Na Hale O Maui, both Stand Up Maui and Maui Tomorrow Foundation endorse that idea, and encourage the County to find ways to help Na Hale O Maui expand its capacity, as well as look to create other community trusts on the land we hope you acquire later this year on which to create hundreds, if not thousands, of affordable homes. On the second matter, which is to remove Department of Hawaiian Home Lands from the requirements of 2.96. We're...both organizations are in favor of that as well. I'm not sure that the County has legal authority to impose such restrictions on DHHL anyway, but they don't need more restrictions, they need County help in the way of shared infrastructure to build out homes on those Hawaiian Home Land Reserves. And then the third matter, which is to remove the exemption from 2.96 that the Wailuku development area currently has, the Stand Up Maui board did not have a chance to discuss that. Stand Up Maui is not taking a position on that, but Maui Tomorrow is definitely in favor of that. And what we think should be going on in Wailuku about affordable housing, frankly, we think Wailuku needs affordable housing as badly as any other region of the island, and we think that the Administration needs to get both creative and aggressive about assembling parcels of land in a combined package big enough to tempt an opportunity zone investor to come in and build three or four stories of affordable apartments, maybe 100 percent affordable, maybe less than a 100 percent, but...and then with full blown commercial retail restaurants and everything else on the ground floor. The combination of eminent domain and opportunity zoned solicitation of investors, I think is the way to create affordable housing in Wailuku. And we certainly oppose any new hotel there, but if a hotel is going to come, it certainly ought to pay the same price to subsidize affordable housing that hotels . . .*(timer sounds)*. . . do. . .*(inaudible)*. . . Thank you very much.

CHAIR JOHNSON: Thank you, Mr. Williams, for your informed testimony. We have some questions, let's go with, Councilmember Tamara Paltin, followed by Councilmember Keani Rawlins-Fernandez.

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Mr. Williams, for your testimony. I just was wondering if you had shared that idea about Wailuku needing housing and the methodology with the folks doing the housing plan?

MR. WILLIAMS: Yes. We have discussed that with them, and we hope that they address that...address the Wailuku area, you know, as part of their comprehensive plan.

COUNCILMEMBER PALTIN: Okay. Thank you.

CHAIR JOHNSON: Go ahead, Councilmember Keani Rawlins-Fernandez.

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COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Sorry, I wasn't raising my hand for a question, but since I have the mic, I'll just thank Mr. Williams for his testimony today. Mahalo, Chair.

CHAIR JOHNSON: Okay. Thank you, Councilmember. Anyone else for questions for Mr. Williams? Seeing none. Thank you so much for your time.

MR. WILLIAMS: Thank you.

CHAIR JOHNSON: Okay, have a good day. Can you call the next testifier, please?

MS. STEWART: Yes, Chair. And if I could just clarify for the testifiers that you will hear an alarm after every three-minute interval if you are testifying on more than one item. The next testifier is Michael Trotto.

MR. TROTTO: Aloha, Councilmembers, can you hear me?

CHAIR JOHNSON: Yes, we can.

MR. TROTTO: Thank you, my system is a little unstable. But anyway, my name is Michael Trotto, I am a board member of Na Hale O Maui. I'm speaking on AH-3. As you know, Maui County has been a tremendous partner in the success of Na Hale O Maui through all these many years. I've been with them since the start, and I just want you to know that this program is running so well right now. We had an unbelievable opportunity to...to get those 12 lots there in Kahoma, and now we have an opportunity to put one more home there for a working family. This is a great opportunity, and the best part of it, as you know, that these homes of Na Hale O Maui will remain affordable in perpetuity, and that is what makes this program so...so well received in the community. So I thank you for your...all the years that this Council has given us help, and I just hope that we, you, and the Members will see your way to approve this measure. I thank you...I thank you going forward, great 2021 all of you, aloha.

CHAIR JOHNSON: Aloha, Mr. Trotter [sic]. Do we have any questions for Mr. Trotter [sic]? Seeing none, thank you for your testimony. Staff, please call the next testifier.

MS. STEWART: The next testifier is Jason Economou.

MR. ECONOMOU: Hello. Good afternoon, Committee Chair, Committee Members. Thank you for the opportunity to testify. My name is Jason Economou, I am the government affairs director for the Realtor's Association of Maui. But I'm also testifying in my capacity as an individual. Na Hale O Maui is an incredible organization that does precisely what this Council and Councils before it have claimed to want, affordable housing in perpetuity. They are one of the few organizations that has figured out how to provide affordable housing opportunities truly in perpetuity. The opportunities that they provide are life changing on a multi-generational level. So I am thankful that the Council has supported Na Hale O Maui in the past, I encourage you to continue supporting them in the future, and I really hope that you...you do move forward with

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this grant. Just to put everybody at ease, this has nothing to do with commissions for my members, this won't increase profitability for realtors, we are advocating for this for the same reason we advocate for most policy, which is it expands housing opportunities for people. It expands the real dream of home ownership to folks who would otherwise be priced out of the market. So if you support the working class, if you support families that need affordable housing, this is an easy thing to be in favor for. And by the way, I was really bummed that the amendment on that CR 21-1 failed, I would have loved that. Mike Molina, thank you very much for putting that forward, I appreciate the amendment. Sorry, I know that was off topic...off agenda items, but I'm not a Member of the Council, you guys can complain if you want.

CHAIR JOHNSON: Okay. Does anybody have a question for, Mr. Economou? Seeing none, okay. Thank you for your time, Jason.

MR. ECONOMOU: Outstanding. Thank you.

CHAIR JOHNSON: Staff, will you call the next testifier please.

MS. STEWART: The next testifier is Tom Cook.

MR. COOK: Aloha, Councilmembers, can you hear me?

CHAIR JOHNSON: Yes, we can, Mr. Cook.

MR. COOK: Okay great. Good, I finally have my computer operating well. Thank you. I'm...I'm calling in...my name is Tom Cook, I'm calling...speaking as an individual in support of Na Hale O Maui's requested grant. Na Hale O Maui is providing, I think, one of the keystone building blocks for affordability for our community. It is truly...it's...it's...I kind of nicknamed it Hawaiian Homes for the rest of us. Their building model, them owning the property, and shared equity if it is sold, and keeping it affordable, it's...they're doing a great job. And over the last several years, it's grown. It hopefully will have, with your support, be able to get traction and grow substantially to substantially increase our affordable homes in perpetuity. So thank you.

CHAIR JOHNSON: Okay, Mr. Cook. Does anyone have any questions? Okay, we do have one from Councilmember Paltin. Go ahead.

COUNCILMEMBER PALTIN: Thank you, Chair Johnson, and thank you, Mr. Cook, for your testimony. I just was wondering...I had a question about your statement of Na Hale O Maui being like Hawaiian Homes for the rest of us. You know, we give a lot of money or houses to Na Hale quite often, but we don't really provide that same level of support for DHHL.

MR. COOK: Well, the...

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COUNCILMEMBER PALTIN: So I just was wondering if you support us supporting Hawaiian Homes for the rest of us, do you also support us supporting the infrastructure for Hawaiian Homes as we're supporting these types of projects?

MR. COOK: I think that...okay. I'm...with the...my...my comparison of Hawaiian Homes for the rest of us with Na Hale O Maui...

COUNCILMEMBER PALTIN: It's just a yes or no. We might have lost him. Okay.

CHAIR JOHNSON: Let's see. Mr. Cook, are you still on the call? I don't think I see him. Yeah...okay...

COUNCILMEMBER PALTIN: All right. That's okay.

CHAIR JOHNSON: Yeah. All right.

COUNCILMEMBER PALTIN: I guess he didn't have his computer problems fixed as well as thought he did.

CHAIR JOHNSON: Okay. Staff, if you can call for the next two testifiers then. Sorry about that, Mr. Cook.

MS. STEWART: The next testifier is Cassandra Abdul, to be followed by Cedric Duarte.

MS. ABDUL: Aloha. It's nice to see you all, even if it's virtually. And thank you for the opportunity not just to speak to you today, but also that you are reviewing AH-3 related to the Grant of Real Property to Na Hale O Maui. I am executive director of Na Hale O Maui, and again, we really want to thank you for everything you've done for us, which is a lot. We are the first and only functional...fully functional community land trust in the State of Hawai'i. While I've been here, I have helped start two more community land trusts; one on the Big Island, and one in Kaua'i. But the great thing about community land trust is that homes remain affordable in perpetuity. Every homeowner will have an affordably priced home, and they can leave it to their children. So it's not just family after family, but it's generation after generation. And each lease is 99 years that can be renewed for an additional 99 years by the homeowner. We have been a long-time partner with the County of Maui, and we would not be able to provide what we have without you. We started in 2010. And during that time, we have--both with the County of Maui and the Federal funds, the NSP Neighborhood Stabilization Funds--together, we have been able to develop 46 truly affordable homes. And seven of them have been resold, so we have been able to find clean, safe housing for 53 island families. And again, thanks to the County of Maui for their assistance in this endeavor. What's important to understand with Na Hale O Maui's program is that any subsidies that go into our projects, into our houses, stay in the house forever, and they benefit each family and each subsequent family. And if you look at the cost of subsidizing one house, when you have two families having lived in there, that means the subsidy has been halved between the two families, and it continues to reduce with every additional family that lives in that



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particular house. We just wanted to acknowledge and recognize that AH-3 is a wonderful opportunity to increase permanently affordable workhouse...work force housing, not just for Lāhainā, but for our entire Maui County community. It changes the stature of the house from temporarily affordable to permanently affordable. And I think that's an excellent thing to do, and it meets the goals of . . . *(timer sounds)* . . . many...affordable housing in perpetuity. I did have a presentation prepared, and if...further in the discussions, if you would like more information, I am happy to provide that to you. But once again, thank you very much for all of your support. Aloha.

CHAIR JOHNSON: Okay. Thank you, Ms. Abdul. We do have a couple questions. Let's go with Councilmember Keani Rawlins-Fernandez, followed by Councilmember Yuki Lei Sugimura.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Aloha, Ms. Abdul, mahalo for your testimony this afternoon. I just wanted to get clarification on your testimony. So you said that you're the only fully functioning community land trust. What...would you explain what that's referencing? Like are there partly functioning land trust, community land trusts in Maui...on Maui, or...would you explain what that means?

MS. ABDUL: Absolutely, I'm happy to. We are the only community land trust in Maui County. I did help to get two started; one on the Big Island, and one in Kaua'i. They are not yet fully functional, although we continue to assist them. So in Maui County, yes, we are the only community land trust.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. On Kaua'i ...so Hawai'i island and on Kaua'i island? Okay. So that's...that...what you were referencing, those other two land trust are not fully functional yet.

MS. ABDUL: Correct.

COUNCILMEMBER RAWLINS-FERNANDEZ: As far as DHHL, do you, I mean, consider that a community land trust, or is that different?

MS. ABDUL: It is different. There are some similarities between what we do and what Department of Hawaiian Home Lands does, but it...we are very different entities. For one thing, DHHL was created by the State of Hawai'i, and Na Hale O Maui is a non-profit approved by the Internal Revenue Service.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Ms. Abdul. Mahalo, Chair.

CHAIR JOHNSON: Go ahead, Mrs. Sugimura.

COUNCILMEMBER SUGIMURA: Thank you. Hi, Cassandra. Thank you very much for all the work you do. And I wonder if you would mind sending over your presentation to us...the Committee.

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MS. ABDUL: I believe that the Department did forward the presentation.

COUNCILMEMBER SUGIMURA: Okay.

MS. ABDUL: I know in December, you had asked for some clarification on our program, and I hope that that presentation will answer some of your questions.

COUNCILMEMBER SUGIMURA: Okay. So I got that, but did you say you have something else today?

MS. ABDUL: No that...that...yeah, the PowerPoint presentation was given to you as a pdf. So it's...I don't know, 30 pages or so, and that's what I was referring to.

COUNCILMEMBER SUGIMURA: Okay. So you're going to send it to the Committee, or are you saying individually you're going to send it to us?

MS. ABDUL: I believe that the Department sent it to the Affordable Housing Staff...Committee.

CHAIR JOHNSON: Yes, Councilmember, she'll be presenting it. Yeah.

COUNCILMEMBER SUGIMURA: Oh, she's going to...

CHAIR JOHNSON: Okay.

COUNCILMEMBER SUGIMURA: Okay, okay.

CHAIR JOHNSON: Go ahead . . . *(inaudible)* . . .

MS. ABDUL: Sorry for the confusion.

CHAIR JOHNSON: Councilmember Mike Molina?

VICE-CHAIR MOLINA: Uh...no, thank you, Mr. Chairman. That was my question, if Ms. Abdul was going to be here as a resource and doing the presentation. So that...my question got answered from Member Sugimura's inquiry. Thank you, Mr. Chairman.

CHAIR JOHNSON: Okay. Any other questions for Ms. Abdul? Okay. Moving on. Thank you.

MS. STEWART: The next testifier is Cedric Duarte, to be followed by Zhan Lindo.

MR. CHOY: Hello. Aloha, Councilmembers. This is not Cedric Duarte, we actually just signed in with his account from the DHHL conference room. This is Andrew Choy, Acting Planning Program Manager and Stewart Matsunaga of the DHHL Land Development Division Administrator.

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MR. MATSUNAGA: Aloha.

MR. CHOY: We just wanted to real briefly say that we support agenda Item AH-5 related to exempting the Hawaiian Home Land Department of Hawaiian Home Lands from the County's workforce housing policy. We'll be here should you folks have questions of us.

CHAIR JOHNSON: Okay. Thank you. We do have a question for you from Councilmember Yuki Lei Sugimura.

COUNCILMEMBER SUGIMURA: Okay. Thank you. Thank you, Chair. So nice to see you here because I think one of the earlier testifiers had the same question that I did, is that does Hawaiian Home Land...do you comply with 2.96, the County or...

COUNCILMEMBER RAWLINS-FERNANDEZ: Chair, point of order.

CHAIR JOHNSON: Certainly.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Member Sugimura, I invited DHHL to serve as resources for when the item comes up.

COUNCILMEMBER SUGIMURA: Okay. We can ask them that then? Okay. Yeah, okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo.

COUNCILMEMBER SUGIMURA: Thank you.

CHAIR JOHNSON: So without any objection, I'll designate Stewart Matsunaga and Andrew Choy as a resource people under Rule 18(a) of the Rules of the Council, given their experience on this matter.

### **COUNCILMEMBERS VOICED NO OBJECTIONS**

CHAIR JOHNSON: All right, Staff.

MS. STEWART: The next testifier is Zhan Lindo, to be followed by Tom Blackburn-Rodriguez.

MS. LINDO: Aloha, and thank you for this time to share my thoughts as a private citizen and keiki o ka`aina of Moloka`i. My name is Zhan Lindo, and I would like to...AH-4 and 5. So first, I just to support AH-5 as a lessee of Moloka`i's DHHL, also as a former Executive Director of Habitat for Humanity on Moloka`i. So I understand the importance of making it easier, and making it more consistent, and be able to get more houses available for our DHHL lessees and waitlisters. I also would like to just press in there the importance of being able to take a look at programs and funding and where we get our funding from. Because one of the biggest things is that with these fundings, especially through HUD, comes the requirement of having to use

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David-Bacon [sic] Wage Scale, and that significantly increases the cost of construction. So if there is a creative way to work with the Department of Hawaiian Home Lands, or even other contractors, and people about figuring out how that funding runs through you guys or through the County that takes away all of those requirements and restrictions, I can truly see affordable housing becoming affordable. That Davis-Bacon Wage Scale, though intended to support our local communities and workers that they can make good wages and all that stuff is important, but during a time like this, being able to build good houses and not have to have 50 or 60 percent of that go to labor costs is going really be something that we can use to determine true success of construction for affordable housing going forward. The next item is AH-4, the presentation on homelessness as it relates to substance abuse and mental health. I would like to start by expressing my appreciation and support for Aloha House and all the social programs that continue to assist our communities with necessary services. And I read through this...this presentation because I super passionate about homelessness because for the past seven years, my husband and I have pretty much single handedly been dealing with the homeless community and providing services because we have none on Moloka'i. And the degree and increase of those affected by substance abuse and mental health are serious, not just for the homeless, but as one cause of homelessness in our community. And as a result of my experience and love for our people, I would like to pose the following questions as you listen to the presentation. And mostly just because I wasn't privy to hear the presentation first before testimony, and maybe it's going to be answered there, but just some things in case it's not. So I wasn't clear about the purpose of the presentation, whether or not they're asking for more funding or they already have it. But I did see that they were proposing additional...wanting an additional dormitory, and they were noting homelessness in relation to this. So if that's true, I would like to see and ensure that whatever monies we're giving from the County attaches, and that there is a requirement of equitable quality service and resources for all residents of Maui County and all communities, including efforts to provide or partner with existing organizations for inpatient facilities, detox bed, and other services. I would like to see the percentage of homeless served and what kinds of...provide measure of success that contain factual data to support what works and what doesn't and what needs improvement, how they're going to improve it, and how the program helps to eliminate homelessness. And what are the documentable procedures for accountability to the County and overall return on its investment. I know that human life is priceless, but the cost of care and the reality of sustainable support that can be expected from the County is an important and necessary component sometimes overlooked to ensure successful solutions to these social challenges. I would like to know where it's proposed, and if Moloka'i is anywhere in there to provide for the needs of our homeless people affected by substance and abuse...substance abuse and mental illness. The title of this presentation highlights homelessness, so will the new facility be dedicated to prioritizing services to homeless...the homeless population, and if not, can it be? Such commitments would help to address specific challenges that face the homeless when it comes to adequate and available treatment, and ensure that the program from application through post-care are intended to truly assist the homeless in getting the care they need. In closing, I would like to encourage that the Council and Administration take special consideration and time to look at opportunities to

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support homeless programs, unrestricted funds that are not tied to regulations and requirements which hinder and are disadvantageous to all the overall goals of eliminating homelessness, and substance abuse and mental illness associated with homelessness. Mahalo.

CHAIR JOHNSON: Thank you, Zhan Lindo, thank you so much. Does anybody have any questions? Okay, we do have one from Councilmember Shane Sinenci.

COUNCILMEMBER SINENCI: Thank you, Chair. And mahalo, Zhan, for your testimony today. And mahalo for your work with the unsheltered. I was just curious, you know, with you, Hanale, helping out, is it through a local church non-profit that you're currently assisting with some of the unsheltered, or just on your own?

MS. LINDO: No, honestly, it was just us having the heart to do it because there's so many uncertainties about liability when it comes to homelessness and the services that they need. And so no real church or...and there's no support, yeah, for churches. So the answer is no, we don't support...and we don't do it on behalf of any ministry or any organized group.

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

CHAIR JOHNSON: Okay. Any other questions for our testifier? Seeing none. Thank you for your time, Ms. Lindo.

MS. LINDO: Thank you.

CHAIR JOHNSON: Staff, please call the next testifiers...do we have any more?

MS. STEWART: We do, Chair. However, Tom Cook has indicated his desire to answer the question that was posed to him, if it pleases the Chair.

CHAIR JOHNSON: Sure. Please, go ahead, Tom Cook. Are you still here? Well, maybe we'll come back to Tom Cook, and we can move on to the next person. Go ahead, Staff.

MS. STEWART: The next person to testify is Tom Blackburn-Rodriguez, to be followed by the caller with the last three digits 7363.

CHAIR JOHNSON: Tom, are you there? The floor is yours.

MR. BLACKBURN-RODRIGUEZ: I'm here, can you hear me? *(audio interference)* Thank you, Mr. Chair. Thank you. Excellent, thank you. We have to be careful, people with the of name of Tom seem to be having a bad time today. So go right through this. Thank you very much, thank you for the Committee, Mr. Chairman, thank you for heading this Committee up in your first term, and congratulations to you on your victory. My name is Tom Blackburn-Rodriguez, I am testifying as an individual, and have been honored to be an activist in affordable housing for some time. And I am delighted that this Committee continues...continues to address this problem, and refuses to walk

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away from it. So my congratulations to you. Also, I want to be sure and point out to Keani Rawlins-Fernandez, I want to thank her for her budget work for non-profits for affordable housing, and for always looking for a floor and not a ceiling in her policy approaches. So thank you for that very much, Ms. Rawlins-Fernandez. Just in strong support of AH-3, the grant of the land for Na Hale O Maui in Lāhainā, and I do so because it is a successful program. It is the epitome of a private public partnership to address a community problem. And it has been successful. With 53 families being able to access over 46 homes, that's 53 lives, the children, everyone that will be affected. I have visited these families personally, I have met them, I have met the nurses at Kaiser, I've met the police officers, I have met the County workers, and I can tell you that it is a life-altering experience for every single one of them and they are grateful to you for what you have done. For example, Na Hale O Maui just recently sold a home for \$300,000 in Kahului, it's a three-bedroom, two-bath house. It was appraised at \$650,000, it was sold to this family...sold for 300,000, and will remain affordable. The next family that buys that home will also buy it for an affordable price, and that is a key thing to happen in our marketplace. The homes now in Lāhainā, the median price reported by RAM for January, 1.733 million...1.733...and that is \$70,000 more than just 2020. So I would encourage you to continue your strong support for the idea of affordable housing in perpetuity, for understand that (*audio interference*) make any money, Na Hale O Maui doesn't make any money, the money goes back into the house, it's complete furnished before a family moves in. And one final point. There has never been a complaint by any neighbor in any neighborhood that Na Hale O Maui has gone into. In fact, they've come over with flowers and cookies thanking them . . . (*timer sounds*) . . . for taking that house out of the neighborhood where it could become an eyesore. No complaints whatsoever. Thank you very much, and God bless you.

CHAIR JOHNSON: Thank you, Mr. Blackburn-Rodriguez. We do have some questions for you from Councilmember Kelly King.

COUNCILMEMBER KING: Thank you, Chair. Just really quickly, Tom. Thanks for being here, and thanks for your ongoing advocacy for affordable housing and for recognizing the value of perpetuity. I wanted to ask you personally, do you also go by the name of Blackburn Fodriguez, Fodriguez? Because I...because if not, someone's impersonating you on Facebook.

MR. BLACKBURN-RODRIGUEZ: Well, no, I don't. And I'm always honored when somebody impersonates me, either they don't have a life of their own, or they think I do. But no, that...I...just Tom Blackburn-Rodriguez, which is long enough.

COUNCILMEMBER KING: That's what I thought, then I'm not going to friend that person. All right, thanks. Bye.

CHAIR JOHNSON: Okay. Anyone else have a question for Mr. Blackburn-Rodriguez? Otherwise, I appreciate your time and your kind words. Aloha.

MR. BLACKBURN-RODRIGUEZ: Thank you very much. Aloha.

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CHAIR JOHNSON: Staff, will you call the next two testifiers please.

MS. STEWART: The next testifier is logged into the meeting with the last four digits of the number 7363, to be followed by David Ward.

MR. TERRY: Okay. Hello, Councilmembers, it's Sergeant James Terry with the Maui Police Department. Can you hear me?

CHAIR JOHNSON: Go ahead, Sergeant Terry, we can hear you loud and clear.

MR. TERRY: Oh. Okay. Well, a lot of what I wanted to say was taken care of by Mrs. Lindo, it was right on point in reference to the first article on the agenda. If monies are being allocated, one avenue to put some of that money to use is to create a mobile outreach, and put them with maybe two days a month as a pilot program and ride along with officers so they can address the issues when they see the people that are out there. Because someone may want help, but they don't know how to get it for their substance, so maybe those initial contacts of meeting them in the field, leading them to pasture, meaning into inpatient treatment or into residential treatment at one of the houses that benefits. If the workers are out there seeing it front line as it's happening with the officers, they can better come up with the treatment plans, they can best say how to allocate funds for those individuals or for that population. I think that would work well because, you know, a lot of the homeless as you...as she said earlier is co-morbidity, substance and mental health. So...and we only have one steadfast house here on Maui, and I think it's full. I don't know what the residency is at the Aloha House but, you know, some other facilities that maybe we can look at. I know they're renovating the new...well, the old dorms. I don't know what that's going to be allocated for, but that could be like a triage...or at least one of the buildings, a residential triage until we can get those persons trained or ditrated [sic] on their meds or off whatever substance they're on, to gear them towards treatment. So that...that would be my input, is to allocate money to start a program through Aloha House or whatever agency is providing substance abuse to make it into a mobile unit starting out maybe two days a week--on the weekends, of course--because that's when the majority of the issues happen. That's just a thought that I was having.

CHAIR JOHNSON: Okay. Thank you, Sergeant Terry. If you don't mind sticking around, I'd like to designate you for a resource, if that's okay with you.

MR. TERRY: Yeah. I can stick around.

CHAIR JOHNSON: Okay. Members, without objection, I'll designate Sergeant Terry as a resource person under Rule 18 (a) as the Rules of Council, given his expertise on community policing.

**COUNCILMEMBERS VOICED NO OBJECTIONS**

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CHAIR JOHNSON: Okay. Thank you for that. So...all right. Moving on to the next testifier please.

MS. STEWART: The next testifier is David Ward, to be followed by Stan Franco.

MR. WARD: Great. Good afternoon, Chair Johnson, and Members of the Affordable Housing Committee. My name is David Ward, and I would like to testify in favor of AH-3. I'm testifying as an individual, but I am the current president of the board at Na Hale O Maui. I was a founding member at Na Hale, served on the original projects committee as president of that committee, and...which actually formulated the resale formula, and been on the board pretty much consistently since then, I did take a couple years absence after my first set of terms, but...so one of the things about Na Hale O Maui is, is that, you know, it is set up under a Federal guideline. So these...these community land trusts are all across the United States. And when we were setting up the organization, we had that ability to reach out to other organizations across the nation who are also under this Federal guideline, and they provided us some assistance in setting up the organization. And it's been a very successful organization, I think you guys know. I want to thank the County for an incredible partnership with the County of Maui all along. We were able to originally receive from some Federal funds, but the County of Maui was right with us the entire time. And the grants that the County of Maui provide to the organization not only assist in the first house that we purchased...typically that's what we're doing our build, but also those funds are then rejuvenated into the next houses. And so, you know, when you see the grant money, it is recycled and recycled by Na Hale O Maui. You know, there's really no silver bullet in solving this problem, I think everybody knows that, you know, we really need to focus on the housing problem--which you guys are doing--focus as a whole on the issue, and look for all kinds of answers. And the one thing about Na Hale O Maui is, you know, this...we have served these 53 families. And these subsidies, once they go in the house, they're in the house, and they're there not only for the first family, but the second family, and the third family. And that's really important. And we...and, you know, when we started this thing, that was the dream, right, that was the big...that was the talk, right, everybody talking about perpetuity, how's it going to work, how's it going to work. Well, at this point, we've not proven it, right. We've done this. We've had different families move into the houses, and we've kept the houses affordable. So anyway, again, I just want to thank the County of Maui for all of its support over the years, and I just want...hope that you guys will move forward with providing another family and the families to come after them a house that...out in Lāhainā. Thank you.

CHAIR JOHNSON: Thank you, Mr. Ward. Do we have any questions for Mister...oh, we do have one from Councilmember Shane Sinenci.

COUNCILMEMBER SINENCI: Mahalo, Chair, and aloha, Mr. Ward. Mahalo for being here. So clarification...so is that how we normally operate the County with grant funding, we'll purchase this home, and then we'll sell it to one of the families on your list for half the price?



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MR. WARD: So the County's worked with us in...different ways, and Cassandra can follow up on this as well later. But we've had the County do two things. We've been given specific grant money, which was just money itself. In one case, we purchased the land out in Kahoma, where we then followed up and built 12 houses. You know, we were able to take the County money as well as some money that Na Hale O Maui already had, purchased those 12 lots, and then leveraged those lots to...with a mortgage from a commercial lender, and build homes, and then we're able to sell those homes and pay that loan off. So that's one way that the County had worked with us in the past. We've also had the County do exactly what you guys are talking about here. We've had the County buy a home...buy homes, I think there's been two so far. The most recent one was in Waikapu Gardens, and that...it was in Waikapu Gardens Phase II, that home was, you know, reaching its maturity from its resale formula, it was going to be, you know, going into the open market at some time in the future. The County was able to purchase that home back and grant that home to Na Hale O Maui. We then took that home, and we sold that home to a member of our community. And as a matter of fact, he...that member is now a...on our board of directors, that...that...one of the members of that household is now on our board of directors because, you know, he feels so passionately about being able to get this home and giving back. So there's a number of ways that the County has worked with us in the past, and so...you know, and all of them have been very successful.

COUNCILMEMBER SINENCI: Okay. Great. Mahalo, Mr. Ward. Thank you, Chair.

CHAIR JOHNSON: Okay. Thank you, Mr. Councilmember Sinenci. Any other questions for Mr. Ward? Seeing none. Thank you for your time, Mr. Ward. Staff, can you call the next testifiers please.

MS. STEWART: The next testifier is Stan Franco, to be followed by Blossom.

CHAIR JOHNSON: Mr. Franco, are you here? You can testify now.

MR. FRANCO: Hello.

CHAIR JOHNSON: Okay. We can hear you, Stan. Go ahead.

MR. FRANCO: Hi. Hi, Gabe. Thank you for having me. And I speak for myself in one situation, and then for Stand Up Maui in the second. As you heard, what Stand Up Maui recommended at this last board meeting on the 18th, that you folks go ahead with the exemption to DHHL on the residential workforce housing policy and the grant to Na Hale O Maui. That was, you know, first speaker, Mike Williams, that shared that with you. Going to want to talk about the first item, homelessness, it's been something dear to my heart. In 1986, we created the first homeless shelter on the island, was an old church out in Puunene that we had homeless people staying in. They were supported by Catholic Charities of Hawai'i, and I was fortunate to be in that shelter operations for four, five years. I have a strong heart for the people that are homeless. You know, even though I talk a lot about housing, this issue that we're talking today, mental health and substance abuse, is really a hard one to take care of

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or to get solved. And I think we have a fragmentation in how we do this on this island. We don't...we have sources of income coming from Federal, State and the County, and I know the County--because we're directly involved with that issue, we see it day in, day out--really needs to step up with trying to get solutions for this problem, but we need to depend on the State, who has probably the requirement to do this. Also substance abuse, not most...not the County necessarily, but the State. And I'm not sure if we are well coordinated, I'm waiting for the discussion that you folks are going to have on this issue. I'm really thankful to Keani and the rest of you for creating this commission on healing solutions and homelessness. I'm looking forward to the work there because I think we really need to drill down on this issue because we having more and more people...I keep talking to people out in the field, and we getting more and more local people being homeless because of our pandemic and the loss of employment. So when I see homeless people, even though sometimes it's difficult to me to approach them because they're talking to each other, themselves or they look dirty, and whatever...I've had that experience working at the homeless shelter for the five years I talked about. But they're people, they're human, and I want to really try to get people to understand that, you know, for the grace of God, I could be that person on the street right now. I have a . . . *(timer sounds)* . . . loving family, they protected me and kept me going. And I thank you so much for taking up the issue of homelessness. Aloha.

CHAIR JOHNSON: Thank you for your testimony, Mr. Franco. Does anyone have any questions for our testifier? I really appreciate your words. Okay, Mr. Franco have a good day. Seeing none. Staff, do we have any more testifiers?

MS. STEWART: Chair, the final person on the list of testifiers is logged in as Blossom.

CHAIR JOHNSON: Okay, Blossom are you on the call? You can begin your testimony if you're here. Okay, then so I guess we'll do a last call. If anybody is on the line and wants to testify, you can testify now if you'd like to.

MS. WADE: Chair, this is Erin Wade. I'm sorry, I tried to sign up --

CHAIR JOHNSON: Yeah.

MS. WADE: -- earlier. I just wanted to offer myself as a resource to the Council regarding the Wailuku redevelopment area, if there's any questions about the history of the choice to exempt the redevelopment area from the workforce housing. So I'll be here on the line for you folks if needed.

CHAIR JOHNSON: Okay. Sure. Members, without objection, I designate Erin Wade as a resource person under Rule 18 (a) of Rules of the Council, given her expertise in this matter.

**COUNCILMEMBERS VOICED NO OBJECTIONS**

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CHAIR JOHNSON: Okay. All right then, thank you. Okay, one second here. Okay. Members, seeing there are no more individuals to wishing to testify, without objection, I will now close public testimony.

### **COUNCILMEMBERS VOICED NO OBJECTIONS**

COUNCILMEMBER RAWLINS-FERNANDEZ: Chair?

CHAIR JOHNSON: Go ahead. I'm sorry, Councilmember Keani Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. I see Blossom Feiteira...all right, I'm assuming...Blossom chatting that she can't get her mic on.

CHAIR JOHNSON: Oh. Did you try star four, Blossom? Try to...if you're on your phone, try to push star four. And of course, Staff, I hope you unmuted her, yeah?

COUNCILMEMBER RAWLINS-FERNANDEZ: She's on her phone, because her name is showing up. Usually when you join by phone, it's your phone number.

CHAIR JOHNSON: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: Perhaps Blossom would like to call in?

COUNCILMEMBER KAMA: I think her mic shut itself off.

CHAIR JOHNSON: All right.

COUNCILMEMBER KAMA: How does that help when she can't get her mic to work?

CHAIR JOHNSON: So Staff, is she unmuted on our end? Just to double check.

MS. STEWART: Yes, Chair.

CHAIR JOHNSON: Okay. You know, if you can hear us, Blossom, you can call...I can give you the number and the meeting code if you like. So the number is 1-408-915-6290, meeting code 798 867 277, and it's also on the agenda if you want to pop it up on the agenda but...otherwise, if we can't get on...get you on there...I'm going to wait a second or two, but hopefully we can get you on...in here. You know, we could keep testimony open after the presentation if you guys want. We can give some time for the presentation, maybe she can sort that out, and then she can come back in.

COUNCILMEMBER RAWLINS-FERNANDEZ: No objection.

CHAIR JOHNSON: Okay.

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### **AH-4(1) PRESENTATION ON HOMELESSNESS AS IT RELATES TO SUBSTANCE ABUSE AND MENTAL HEALTH (RULE 7(B))**

CHAIR JOHNSON: Okay. So we're just going to move on to the agenda here. We have an ambitious agenda today, so I'd like to keep all our item discussions to an hour. We begin our agenda with a presentation from Aloha House, followed by discussion. AH-4(1) Presentation on Homelessness as it Relates to Substance Abuse and Mental Health. In accordance with Rule 7(b) Rule of the Council, the Committee intends to discuss the issue of homelessness as it relates to substance abuse and mental health. We have with us representatives of Aloha House, Nicole Hokoana and Malia Bohlin. Members, without objection, I will designate them as resource persons.

### **COUNCILMEMBERS VOICED NO OBJECTIONS**

CHAIR JOHNSON: Okay. Take it away, you may begin your presentation.

MS. HOKOANA (*PowerPoint Presentation*): Good afternoon, Chair Johnathan [sic] and Councilmembers. I would like permission to share my screen.

CHAIR JOHNSON: Certainly, go ahead.

MS. HOKOANA: Great. Okay. Good afternoon. My name is Nicole Hokoana, and I'm the Chief Operating Officer from Maui Behavioral Health Resources. I'm actually representing three organizations, they are Aloha House, Malama Family Recovery Center, and Maui Youth and Family Services. Together we provide an array of substance abuse and mental health services to youth, women, and adults here in Maui County. So I want to thank you all for your attention, and Chair Johnson for allowing us to share a little bit about what we do as it relates to substance abuse and mental health...I mean, what we do for homelessness as it relates to substance abuse and mental health, also known as behavioral health. So Aloha House has been around awhile, at least since 1977, and our partner (*audio interference*) have been around for many years as well. In this presentation, I really wanted to acknowledge all the wonderful partners (*audio interference*) have here in Maui County, including Maui County itself. We...our programs have been supported by County Members for many, many years, and we're very thankful. We noticed that Mental Health Kokua and, you know, Ka Hale A Ke Ola, there's so many different organizations that work hard and work well with this population, and they're not here. And we just...we're just a little sliver of what's needed to address homelessness. And so we recognize that, and didn't want to, you know, come out as though we're the end all to this problem, because we're not. And it'll take all of us working together to really address all the nuance of homelessness here on Maui. Someone earlier testified about the pandemic and how it's increased homelessness, I sure have noticed, driving along, more beaches have more tents. We have the working poor, we have people that have lost jobs, we have families that are on the street, situational crises that happened to families and to people, which is really different than the individuals that we serve...well, not really different, but really, the population of people that we serve are people that are not those that want to remain homeless. We know of people who are unsheltered, who--

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that's their preference. And so our services aren't intended for that population. And certainly, there are programs out there that help people that are, you know, escaping domestic violence or are situationally homeless. But at any rate, we just really wanted to focus on what we do today, share a little information and education. We're certainly open to standing by and answering questions to the best of our ability. We weren't...to...yeah. We just see this as an educational opportunity for all of us. So at any rate, we do see...we do serve unsheltered persons every single day through our mental health and substance abuse services. So people that come to our doorstep are often in need of housing, food, and medical care, and we provide that. We provide that through an array of programs that run from detoxification services to mental health crisis support and stabilization services. We do...we provide an array of counseling, mental health counseling as well as, obviously, substance abuse treatment at inpatient and outpatient levels. We address issues that may lend itself to homelessness, and we also address issues that can generate homelessness. We have programs that can extend housing opportunity through mainly our sober living program, which was...recently we partnered with the County and the Affordable Housing, and we received Affordable Housing funds to be able to move forward with the...acquiring two additional properties to serve people who are in recovery from substance abuse. So this is just some of the services we provide. And this slide here tells us a little bit about how people can access our services. So I'm interested to hear from the police officer that called earlier because he did mention more outreach. You know, we do provide a service called Crisis Mobile Outreach, it's accessed through Hawai'i Cares. And through the Crisis Mobile Outreach, people can come up onto our campus, it's called our Licensed Crisis Residential Program, where people in a mental health crisis can stay here for 10, 14 days to stabilize, this prevents them from ending up possibly in the hospital. We also receive referrals from the nursing staff at the hospital when someone is...you know, needs to detox; they're either...they're high on drugs or alcohol, and they go to the hospital to the emergency room. Well, the hospital will contact us, and so they come up here to our campus. It's always our goal that people who enter our detox program will choose to make a change in their lives and enter our Residential Treatment Program. That doesn't always happen, but we do offer this continuum of care that can begin in mental health crisis through the Licensed Crisis Residential Program where people can transition to our residential treatment program and get substance abuse and mental health treatment services. They can go on to outpatient services and live in our Sober Living Program. So all in all, people can have between six months and a year of housing support through these...through our continuum of care. And this again is kind of a similar slide, it just talks about all the different services that we do provide. At the sober living level, when we have participants that have left our residential campus, we do help with job placement, they are...you know, we try to help them find permanent housing, you know, and we work on skill building, we try to connect them with other referral sources and, you know, other...other resources that they may need. So we looked at our budget just to get...help to...we wanted to provide you with an idea of how much...what our budget is, and how much State, Federal monies we bring into the County and it's about \$16.9 million, and we serve about 8,000 individuals a year. So on average, the services that we provide cost about \$2,000 per person a year. So again, the effectiveness of treatment, right, over a hospital stay, which might cost

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20...you know, \$2,000 a night, or a year in jail, which could cost as much as \$30,000 a year. You know, I failed to mention, but we do partner with Maui Community Correctional Center, we do receive people who, you know, are...you know, have not committed any non...non-violent offenders we call them. They have drug offenses, but non-violent offenses, they agree to...or they release to our campus, we serve them through our Maui Drug Court Program, but also as regular referrals. So yeah, it's just a...you know, treatment...treatment works. Even when it's not something that someone opts to doing, but rather just wants to avoid a punishment, we know that treatment works. So these are sort of the programs that I was referencing, and the people that we serve throughout our mental health crisis and stabilization service, as well as through our substance abuse (*audio interference*). Again, partnering with Maui Community Correctional Center, partnering with the hospital, we are...you know, we're sort of a step down when people who are institutionalized need to, like, transition into the community. Aloha House plays an important role with that step down, and so does Malama Family Recovery Center. And through our Sober Living Programs, you know, it's assumed that we help, you know, about 130 adults per year, but if...we also...we also accommodate women and children. So if we were to add the children that are able to stay in our Sober Living Program, I would say we have...we serve about 75 children a year, in addition to those 130 adult clients in sober living. So here's an idea of what it costs to run these specific programs, just about 5.5 million. You probably know that a lot of our treatment programs, we do access third-party insurance, so we try to be as diverse as we can in accessing alternative sources of funding and not being reliant on Government funding. But we need Government, we need...we need support in providing those kinds of services, those gap services, the outreach services that the police officer mentioned. Like, you know, insurance companies won't pay for outreach, they won't pay for . . .(*inaudible*). . . coordination or case management. They're not going to pay for a mental health worker to check on someone that's living independently in a Sober Living Program, but needs to be reminded to take their medication so that they can stay employed and stay stable. So insurance companies won't pay for those kinds of services, and that's where...that's some of the niche areas where Government assistance really helps. So, you know, if some were to ask...someone were to ask me what we need to better address our homelessness, what we can do, always improving and expanding our Sober Living Program. These homes that we have in the community, people stay a minimum of 60 days, which is two months. They can stay up to six months or a year. We help them in these first days of recovery, mental health and substance abuse recovery, where they're still very vulnerable and they don't have the...all of the...I guess you could say protective factors in place yet to be able to make it on their own, and not slide back into homelessness. We...we're...we do need staff for a program like this. We have acquired, you know, sober living homes via the Affordable Housing fund recently, and so those homes are going online even as we speak to help about...I'm going to say about 16 additional people. Some of our programs make money, some of our programs lose money, some of them lose a lot of money, but we are in this work to serve and to fulfill our mission. So yeah, unrestricted funding is always nice. Our residential treatment facility here on campus in Makawao, we have 48 beds, that's 48 beds for our crisis services, mental health crisis as well our Substance Abuse Residential Program. So you know, one thing that we had wanted to do prior to, of

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course, this pandemic was to look at designing and constructing an additional dormitory that would house another 12 people. So those are some of the things on our bucket list that...you know, that we could...that we could use. And at any rate, moving on, these are our partner agencies, Malama Family Recovery Center, we are Aloha House, and we also have Maui Youth and Family Services, which provides wonderful youth services that...that...I mean really, any youth service in the prevention of the mental health crises and the substance abuse crises that we see in adults. So me personally, I'm very invested in youth services as well, so...I'm guessing people probably have questions, so maybe I should stop sharing now.

CHAIR JOHNSON: Okay. Thank you so much, Nicole. Before we go on to questions, I wanted to recognize Blossom if she was able to testify, and I could close testimony after that. Blossom, are you still on the call? Giving you a chance if you can, Blossom. Are you on the call to testify? No? If you can just send it by written, then and we can move on. So okay, without any further objections, I'd like to close testimony, please. Oh, wait.

COUNCILMEMBER SUGIMURA: There's Blossom. There's Blossom.

CHAIR JOHNSON: Oh, oh, she just got on. Great.

COUNCILMEMBER SUGIMURA: Yeah, she just got on.

CHAIR JOHNSON: Okay. Trying to respect your time, I know everyone's busy. So Blossom, if you're here, I'd love to have you testify. There she goes. I think you're muted. Blossom, if you could unmute yourself.

COUNCILMEMBER RAWLINS-FERNANDEZ: She is unmuted, Chair. It looks like her audio isn't working. Your audio might not be working, Aunty Blossom.

CHAIR JOHNSON: And we lost the camera now. Okay. I think she's going to submit it by written...written testimony. Okay. Sorry, we...you know, technology, these...live by the sword, die by the sword. So I appreciate your time. Staff...or I mean, Councilmembers, if you don't mind, I'd like to close public testimony right now. Any objections?

### **COUNCILMEMBERS VOICED NO OBJECTIONS**

CHAIR JOHNSON: Thank you. And then I'd like to have the written...

### **COUNCILMEMBERS VOICED NO OBJECTIONS**

CHAIR JOHNSON: Okay. All right. So...

COUNCILMEMBER RAWLINS-FERNANDEZ: No objections.

CHAIR JOHNSON: Thank you so much.

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**. . . END PUBLIC TESTIMONY . . .**

CHAIR JOHNSON: So go ahead, Councilmember Mike Molina.

VICE-CHAIR MOLINA: Yeah. Thank you very much, Chair, for giving me this opportunity. I just wanted to ask a procedural question. I realize you've got two other very important issues on your agenda, and to help stay within your time parameters on this item, can I suggest you put us on a time...timer? You know, three minutes, and then one minute for follow up. So I'm sure everybody's going to have a question for Nicole on this very important topic. So this way can help the things move along, and then we can possibly get to your other items before we close today.

CHAIR JOHNSON: That's very well said.

VICE-CHAIR MOLINA: For your consideration.

CHAIR JOHNSON: Very...I totally agree with you on that, we're going to have...you know, try to keep our conversation short and with the timer up. So we could just start right now with that. You guys have questions? Any Councilmembers have questions for our...go ahead, Councilmember Molina.

VICE-CHAIR MOLINA: Yeah. I'm ready, Chair. Okay. Good afternoon, Ms. Hokoana. Have you seen an increase in homeless that have moved to Maui, and any confirmation as to whether other jurisdictions are, I guess, doing it on purpose to send them here? And then also, do you see this as an ongoing problem?

MS. HOKOANA: No, we haven't noticed an uptick in it. We do know that sometimes...especially in our licensed crisis residential services, we do notice that, you know, some of the people in there are sort of you know, recent arrivals, and they know how to access Hawai'i Cares and get into services. It's...I couldn't speak to anything other than just anecdotal...yeah, we have no evidence of this, you know. We really don't track homelessness. Yeah.

VICE-CHAIR MOLINA: Okay. And my next question is that I've been going out to meet with some of the homeless out in Pā'ia. And typically, they indicate to me that, in their minds, that support or social services seem to be lacking. We got an upcoming budget session, if the Council decides to reduce funding, what in your opinion would be the consequences of that, if we significantly reduce funding in this area?

MS. HOKOANA: Reduce funding to social services in general?

VICE-CHAIR MOLINA: Well, yeah. I guess in this...for this case, substance abuse and mental health.

MS. HOKOANA: You know, it's a tough time. And we do receive support directly from the County, and I can tell you that it would hurt us. It would hurt us to lose support. We



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are a provider, we don't turn anyone away, even people without insurance. So it would be tough to continue to be a provider that doesn't turn people away if we don't have that extra funding to sort of subsidize the treatment.

VICE-CHAIR MOLINA: Okay. Briefly before my time, my three minutes are up. So how do we increase the availability of the Sober Living Programs? I would guess money, but any other creative ways we can do this?

MS. HOKOANA: You know, the Affordable Housing fund helped us to...we leveraged some private monies, we...you know, of course, the County kicked in, Aloha House kicked in some. And so now we have two additional homes online but, you know, short of funding, you know, the beauty of a non-profit is we can leverage support from good people out there that want to do good, and want to help others, and contribute to good causes. But really, I mean, short of funding, we can look at length of stay, but we want to also remain...you know, we want to meet consumer needs. And some people, you know, if we were to ask them to leave earlier, that's not enough time for them to be stable. So we want to . . . (*timer sounds*) . . . be flexible. Yeah.

VICE-CHAIR MOLINA: Okay. All right. Thank you for your responses. Thank you, Mr. Chairman.

MS. HOKOANA: Thank you.

CHAIR JOHNSON: Thank you, Councilmember Molina. Does anybody have any more questions for Nicole? Well, I have one for you. Can you speak to...I don't even know how to say the word recidivity, you know, the one you come constantly come back to...

MS. HOKOANA: Yeah, recidivism?

CHAIR JOHNSON: Thank you, that's a tricky work for me. Can you speak on that please?

MS. HOKOANA: Well, I mean, this is substance abuse treatment, and we see...and even in our mental health services. These are chronic illnesses, whether mental illness or we're talking about substance abuse is chronic illness. People recidivate, and they need to come back to treatment. We try to fortify them as best we can with skills, and knowledge, and resources, but it's...it's expected that people will recidivate. I mean, it's just the nature of the disease.

CHAIR JOHNSON: Okay. And I just want to ask one more question to Sergeant Terry before we go onto Councilmember Tasha Kama. Sergeant Terry, have you noticed...you know, I want...I want to ask a real basic question, is it working? Like...or have you noticed like an increase, and how much of an increase, or have you finding...are you finding certain community policing actions that are working very well?

MR. TERRY: Well, we have actually two components, we have the corps that goes out, and we have the CPOs that go out. And we...just last night we were out first watch, and we...in the Piikahana area. I know that's not considered homeless, but it's not

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considered traditional dwellings. There were five new faces out there that we saw from the Big Island, so we, you know, would consider them homeless. And then we still have our entrenched groups that every once in a while, you'll get one or two new faces, but they're pretty much consistent. And to answer the question earlier, there are some jurisdictions that have sent homeless over here. You know, when we question them during their arrest, how'd you get over here, oh, they were bought a one-way ticket, usually it's from California. I don't know how prevalent that is, but we do run into that.

CHAIR JOHNSON: Okay. Thank you. I...thank you, Sergeant Terry. Maybe there'll be a follow-up question for that one, but that's all. I know other people have questions, so I don't want to take up any more time. Go ahead, Councilmember Tasha Kama.

COUNCILMEMBER KAMA: Thank you, Chair. And thank you, Nicole, for your presentation. I just wanted to ask, you know, you...the presentation was based upon the three agencies' work...Aloha House Mental Health, and Maui Youth...and Malama Family Recovery, and Maui Youth and Family.

MS. HOKOANA: Yeah.

COUNCILMEMBER KAMA: So you started to talk to us about how you work, and the cost, and the number of dollars that you spent, and it--

MS. HOKOANA: Yeah.

COUNCILMEMBER KAMA: -- says that the three of your agencies serve 8,000 individuals per year with a budget of 16 million. And then you go on to talk about all the different things that you've done. So if...in trying to figure out what agency actually does what treatment...that's what I think I'm trying to figure out. Because it seems like you all do all of this, but I'm not sure who does what and who does what.

MS. HOKOANA: Yeah.

COUNCILMEMBER KAMA: You know what I'm saying?

MS. HOKOANA: Yes. That's a great question. So to clarify, Maui...all three agencies provide substance abuse treatment. Maui Youth to kids. Malama, focusing on women, and women especially who have children. So we...we allow children to be with their moms in treatment. So we're one of two facilities in the State that support that reunification of mom and child. And then Aloha House serves men and women, adult men and women. So...and mental health services are provided at Maui Youth and Family, at Aloha House, and Malama as well.

COUNCILMEMBER KAMA: So when I look at your programs then, you folks all provide treatment, do you...do you work with those other programs that would provide either prevention or intervention?

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MS. HOKOANA: Yes. So Maui Youth is prevention. And...you mean intervention in substance abuse, or prevention of substance abuse in adults?

COUNCILMEMBER KAMA: Either/or.

MS. HOKOANA: You know, unfortunately, there are much more intervention dollars than there are prevention dollars. So there's not a lot of money that goes towards --

COUNCILMEMBER KAMA: Okay.

MS. HOKOANA: -- preventing addiction and substance use in adults. And that's the truth. We try...we work really hard to bring down those monies for youth services, but at the adult level, there's very little to prevent it. Yeah, and in terms of intervention, of course, our inpatient here...our residential campus, but we also have outpatient services for mental health and substance abuse.

CHAIR JOHNSON: Okay.

COUNCILMEMBER KAMA: So referring back to Mr. Molina's question in terms of budgeting. What would you say was the most critical portion of which you folks do in terms of treatment, prevention, or intervention?

MS. HOKOANA: . . . *(laughing)*. . . That's really hard to answer. It's really hard for me to pick out one because for me, all of our youth services are prevention, all of them are really important. Intervention...primarily our first contact happens on this campus in Makawao, where we see people that are in mental health crisis, unable to stay safe, you know, and . . . *(timer sounds)* . . . we see them start to stabilize. You know, we also have the detox program, and we hope that the people that are detoxing will agree to enter treatment, and this is our first opportunities. And these first opportunities are precious, and they're so valuable, but so is recovery. And so is having recovery time, and that's what is expensive, is insurance wants to kick them out, right, like we have insurance, the amount of time that insurance companies will pay for substance abuse treatment has been reduced from 90 days to lucky if we get 42. So you know, insurance companies are trying to get them out the door, and once they're out the door, if they don't have those supports in place, they can fall back into homelessness.

CHAIR JOHNSON: Okay, Nicole, please...

MS. HOKOANA: So that recovery time is also very important. So sorry.

COUNCILMEMBER KAMA: Thank you, Nicole. Thank you, Chair.

CHAIR JOHNSON: Thank you, Councilmember Kama. Let's move on to Councilmember Lee, followed by Councilmember Paltin.

COUNCILMEMBER LEE: Thank you, Mr. Chairman. Nicole, how much do you get in total from the County?

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MS. HOKOANA: We get about 125,000 a year in support of our residential services, and a similar amount in support of our detox, specifically our detox. Our crisis mental health services does not get County support. Having said that, both our detox and our crisis stabilization program here on our campus require 24/7 nursing. And so those programs are really expensive for us. But yeah, I mean, the County has supported us for many years and we are very, very grateful.

COUNCILMEMBER LEE: Yeah. So are you saying that the County gives you \$250,000 a year?

MS. HOKOANA: About...yeah...about that much.

COUNCILMEMBER LEE: We used to give you more.

MS. HOKOANA: It might be a little bit more.

COUNCILMEMBER LEE: We used to give you more.

MS. HOKOANA: Yeah.

COUNCILMEMBER LEE: Okay.

MS. HOKOANA: I...yes. Judd would...Judd would say that you...we used to receive more.

COUNCILMEMBER LEE: Yeah.

MS. HOKOANA: Yeah.

COUNCILMEMBER LEE: Okay. Now, my understanding...oh, do you receive . . . *(inaudible)* . . grants from the State, grant-in aids.

MS. HOKOANA: We have. Periodically, yes, we do. You know, I can't really...I don't really have...for...in support of our treatment program recently, no.

COUNCILMEMBER LEE: Okay.

MS. HOKOANA: But we do apply...I mean, we apply for everything. We apply for State grant-in aids --

COUNCILMEMBER LEE: Okay

MS. HOKOANA: -- we apply for everything.

COUNCILMEMBER LEE: No. The reason why I bring it up, Nicole, is because we...we've been informed that there will probably be no GIAs this coming --

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MS. HOKOANA: Yeah

COUNCILMEMBER LEE: -- year. So...but you don't receive any, anyway, right? You just said.

MS. HOKOANA: Not in support of treatment programs.

COUNCILMEMBER LEE: But you receive --

MS. HOKOANA: No usually, usually...

COUNCILMEMBER LEE: -- other kinds of State...other kinds of State aid?

MS. HOKOANA: In support of our treatment program, we have contracts with the Alcohol and Drug Abuse Division. ADAD supports all three agencies.

COUNCILMEMBER LEE: Okay. And then the other...my final question is, has there been any more...any increased support from the hospital? Like, they use to handle the mentally, you know, challenged. Is there any movement there? Is there any plan for the State to start taking them back to the hospital for treatment?

MS. HOKOANA: You know, to my knowledge, if you were referring to Molokini.

COUNCILMEMBER LEE: Yeah.

MS. HOKOANA: Molokini is still there. What we do is we take clients as a step down. So when there's, you know, Molokini wants to release clients, they'll release them to us, and we'll transition them back to the community, or as a diversion. So instead of going to the hospital, they come to us.

COUNCILMEMBER LEE: Okay. All right. Thank you very much, appreciate it. . . . (*timer sounds*) . . .

CHAIR JOHNSON: Oh, perfect timing, Chair Lee. Did we have someone else? I think Councilmember Paltin had her hand up...oh, followed by Councilmember Kelly King.

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Ms. Hokoana. I just was wondering what a...what type of impact the location of your campus has. Because you don't have locations in West or South Maui, do you? Or I guess Moloka'i, Lāna'i or Hāna.

MS. HOKOANA: No, we don't. This is our only residential facility. So are you...

COUNCILMEMBER PALTIN: Yeah, I just was wondering if it's hard, you know, like say somebody lives in Lāhainā or something, and they're trying to get into...trying to overcome like the stabilization part of it, and to be like put in Makawao where they might not know anyone. And then, you know, once they complete a program in

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Makawao, having to go back to Lāhainā or Kihei or something like that. Because I mean, I guess I don't go through Makawao that much, but it's kind of evident in South and West Maui, there's a lot of folks that need assistance. So I just was wondering if the location of the person going through recovery, where they live usually has an impact on being...recovering in Makawao?

MS. HOKOANA: Yeah. So our sober living houses are mostly located in Kahului and (*audio interference*) and so that would be kind of the area that I would say that's where recovery happens. Because here on our Makawao campus is like the first step, right, which is our Residential Inpatient Program. And we take people...we take referrals from Moloka'i, we take...we have a ton of people that come in from Lāhainā. So in terms of the geography, geography is not a barrier to coming in. We bring in people from Lāna'i, from Moloka'i, from other islands as well. And so...and even, I would like to add, that often with the disease of addiction, our...the social circles that people live in is part of the problem. So removing...you know, removing from that location can actually be helpful. And we don't disclose our location, our residential campus, and it's a quiet and peaceful place. And part of...part of not disclosing it is just so that we don't get the traffic here. So I would say that our location is actually conducive to treatment and recovery, and that like I said, we do receive...we do receive clients from all over the State, including Moloka'i and Lāna'i.

COUNCILMEMBER PALTIN: So if those clients that are resindenting in Wailuku and Kahului move back to their location, are they able to like resist the circles that led them to that...could have led them to that position they were in or...

MS. HOKOANA: Yeah, well, every person's . . . (*timer sounds*) . . . situation is unique, and every person has a different support system, or none at all. And sometimes if you're...if their job is in Lāhainā, for example, we have to try and transition them to a place in Lāhainā. And we don't have a sober living home in Lāhainā. But if they can stay on this side, then we try and keep them on this side. But it really is...it's really person centered, and it's really hard to make that generalizations.

COUNCILMEMBER PALTIN: Thank you. Thank you, Chair.

CHAIR JOHNSON: Interesting. Thank you, Councilmember Paltin. We have Kelly...Councilmember Kelly King, followed by Councilmember Keani Rawlins-Fernandez.

COUNCILMEMBER KING: Aloha, Ms. Hokoana. Thank you for being here, and thank you for your work at Aloha House. I've been involved in the non-profit world for a long time, so I know about your organization. And I had two questions. One is if you're treating people from off island, from other places in the State, and you're not getting any State funding, are you getting funding from those other counties as well?

MS. HOKOANA: We do receive State funding through the Alcohol and Drug Abuse Division, and I don't know if you guys have noticed all the new advertisements on Hawai'i Cares, like accessing mental health and substance abuse services through Hawai'i

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Cares. Maybe or maybe not, you haven't seen that. The goal of the...of the Department of Health has been to make services available Statewide. And so if a provider on O'ahu is unable, maybe has no space for someone living on O'ahu, that that person in need of treatment should be able to get treatment on a neighbor island.

COUNCILMEMBER KING: Okay. And then you expect to continue to get those State funds, Because I know earlier, we were talking about the lack of grant-in aid funding from the State.

MS. HOKOANA: You know, we do...we do expect to continue to be a partner to the State, but the State had...is...has increasingly reduced the funding amount to all of the providers, and they have...have basically told providers that we need to look at, you know, self-sufficiency.

COUNCILMEMBER KING: Okay. Yeah, I just I bring that up because we had...you know, earlier, we had testimony about other areas that feel like they're underserved--not necessarily just by you, but by certain services. So the other question I had is, you know, I know a lot of non-profits leverage volunteer services, and they can show the State or the County how much free labor they're getting in volunteer. But I just...can you speak to...I...I think it's harder for your types of...your type of organization because you're looking at professional services. You just can't have a volunteer come in and give mental health counseling to somebody, for instance. But can you speak to that, and do you have like a certain level of volunteer for logistics and...I don't know, just...I don't know what you would use them for, but do you have that?

MS. HOKOANA: Yeah. That is a great question, and it is something that I personally am very interested in expanding. I love what MEO does, I would love to see more of it here at our agencies. We haven't done a lot of that for the reasons that you described, I think substance abuse and mental health treatment, we have to be very careful, but it is an area that we need to grow in. I mean, if that can be a fair enough answer, yes.

COUNCILMEMBER KING: Well, it's...you know, a lot of that was used for justification back a decade or so ago when a new Mayor came in and wanted to, you know, cancel all the funding, all the non-profits stuck together and said look at all...you know, we leverage . . . (*timer sounds*) . . . into open...volunteer service, so that's why I bring it up.

MS. HOKOANA: Yes.

COUNCILMEMBER KING: Okay.

MS. HOKOANA: Yes.

COUNCILMEMBER KING: Great. Thank you. Thank you, Chair.

CHAIR JOHNSON: Okay. Thank you, Councilmember Kelly King. Moving on to Councilmember Keani Rawlins-Fernandez, followed by Councilmember Shane Sinenci.

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COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Before I start my questions for Ms. Hokoana, I have a question for you. And perhaps I missed it, what was the reason for this presentation today?

CHAIR JOHNSON: The reason is I wanted to hear what they're going to be needing. You know, let's hear first off what they do, but what are they going to be needing. I mean, the homelessness is a passion of mine, and fixing this problem is really important, so I wanted to put it on the agenda, I wanted to hear the presentation, and I wanted to hear what can we do to help them. So...and also, what they're...what they're doing. And it's looking like there's a lot to talk about so...yeah.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Okay. Aloha, Ms. Hokoana, mahalo for your --

MS. HOKOANA: Aloha.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- presentation today. Okay. So last fiscal year, from the Affordable Housing fund, we granted you folks \$900,000 for 16 individuals at 50 percent AMI or less. So for that 16 people, how does that work? Is it a number of weeks and then there's turnover, or how long do that stay in these...it's a dormitory?

MS. HOKOANA: The sober living, yes. So minimum of 60 days. So that's...we hope to...within our continuum of care, we hope to...so ideally, someone will have 40, 42 days of treatment here in our residential campus, and then if they don't have somewhere to live, we can step them down to our sober living...one of the sober living homes. We can up...the County allows for us to have up to eight unrelated persons living within one of those homes, and so that's where the number 16 comes from, because eight and eight, 16. Minimally they can stay 60 days, but like I said earlier, it really is person centered, and it really depends on what their needs are, and how stable they are in their recovery, and what their support system looks like. We have people stay with us longer, we've had individuals stay with us up to a year. And so depending on the length of stay, that bed...I mean, the idea is that the beds, you know, when someone exits, we are able to step down someone from our residential campus into that empty bed. So as someone stabilizes and moves out, we are able to move another person who graduates our residential program into that bed. And so that...you know, so they may have 14 days in our crisis unit, then they may move 42 days into our residential unit, and then they may have 60 days in our sober living. So if you add up those days, that gives them up to six months, about six months to gain some traction, get back into work, you know, get onto those medications that help to stabilize them. Learn to build those...those resources, access those resources. I mean, a lot of the people on this residential campus, they have skills, they have job skills. Addiction has just sidelined them, but they need that...they need that cushion, you know, their...they've burned bridges. But when they get stable, they're able to rebuild those bridges and then eventually go...move back to their families.



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COUNCILMEMBER RAWLINS-FERNANDEZ: The two residential buildings that you acquired with the \$900,000.

MS. HOKOANA: Yeah.

COUNCILMEMBER RAWLINS-FERNANDEZ: Is that on the campus? Or --

MS. HOKOANA: No.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- are they...okay.

MS. HOKOANA: They're both...yeah. One is...one property has already --

COUNCILMEMBER RAWLINS-FERNANDEZ: Yeah.

MS. HOKOANA: -- closed, and that's in Kahului. Oh, go ahead. But both of them are in Kahului.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. Mahalo. And then you're saying that you're looking for more County funds for about 12 more people. So is that another two separate residential places that would house six people each?

MS. HOKOANA: Okay. So the...that would be...that part is additional dorm on our residential campus. That would bring us from a 48-bed facility to a 60-bed facility. So that's . . . (*timer sounds*) . . . still looking at that first step, which is treatment, not the recovery step, which is sober living.

COUNCILMEMBER RAWLINS-FERNANDEZ: And how much?

MS. HOKOANA: That would be 12 beds, another dormitory.

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

MS. HOKOANA: Money? Is that what you asked?

COUNCILMEMBER RAWLINS-FERNANDEZ: Yeah.

MS. HOKOANA: I forget what was on the slide. I mean, I think there was planning monies, and then there was the actual construction, and it was on the slides.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. I can look.

MS. HOKOANA: Sorry.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Ms. Hokoana. Mahalo, Chair.

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CHAIR JOHNSON: Thank you, Councilmember Keani Rawlins-Fernandez. Shane...Councilmember Shane Sinenci, you have a questions?

COUNCILMEMBER SINENCI: Yeah. Mahalo, Chair. Just a couple. Mahalo, Ms. Hokoana, for your presentation. How many sober living homes did you say you had again? Throughout the County?

MS. HOKOANA: Are you talking about the Affordable Housing fund, or are you just speaking in general?

COUNCILMEMBER SINENCI: Just in general --

MS. HOKOANA: Okay.

COUNCILMEMBER SINENCI: -- the off campus.

MS. HOKOANA: So off campus, we partner with MEO, and we have some apartment units on Vineyard. And then we have one...we have three...three homes in addition to that Vineyard apartment, two homes in Kahului, one in Wailuku. Altogether, not accounting the newer homes, we have 50 beds.

COUNCILMEMBER SINENCI: Oh, okay. Thank you. And is the extended housing options...is this a fairly new program? Because I always thought that Aloha House was just specific for substance abuse and mental health. So was this something recently added, and then as the homelessness portion...because I've received calls that hey, Aloha House deals with substance abuse, but you're also dealing with the homeless issue as well in your programs, yeah?

MS. HOKOANA: Well, we, we serve people who are unsheltered. That's with...I mean, whether...I mean, people who come into our programs through crisis...the crisis door or through the substance abuse door, many of them are homeless. They are either coming directly out of jail where they've burned family bridges and they have nowhere, you know, and this is an opportunity, or they may be homeless and they need help, and their lives have become unmanageable. But we're not...you know, our mission is to treat substance abuse and mental illness. You know, we're not per se a homeless service provider, right, but we do serve.

COUNCILMEMBER SINENCI: Right, and that's why my question was...so...so they may be brought in to deal with substance abuse or mental health, but once you have...once that is done, those unsheltered is pretty much put back on the street.

MS. HOKOANA: Right. Well, I don't...I don't know the timing of when we first partnered with MEO exactly to acquire those Vineyard apartments, but part of a successful discharge from our residential program is having a transition plan. And when people don't have a home to return to that supports their sobriety, well, then what happens? All of our work was for nothing, right. Because they go back onto the street, they go back to their...it's...so for us as providers, for our own ethics and integrity, we needed to find

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an answer to that. And our sober living homes provide a step down, a safe transition where people continue to practice their sobriety, and practice their lives in recovery. And it takes a lot of practice for them. Some of them need a lot of practice . . . (*timer sounds*) . . .

COUNCILMEMBER SINENCI: At least that, that option is there for them.

MS. HOKOANA: Yes.

COUNCILMEMBER SINENCI: Not all of them take advantage of the program, yeah?

MS. HOKOANA: Not all of them need it, some of them do have loved ones that support them in treatment and, you know, want them to come home and support them in their sobriety, but not all of them do. Especially, you know, people coming out of the jails, you know, they may not have anyone that wants to take them in. So the sober living houses provides that safe transition.

COUNCILMEMBER SINENCI: Thank you, Ms. Hokoana. Thank you, Chair.

MS. HOKOANA: You're welcome.

CHAIR JOHNSON: Okay. Thank you, Councilmember Sinenci. I think we...I want to kind of end it here and defer everything. The Members asked really deep questions, and you gave really good answers. I really appreciate your time, it's...this is a big one, you know. How do we...you know, we're trying to get to the root cause of all the homelessness, and what you do is invaluable to our community, so I really appreciate it. Thank you so much, Malia Bohlin and Nicole Hokoana, you guys have been great, and I'm sure we'll be hearing from you soon. So Members, without objection, I will defer this item.

### **COUNCILMEMBERS VOICED NO OBJECTIONS**

**ACTION: DEFER.**

CHAIR JOHNSON: Okay. On to our next item. two proposed bills that we will take in turn.

COUNCILMEMBER RAWLINS-FERNANDEZ: Chair? First?

CHAIR JOHNSON: Pardon me, go ahead.

COUNCILMEMBER RAWLINS-FERNANDEZ: Can we get our afternoon break?

CHAIR JOHNSON: Oh, sure, of course you can. All right. So let's break it's 3:20 right now, it'll be perfect time to break until 3:30. Thanks for reminding me. This Affordable Housing meeting is in recess until 3:30. . . .(*gavel*). . .

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**RECESS: 3:21 p.m.**

**RECONVENE: 3:32 p.m.**

CHAIR JOHNSON: . . . *(gavel)* . . . Aloha, Members. May the Affordable Housing Committee of February 22nd please reconvene. The time is now 3:32 p.m. Okay. So on to our next item. Two proposed bills that we will take turn...take in turn. Affordable Housing-5: Amendments to Chapter 2.96, Maui County Code, "Residential Workforce Housing Policy."

### **AH-5 AMENDMENTS TO CHAPTER 2.96, MAUI COUNTY CODE, "RESIDENTIAL WORKFORCE HOUSING POLICY" (CC 21-19)**

CHAIR JOHNSON: The Committee is in receipt of correspondence dated February 11th, 2021, from Council Vice-Chair Keani Rawlins-Fernandez, transmitting a proposed bill entitled, "A BILL FOR AN ORDINANCE AMENDING THE RESIDENTIAL WORKFORCE HOUSING POLICY EXEMPTIONS FOR DEVELOPMENTS WITHIN THE WAILUKU REDEVELOPMENT AREA AND DEVELOPMENTS BY A GOVERNMENT ENTITY OR A COMMUNITY LAND TRUST." The purpose of the proposed bill is to amend Residential Workforce Housing Policy provisions related to developments in the Wailuku Redevelopment area and developments by a government entity or community land trust. I would like to entertain a motion on the first proposed bill. Member Keani Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. You have it in your notes, so you can...well, I'd like to...

CHAIR JOHNSON: The motion is by...okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. I move to recommend passage of the first bill and any nonsubstantive changes. Do you want me to say what the bill is? Amendments to Chapter 2.96, which would...trying to help with a fly in the office...which bill are you taking up first, Chair? The DHHL one?

CHAIR JOHNSON: No, the Wailuku Redevelop one.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay, so that would strike out MRA from the number 7, sorry...a development within the boundaries of the Wailuku redevelopment area as defined by the Maui Redevelopment Agency pursuant to Chapter 53, Hawai'i Revised Statutes. That's the motion.

CHAIR JOHNSON: Okay. So the motion is by Member Rawlins-Fernandez to...

COUNCILMEMBER LEE: Second for discussion.

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CHAIR JOHNSON: Okay, there we go. Second for discussion. Go ahead, Councilmember Keani Rawlins-Fernandez, discuss.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. You know what, I'd like to withdraw my motion. Chair, if you wouldn't mind, I think I...I don't want to follow Robert's Rules on doing this. I think, like, for everyone's sake, we'd like to discuss the items, and I...I...mahalo, Council...Chair Lee for seconding for discussion, but I think the Members don't even know what the amendment is, and so no one really...we're going to be following Robert's Rules, and we're only going to have two opportunities to speak toward the motion, and so I...I understand that the recommendation by Staff was to have a motion on the *(audio interference)*, I...I don't like that process, and we don't have to follow Robert's Rules.

COUNCILMEMBER KAMA: I concur, Chair.

CHAIR JOHNSON: Okay, so...are you...is...I'm just going to ask for consensus. Is everyone okay with that? We can just go right to discussion, is that my understanding?

UNIDENTIFIED SPEAKER: Yeah.

CHAIR JOHNSON: All right, let's do it. Let's go right to discussion. Go ahead.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo...

CHAIR JOHNSON: I'm recognizing Councilmember Keani Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo nui for your flexibility, Chair. So I've...I've proposed two bills. The first bill is on Section 2.96.030, and it amends it as follows: it removes and adds exemptions from Item 6, development by a government entity or a community land trust as approved by the Director and replace it with a Council by Resolution, and removes completely the exemption Item 7, a development within the boundaries of the Wailuku Redevelopment Area as defined by the Maui Redevelopment Agency, pursuant to Chapter 53, HRS, and adds a new provision under 2.96.030b exemptions to read number 8, a development by the Department of Hawaiian Home Lands on homestead land, replace the exemption approval for developments by a government entity or a community land trust to the Council by Resolution instead of approval by the Director. The second bill to amend Section 2.96.030 as follows: removes and adds exemption Item 6, a development by a government entity or a community land trust as approved by the Director or Council, strikes Director and replaces with Council by Resolution, as new provision granting the exemption under 2.96.030b, exemption to read, (a) a development by the Department of Hawaiian Home Lands on homestead lands. So that's the two. So there are two County Communications listed, which are two separate bills that amend the same section, 2.96. However, the main objection of each bill are unrelated. One bill addresses removing the exemption for the MRA, that's the first bill, from 2.96, and the second bill addresses adding the amendment for the DHHL, Department of Hawaiian Home Lands, from 2.96. Both bills shift the discretionary exemption

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authority from...for government entities from the Director to the Council. So those are the two things that each bill would do. I would like to begin with the first County Communication dealing with the MRA exemption by offering some opening remarks to explain its intent. The Wailuku Redevelopment Area covers approximately 68 acres, from Central Avenue to High Street, and Wells Street to Vineyard, in Wailuku, Maui, Hawai'i. The Wailuku Redevelopment Area Plan was developed pursuant to Chapter 53, HRS, the Urban Renewal Law. The Plan implements broad policies established in the Maui County General Plan and Wailuku-Kahului Community Plan that calls for the economic revitalization of Wailuku Town. Use of public funds for the revitalization of private businesses is not the intended function of HRS Chapter 53-2. It repeatedly discusses the purchasing of all properties within the redevelopment area before plan adoption and commencement. This was never done. The adopted plan makes reference to the HRS requirement, but changes the intent of the HRS for this redevelopment plan as more of an optional tool for the County, should any property owner refuse to purchase . . . *(inaudible)*. . . or cooperate with redevelopment plans. It's disheartening to see the County's MRA webpage, that this exemption that was sought and granted is listed as...as its first and top highlighted accomplishment highlights. Over the course of FY'15, the MRA had several accomplishments. The Agency provided testimony that led to the County Council exempting the redevelopment area from the Workforce Housing ordinance. The way the project is currently processing, the economic revitalization for the redevelopment area will benefit a small handful of businesses with taxpayer dollars, while simultaneously benefitting from a requested exemption from our Residential Workforce Housing Policy, which is 2.96, which was drafted and named appropriately to reflect its intent to benefit business workforce. What this exemption ultimately reflects is indicative of willful intent to use public funds to redevelop the business area, yet unwillingness to utilize the same public funds in...if required, to contribute to the public at large by building offsite workforce housing. The exemption flies in the face of the community's need...needs, and sets a terrible precedent that County feels we are not responsible or held to the same requirements and standards of the laws that we write, and which we hold the rest of the community to. I have proposed this exemption to be repealed because I feel as the policymakers, we should lead by example and be willing to seek out the opportunities to provide and require housing, not only out of obligation, but because it's the right thing to do, especially as housing prices soar, and our housing inventory is exacerbated. The 2.96 exemption directly conflicts with two objectives within the Wailuku Redevelopment Area Plan in 2000. Section 3, Multi-Family Residential Areas, Objective D4, facilitate the development of Housing that is affordable to local families earning up to 125 percent AMI. Section 3, Single-Family Residential Areas, Objective E1, enhance residential opportunities by encouraging additional housing, maintaining existing housing and improving public spaces and the natural environment. I would like to work with the Council to establish policy that works towards inclusionary housing solutions, while taking a hard stance against the promotion of gentrification of our local communities. So that's the...the first...and... . . . *(inaudible)*. . .

CHAIR JOHNSON: Okay. Is *(audio interference)*...I think we have...

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

CHAIR JOHNSON: Yeah, go ahead.

COUNCILMEMBER RAWLINS-FERNANDEZ: Would you...would you like me to explain the...the second amendment, which is to add DHHL, or are we going to...

CHAIR JOHNSON: I prefer just to keep everything in order. If we can just do --

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay.

CHAIR JOHNSON: -- the first one and then move on. Is that...I mean, that's the way I kind of want to do it because it's a long *(audio interference)*...

COUNCILMEMBER RAWLINS-FERNANDEZ: That's good, Chair, and then we *(audio interference)* Ms. Erin Wade on. She offered herself as resource earlier today. Mahalo, Chair.

CHAIR JOHNSON: All right. So thank you. Thank you, Councilmember Keani Rawlins-Fernandez. We do have some questions from the Members, and we also have Erin Wade as a resource. So I saw Chair Lee's hand up first, so go ahead, Chair Lee.

COUNCILMEMBER LEE: Mr. Chair, I was just wondering if we could not only have comments from Erin Wade, but also from the Department...DHHC? Thank you.

CHAIR JOHNSON: Okay, certainly. Yeah. Thank you for that. Also...was it...anything else? Okay. Councilmember Yuki Lei Sugimura, you had your hand up?

COUNCILMEMBER SUGIMURA: Same. I wanted to hear from Erin Wade, and I didn't realize Linda Munsell was here, so I'd like to have comments from her also.

CHAIR JOHNSON: Oh, yes. Let's recognize Linda Munsell, thank you for joining us. You want to add into this?

MS. MUNSELL: Yes, Chair. Thank you. Thank you so much for having me here. Good afternoon, my name is Linda Munsell, I'm the Deputy Director for the Department of Housing and Human Concerns. Really appreciate the opportunity to comment. So for this first amendment, which would eliminate the exemption for the Wailuku Redevelopment Area, what I'd like to do is just kind of provide a little bit of background for decision making purposes today for you. And then of course, anything that you need more detail on, Ms. Wade is...is here to assist us. So my understanding of the original intent of this exemption was actually to help encourage redevelopment of this particular district, first by making it more financially feasible for developers to bring projects into this area, and then second, to increase the economic diversity of the residents in the district. I'm going to...like I said, I'll summarize, and then Erin knows the particulars involved. When the exemption was passed in FY'15, at that time the median household income for the redevelopment area was about 61 percent

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of the median household income for Maui County at the time. So there were a significant number of lower income families who lived in this area, and there's also a significant number of subsidized housing projects in this...in this very small area, all of which target families at 60 percent and below AMI. No one wants to encourage gentrification, but we all understand that economic diversity is also very healthy for our communities, and so that was part of the reason that we wanted to do this. Because of the cost of redeveloping areas--and again, this is going to be a decision for this body, I'm only providing information that I have available to me--but because of the highly...high cost of the redevelopment of this area, often the only projects that are going to pencil are those that are really highly subsidized, and so we got a very large number of those projects here in that area. As you also know, the cost of development in Maui County is already very high, but development in this area in particular is going to be further challenged because of the aging and very inadequate infrastructure which needs to be upgraded, and typically we ask the developers to provide those upgrades for their projects. And also, the density of the existing structures is going to prove to be a challenge and create additional costs. So together, those two things make this area very expensive to redevelop, and it also makes it develop...difficult to attract developers that are willing to develop in this area. This particular exemption removed one of those requirements, which increases the cost of development obviously, as well as supported the goal of encourage economic diversity. And I know that the Council is going to have other goals for the redevelopment area that the Department is obviously not going to be aware of, but if there are specific development concerns, then maybe this body could choose to exclude certain categories of development from the...from the exemption rather than eliminate the exemption all together; at a minimum, the Administration really supports allowing the exemption to remain for residential developments in this area, if that's possible. And as I mentioned previously, Erin Wade is also here, who's available as a resource.

CHAIR JOHNSON: Okay. Thank you, Deputy Director Linda Munsell. Anyone have any questions? Okay, Councilmember Kelly King.

COUNCILMEMBER KING: Thank you, Chair. Thank you for being here, Linda, it's always nice to hear from you. Can you just explain what it would look like when you're...when you're asking us to categorize the exemption to residential. What would that translate into? Are we asking them to not have to build affordable housing?

MS. MUNSELL: Essentially, that's...that's what that exemption would allow. Of course, when you're building in an area that's already economically challenged, you're...you're going to have to build housing that makes sense for that area, so that doesn't necessarily mean that you're going to attract luxury condominiums into Wailuku Town. But the idea is because the social-economic situation currently there is so...so low, the idea would be to bring more diversity into the...into the city. I mean...Erin might have more resources and more information on it, but yes, it would essentially eliminate the workforce housing requirement for any housing development in this area.



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COUNCILMEMBER KING: Okay, and then just...just to follow up, aren't we already spending a lot of money in this area for infrastructure, for water and electricity? And I know we widened some roads and some streets.

MS. MUNSELL: Yeah, and I'll...I'll...thank you for that question. I'll defer that to Erin. She would have more details.

COUNCILMEMBER KING: Okay. Thank you. Thank you, Chair.

CHAIR JOHNSON: Okay, thank you, Councilmember Kelly King. I...I have a quick question for you, Deputy Director Linda Munsell. You know, I...I have a concern about the gentrification of neighborhoods such as this. And do you think that giving exemptions to this situation, would that...would that kind of have the unintended consequence of a gentrification? Like if you're asking developers to build here, they're not going to build what...what's [sic] the neighborhood wants, it's going to be, you know, for profit. So is that a concern you have?

MS. MUNSELL: I'm...I'm always concerned about gentrification. I'm always concerned about what product will actually be brought to our...our communities. I think...and again, I'm not as familiar with the Wailuku...the...all the rules that are associated with this redevelopment area as others will be, but my expectation is that bringing some elements of market units into this area would be healthy for the economy, and healthy for the area. Now, how you limit the numbers, I'm not exactly sure how that happens, but I'm certain that there's going to be some approvals through this body.

CHAIR JOHNSON: Thank you so much, Deputy Director. We have a question from Councilmember Yuki Lei Sugimura.

COUNCILMEMBER SUGIMURA: Yeah, thank you. Thank you, Chair Johnson. So Linda, from what I understand you're saying is that by eliminating the MRA, they will now have workforce housing requirements within the MRA area that they didn't have before, correct, or is it...

MS. MUNSELL: No, just...just to...yeah, by eliminating it, you are going to actually require that they do the 25 percent that's required by 2.96. That is correct.

COUNCILMEMBER SUGIMURA: So for you...and maybe it's a question for Erin, how many projects do you have in the MRA area that would be affected?

MS. MUNSELL: I think that's a question for Erin. Yes, thank you.

COUNCILMEMBER SUGIMURA: Oh, okay. I'll wait then.

CHAIR JOHNSON: Yeah, can we get Erin on? Well, let's...should we do with...is...is Erin in the call? I don't see her on my screen, I'm sorry.

MS. WADE: Yes, I'm here.

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CHAIR JOHNSON: Can you answer that for us, Erin, please?

MS. WADE: The question was how many projects would be affected by eliminating the exemption; is that right?

COUNCILMEMBER SUGIMURA: Correct.

MS. WADE: There...there we go. As far as I know, in terms of permitting, nothing has been submitted for permits at this time that would impact that. I know that there is a housing project that's been discussed on Vineyard Street, but other than that, I don't...I don't know of any specific permits that would be coming up. But I might have to ask Planning Department about that.

COUNCILMEMBER SUGIMURA: Okay. Thank you.

CHAIR JOHNSON: Okay. Thank you, Councilmember Sugimura. Councilmember Shane Sinenci, you have a question? Go ahead.

COUNCILMEMBER SINENCI: Yeah. Thank you, Chair, for the opportunity. And let me know if it's...it's not pertaining right now, but does the MRA have a certain, I guess, planning...can they bypass the Planning Department for some of their...last I heard, like they could...didn't they increase, say for instance, the height of the buildings in the...in the Wailuku district without having to go through the Planning Department? *(audio interference)* clarify that for me?

MS. WADE: Chair, did you want me to respond to that?

CHAIR JOHNSON: Sure, go ahead. Thank you so much.

MS. WADE: Okay. So the Wailuku Redevelopment Area has its...has its own zoning districts. Right now, there is a zoning amendment going...it's worked its way through the MRA's review and the Planning Commission to be pulled into Title 19, and I believe you folks are going to be seeing that and dealing with that shortly. Administrative permits and MRA permits specifically will still be reviewed by the MRA, but variances would no longer be reviewed by the MRA, they would go to the Zoning Board of Appeals. Right now in the document, there is no change to *(audio interference)* limits, so the tallest building allowed is a four-story structure.

COUNCILMEMBER SINENCI: Okay. Thank you, Ms. Wade. Thank you, Chair, for the opportunity.

CHAIR JOHNSON: Okay. Thank you. Members, any other questions?

COUNCILMEMBER SUGIMURA: I do.

CHAIR JOHNSON: Councilmember Sugimura, go ahead.

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COUNCILMEMBER SUGIMURA: Yeah, so just in general, since we have Erin here...Erin, can you give us like a brief history? Also, can you describe the...is it 62 acres that makes up the MRA area? Because it's not all of Wailuku Town, it's a very designated area, and why...why was it designated to be in the MRA area under Chapter 53?

MS. WADE: Yes, sure. So the redevelopment area is only 68 acres, which is about the same amount of property that Kaahumanu Mall and its outbuildings sit on. So if you think about, you know, scale-wise, that's about the same. The real challenge is what Mike Williams said as a testifier right at the beginning. Even though it's the same amount of area, it's broken up into 25 times smaller parcels. So there's 25 times the number of parcels in the redevelopment area as there is at Kaahumanu Mall, making it real hard to build anything of substance or size. So most of the projects that would be able to come, have...would either be...what it used to be in Wailuku, which is, you know, your mom and pop business on the ground floor and apartments upstairs. And all along in the Wailuku Redevelopment Code and the Design Guidelines were written to encourage that specifically, so that folks could do what was always done in all of the small towns, have ground floor retail and upstairs office and residential type uses. So that's what...that was the purpose of why the Code and the Design Guidelines were written, and to allow the investment to happen on these smaller lot sizes, and...and frankly, to kind of discourage the bigger assembly of land for larger scale projects. So then, when the affordable housing or workforce housing requirements came in, it started to prevent folks from being able to think about adding residential to their upper floors, and to the backs of their businesses to create secondary forms of income, and even to live there themselves. So what we did in 2013 was we looked at the housing stock in the neighborhood to see what...what's the makeup of the area essentially, and we found exactly what Linda said is, over 60 percent of the housing is at that under 60 percent AMI. So the majority of the...of the rental housing available is at that under 60 percent because it's all...it's...a lot of it's the State subsidized. We think Kahekili Terrace, the extension of Kahekili that's on Piikahana...the Lokelani Housing down by the...down by the old Ookas, the majority of the housing in the neighborhood has been the subsidized housing, that's...especially that's been invested in recently. Otherwise, there's...there's lots of...there's a handful of small, little single-family homes, and...but the majority of the redevelopment area itself is...is actually commercial, you know. So when you think from Ookas, essentially, from the bridge up to High Street is the parameter, and then from Wells to Mill Street, that's...that's the little area that we're thinking of. So trying to squeeze residential uses in there to diversify is a great goal that I think will help the neighborhood, will diversify. One of the things that Maui Medical has been asking is for doctor housing. That's one of their biggest challenges, to recruit...or I think the report from John Burn's School of Medicine was we're over 185 doctors short on Maui...we're underserved, and a lot of them want to be near the hospital and the medical facilities. So when we were talking with Maui Medical about how do we do build doctor housing in the immediate area, they said, well, if we have to do the workforce housing component, that really sort of challenges us financially when we only have so...so much area to work with to provide this doctor housing that we're trying to accomplish. So you know, when we...when we looked at the workforce housing ordinance, and it said for rental projects, one-third

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has to be 50 percent AMI and below, then another third, 81 to 100, we said well, already...the whole neighborhood's already at . . . *(timer sounds)*. . . 65 percent, so how about if we...we try to get some market-rate housing and, you know, kind of as Linda said, this isn't a luxury housing market, and probably couldn't be for quite some time until...you know, until more reinvestment happens. But while there's...while it is so low, getting some market-rate in and then, you know, just evaluating...making a change back to requiring workforce at a time where it looks like oh, we might be moving the needle closer to a better balance, that...that's the time to implement the further restrictions...was...was our thinking. You know, that it...probably eliminating the workforce housing requirements permanently isn't something we'd want to do, but for this moment, while it is so low-income, it probably was the right...we were thinking it would be helpful.

CHAIR JOHNSON: Okay.

MS. WADE: Thank you.

CHAIR JOHNSON: All right. We got some questions from Councilmember Molina, followed by Councilmember Keani Rawlins-Fernandez.

VICE-CHAIR MOLINA: Thank you, Mr. Chair, and good afternoon, Ms. Wade. You know, you touched upon a point of like some market-rate homes in that area, and I guess that's part of the fear that some long-time residents have with the...you know, with the MRA and what...what they're looking at long term in terms of redevelopment. So could that spur increased real property tax rates for nearby residents, or would they...would people who are living, I guess outside of the MRA...any real property tax increases on these so-called market-rate homes if they do come up, they could be exempt from that? Or get some type of tax relief?

MS. WADE: Thank you. Thank you for that question. And I mean, this does speak to long term viability, kind of island-wide in every neighborhood that looks like you're starting to get reinvestment where it wasn't before. It would be good to think of a island-wide policy about how you cap taxable value, essentially, just...just like the Circuit Breaker, but how you tax...how you cap taxable value for long-term residents. And of course, as the property sells, you want to make sure you're capturing the increase in value, but keeping tax rates low so that families can stay in their home shouldn't probably be a...not just for the redevelopment area, but certainly also for that, but County-wide.

VICE-CHAIR MOLINA: Yeah. Thank you. I asked that, so I don't know if that was part the nexus of Vice-Chair Rawlins-Fernandez's proposal here, so...because I guess when all of those MRA hearings were being held, those were some of the concerns that were expressed by some of the nearby residents, so...thank you. Thank you, Chair.

CHAIR JOHNSON: Thank you, Councilmember Molina. Councilmember Keani Rawlins-Fernandez?

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COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. So the...so 2.96 does not require that developments, if it's triggered by building ten or more units, would need to necessarily build on that...in that area. Do you agree with that statement?

MS. WADE: I'm sorry, can you say that again?

COUNCILMEMBER RAWLINS-FERNANDEZ: Would that...would any projects within the MRA area need to build housing within the MRA area under 2.96?

MS. WADE: I'd have to defer to Linda, I don't what it says right there.

MS. MUNSELL: Chair, under 2.96 you are allowed to build your workforce housing units, so your component outside of that area...that is...yes.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Deputy Director Munsell. So while it is a small area, an affordable housing could definitely be used in the area, and there were some projects that proposed to have them. Not all of those housing units...affordable housing units would have necessarily had to be built in 68 acre, it could have been built outside, like in Happy Valley, for example.

MS. MUNSELL: Yes, and...thank...thank you. Actually, Happy Valley is, I think, part of this redevelopment area as well, if I remember that correctly. But again, the idea was two-fold here. Part of it was to encourage redevelopment because of the cost of the infrastructure and things like that that is increased in this area because of the density, and then also, to bring the economic diversity into this area. So yes, they could build the units elsewhere, but again, you're increasing the cost to the developer, and so that was part of the argument for eliminating...or allowing this exemption.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Deputy Director Munsell. So there's been a proposal for a hotel in Wailuku. The property owner and proposer of that hotel was actually on the MRA when it achieved the exemption, which financially benefitted that property owner by not requiring that hotel to build affordable housing, as it would have triggered 2.96 without the exemption.

MS. MUNSELL: Is that a question? That was a question? This...this body has the ability to make determination on what they want to do to go forward. Our goal is to provide the information so that you can make good decisions. If you want to...I don't know what the legality of it is, but to not allow it for hotels because you're upset about particular development, I mean, you would talk...I would suggest you talk to our legal counsel on...on what you would...the legality of doing that. But again, our goal is to try and provide you with the information that makes sense, so that you can roll forward. And if there's particular things that you are concerned about, then obviously, you'll need to just discuss those and address them.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Deputy Director Munsell. So as a policymaker, I think the general rule would...should be that unless otherwise

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exempted, 2.96 should be followed, and I...I mean, I personally am not supportive of subsidizing these types of developments in the MRA. Mahalo, Chair.

CHAIR JOHNSON: Thank you so much, Councilmember Keani Rawlins-Fernandez. I notice we had...Councilmember Tasha Kama had her hand up, followed by...was that Alice Lee? I thought...okay, yeah. Okay, got you.

COUNCILMEMBER KAMA: Thank you, Chair. I'm not sure who to address this question to, but it...to me, it seems that we want to bring economic diversity into the Wailuku community, And to me, that means we want to have more businesses to come in and to invest in this community. So I'm thinking that if the people who live in this community were not going to purchase my goods and my services that I would like to bring because their income doesn't warrant it, maybe I don't want to invest in this community. My question is, how do we...how do we incentivize these new business ventures to come in if they know that the spending levels of the people there is not going to be up to what they think that their goods and services would sell. Does that make sense to you guys? That's what I'm asking. So I guess, Erin...I guess that's your question.

MS. WADE: Thank you. I'll try...there...there's certainly an issue, and...and frankly, if you read back through the decades of...two decades of minutes at the Maui Redevelopment Agency, you'll see lots of testifiers complaining about the number of social services and the challenges that having so many social service agencies in one area can...can...the pressure that it creates on the neighborhood, and that sort of leads to, well, how do we ensure that we aren't...we aren't utilizing this space, this redevelopment area essentially, just as a catch-all for all of our...our challenged...our challenged uses. And the...the folks that are looking to be able to...I mean, the great thing about Wailuku is...because the courts are here, the government's here, there's lots of support services and...that can wrap around folks in need of support. However, it starts to feed off each other where you...like as you're seeing, you see a whole lot of bail bonds, you see pawn shops, you see the types of businesses that frankly, can prey on folks that are challenged, or in difficult situations. And as you...as you're looking at the mix of businesses in Wailuku, when it starts to tip towards that's all that you're seeing, you know...you know that the balance of the residential folks in the neighborhood is also unhealthy, you know. So as we're...as we...as the businesses start to get a better balance, there's more opportunities for food and beverage, there's more opportunities for folks with some expendable income, you can see, yes, then we've got a healthy balance. Yes, there's always going to be businesses out there that serve the whole gamut in all parts of Maui County but, you know, you certainly want to be sure that those indicator businesses aren't repeatedly showing up and dominating the business landscape.

CHAIR JOHNSON: Okay. We're going to move to Councilmember Alice Lee, followed by Councilmember Kelly King.

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COUNCILMEMBER LEE: Okay, let's see. Deputy Munsell, I heard you say earlier that if there were a development of ten or more units, those ten or more units could be built off...off property somewhere else, yeah? That would be acceptable?

MS. MUNSELL: That's correct, yes.

COUNCILMEMBER LEE: Yeah, so I don't see any problem with that. I...I would imagine though, that we're...we're not going to have a say over the development in the MRA, I mean, unless it's, you know, six stories or something. But the MRA has its own authority, right, Erin?

MS. WADE: The MRA is guided by the Zoning and Development Code, so they can only do or authorize what is allowed within the Development Code. They can't...they no longer, once it's gone to you, will have the ability to grant variances.

COUNCILMEMBER LEE: Okay. The...the...the only...the only concern I have about the MRA is like any little town, whether it's Makawao or Pā'ia or Hāna or wherever...Lāna'i City, these towns, no matter what, they're probably going to be in noncompliance of the current building codes.

MS. MUNSELL: Yes.

COUNCILMEMBER LEE: Yeah. Their...a lot of their buildings take up the whole property. There's little room for...you know, for sidewalks and all the other things that are needed...setbacks, et cetera. We run into this every time in every single small town. So as long as...to me, as long as there's consideration for a developer in that regard, building in small confines, then I think that should be enough incentive for that developer to invest in revitalizing Wailuku; don't you think?

MS. WADE: Was that posed to me, Chair Lee?

COUNCILMEMBER LEE: Yeah, that's to you.

MS. WADE: Okay. Well, I guess I would say, if it...if it was enough, then we probably would have seen housing developed in the last 20 years because that's what has been offered for the last 20 years, and we haven't seen any housing. And...

COUNCILMEMBER LEE: No, I'm not talking about housing.

MS. WADE: Okay.

COUNCILMEMBER LEE: I'm not talking about housing because your housing requirement can be done someplace else, right?

MS. WADE: Right.

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COUNCILMEMBER LEE: Because I know the town is so small, I don't know where you're going to put the housing. Okay, so what I'm saying is that for an investor to come in and...and build a new store, or build a new commercial property, they could get incentives because they're...they're going to have to get variances all over the place because they would be in...in noncompliance before they even build the first floor, right?

MS. WADE: So...and maybe Director...Deputy Director Munsell can speak to this, but does commercial trigger the workforce housing requirement, or is it residential and hotel only?

COUNCILMEMBER LEE: Well, it could be an apartment building.

MS. WADE: Right. So residential. I see.

COUNCILMEMBER LEE: Yeah.

MS. WADE: Yeah.

COUNCILMEMBER LEE: So I...I just wondered...I just wondered if...if a developer would...I mean, the idea is...your...your job is to incentivize someone, right, to come and build --

MS. WADE: Right.

COUNCILMEMBER LEE: -- in Wailuku Town to revitalize the town, right?

MS. WADE: Right.

COUNCILMEMBER LEE: And I'm just trying to think, is it...is it...would it be profitable for that person to come and build an apartment building, let's say, and then take care of his or her residential requirement somewhere else, or possibly right in that building.

MS. WADE: Well...and I think this speaks to who do you want building out the neighborhood as well. So we have a lot of locally-owned properties with long time families who are land rich, cash poor...be very...very honest about this. So they don't necessarily have the capital to invest in a development in Wailuku on their family property and then go buy property elsewhere and build units. Most of them that I've talked with, and some of them...this isn't the case throughout. I think the...the...the Vineyard Street landholder who...this is second generation now that they've had this property in their hands, and they want to do apartments over there that are kind of market-rate apartments intended for the workforce, but not...not able to meet the splits...the...build third, third, third required for rental. So their...that's the property that they have, and they'll build on that if they can, but if they can't, it'll probably stay what it is. I think that's the situation most landholders in the neighborhood are in.



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COUNCILMEMBER LEE: Okay, and so you've...you've had a...a number of people inquire about...about developing apartment buildings in that area?

MS. WADE: About developing...yes, apartments, exactly.

COUNCILMEMBER LEE: I see. Thank you.

CHAIR JOHNSON: Okay. Thank you, Chair Lee. I thought I saw a hand up from Councilmember Paltin? Go ahead. Before we...we're getting kind of close, so...

COUNCILMEMBER KING: I thought I was next.

CHAIR JOHNSON: Okay. Oh, I'm sorry. You're right, I beg your pardon. Councilmember King then, followed by Paltin.

COUNCILMEMBER KING: No problem, it's hard to keep track sometimes. One my questions kind of got shifted over to you, Erin, and you know, what we're talking incentivizing developers for this area, one of the things we've already done is put major money into infrastructure, and we've all seen the roads torn up. So they're laying pipe, they're putting *(audio interference)* electrical, they're widening the roads, they're putting in sidewalks. So first of all, how much did the County invest in that incentive for developers? Do you know what the total price tag is on that?

MS. WADE: Yeah. The roads...Vineyard and Church Street is \$10 million, and the improvements to the Municipal lot and the temporary parking, of course, that we had to create and things is \$29 million.

COUNCILMEMBER KING: Okay. So that's one incentive that we've already done, we've already invested in. The other one is, you know, this area has been designated as an opportunity zone, which gives tax credits to investors. So have we been promoting that to potential investors? You know, that...that was the...when the QHTB, the Qualified High Tech Business tax credit came out years ago, people were just like racing, and they didn't even care if they made money on their project. They just invested for the tax credit. So have you folks been...been promoting the opportunity zone? And also, is that opportunity zone tax credit saleable, like the QHTB, that if you sell your credits to somebody else?

MS. WADE: So the structure of a opportunity zone isn't a tax credit program, it's basically a capital gains shelter, the way that it's set up. So when you take...

COUNCILMEMBER KING: Same thing. It's a . . . *(inaudible)* . . .

MS. WADE: Okay. But as...as folks invest in an opportunity, they pull money out that would otherwise be taxed, and can invest it in Wailuku. And then it would have to stay there for a certain amount of time before they would either have it partially or fully forgiven in terms of the capital gains that they would have had to pay. We're...and this is...this is kind of the thing with Wailuku that I'm going to probably

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be in front of you folks quite a bit in the future here, or somebody...whoever takes on Wailuku next. It doesn't need to be me necessarily, but we're right at the end of the Wailuku Redevelopment Plan. This is...once we've completed the parking structure and the improvements to whatever ends up happening on Vineyard Street, that's it. We've check off all 30 something items that are in the implementation of the Wailuku Redevelopment Plan. So it's time to think, what are we doing next. Do we need a redevelopment agency, or is there an entity that would better focus the energy towards opportunity zones because that is the tool now. The tool, as it's set up right now, is sort of a public-private partnership with County investing in infrastructure and facilities, and private developer investing on their own property, where opportunity zone kind of blends those two things. And it's more complicated, but if the community is able to define their future really clearly, what should our next 25 years look like in Wailuku, it becomes really easy for the opportunity zone. It's challenging right now for someone to come in and invest in the opportunity zone when we're right at the end of our plan. It's like we're at that future point for when the plan was written, and so now we need to identify what is...what is that next 25 year period for . . .(inaudible). . .

COUNCILMEMBER KING: But that was...that was the job of the MRA, right? To...to define what the community wanted. So it feels like that was really not defined, and...you know, not to say you guys don't do your job, but we heard from a lot of the community that they weren't part of that decision, so...and we still don't have a plan going forward, you know, in my mind. We don't really know what the community wants itself to be, so it...it feels like it's going to be...so...but I'm hearing from you that that's...that you're done as far as the MRA, and so you're thinking, pass it off to another entity, is that where we're at, or are we . . .(inaudible). . .

MS. WADE: *(audio interference)* far off topic, Chair, but yeah, the next conversation needs to be what...how does the...does the redevelopment area move forward as a redevelopment area, or does it become part of the bigger opportunity zone *(audio interference)*.

COUNCILMEMBER KING: Well, it's on topic because we're trying to decide whether to give MRA or any like agency, like yours, this exemption. So if you're at the end of the MRA, then maybe there's no exemption to be given. I don't know. I mean, I'm confused now.

MS. WADE: So at the moment, it's...it's for the Wailuku Redevelopment Area, which is just the 68 acres. And because we're at the end of the plan and have fulfilled all of those requirements for the plan, housing actually doesn't even come up as a topic of discussion very much in the plan itself, which is why it really is timely to have the conversation about what is the type of housing that should be invested in here. The...the mission was slum and blight prevention. And because the AMI is so low in the neighborhood, there's concern that we're still...despite all of the investment, we're still teetering on the edge of a slum and blight condition. But there...because there hasn't been a focus...the focus previously was...well, let's just reinvent the old Wailuku and bring back department stores. Well, we know now that's not going to happen. You know, department stores completely going the way of the past, so if the

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investment now that we're looking for is specifically on residential, with the small business and office being maintained, the plan needs to be rewritten enough to even...to accommodate that.

COUNCILMEMBER KING: Okay.

CHAIR JOHNSON: Okay. Okay. Thank you, Councilmember Kelly King. Thank you, Ms. Wade. I know Councilmember Tamara Paltin had a question, but it's getting kind of late and I kind of wanted to, you know...do we call for the motion, or do you think what...what's your take, Councilmember Keani Rawlins-Fernandez...after the question, of course?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Well, I...we also have DHHL on as a resource, and I...I hate...they've been waiting to speak to the other item too.

COUNCILMEMBER SUGIMURA: Can we defer this?

COUNCILMEMBER RAWLINS-FERNANDEZ: *(audio interference)* Members that are ready for a decision, or if we had need to defer to get more information?

COUNCILMEMBER KAMA: I'd like to defer *(audio interference)*.

CHAIR JOHNSON: Okay, defer. All right, it's...it's...

COUNCILMEMBER SUGIMURA: Thank you.

CHAIR JOHNSON: I want to recognize Councilmember Paltin, and then we'll...we'll go from there. Go ahead.

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Ms. Wade and Ms. Munsell. I just wanted to kind of follow up on Chair Lee's point about...so first of all, you thought that the...the housing wouldn't fit in the Maui Redevelopment Area because it's only 60-something acres or whatever, but 2.96 says you can build it anywhere. Then Chair Lee was saying that...saying that, and then you said the property owners within the Wailuku area were old families, and they might not be able to buy land someplace else to build those affordable component, but doesn't 2.96 allow folks to build by credit, and isn't that like, you know, people like Ikaika Ohana or other entities, that's why they build 100 percent affordable, so that the other developers can then purchase those credits and pretend like they provided affordable housing? Because that's what they did to West Maui with Kapalua Mauka. So just...why...why is it that you think that Wailuku Redevelopment Area can't be like everybody else in those terms? I mean, we got...we got a historic district as well. We didn't get no exemption from that...slum and blighty as well, I guess.

MS. MUNSELL: Chair?

CHAIR JOHNSON: Go ahead, Deputy Director Munsell.

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MS. MUNSELL: Yeah. Thank you for the question. Like Ms. Wade mentioned, often these small homeowners don't have the wherewithal to buy the land or to buy the credits. Depending on what the...the cost of those credits are and the number of units that they might be required to provide, it still might be cost prohibitive. So land is expensive, and probably more expensive than buying a credit, but...

COUNCILMEMBER PALTIN: I guess I don't see what sets them apart from anybody else within West Maui that's a local landowner that would like to develop, you know? Majority of Front Street is owned locally, and they're not exempted, and it's a historic district as well. You know, folks that loan...own property locally, that can be said of everybody, so I'm just trying to find out what makes this area special that you thought that they should be exempted. Because the reasons being given so far seems to apply all over the County, and so it seems like, you know, just folks that are closest to where government does business on Maui are getting a sweetheart deal here.

MS. MUNSELL: Chair?

COUNCILMEMBER PALTIN: Because they're able to testify and make their voices heard so much easier than before we went virtual. You know, like how Mr. Nakoa said, he has to catch how many buses to come and testify or even speak with someone, but we're not given the same opportunities.

MS. WADE: Chair, did you want me to respond to that? This is Erin.

CHAIR JOHNSON: Yeah, sure, go ahead.

MS. WADE: I think my video is muted, but part of the...part of the...one of the indicators that we've looked at is rental business per square foot rental costs, and Wailuku has always been at the bottom. Wailuku was \$1.80 per square foot right before the COVID hit, and up to \$2.50 a square foot, where Lāhainā can be \$25 to \$50 a square foot, and Pā'iā is in the \$18 to \$20 a square foot range. So because the area is really focused...and always has been focused on the business first, it hasn't really had housing as the driver in the past. That's...that's been one of the indicators we've always tracked in terms of slum and blight, and the economic health of the neighborhood. But it does feel like there...it's a good moment for a shift, that housing is sorely needed everywhere...that housing really at all price ranges under the 160 percent is sorely needed at all...at all...in all areas of Maui County. So while I don't know that Wailuku has an advantage by being in...geographically where it is, but it certainly doesn't have the advantage of being a beachfront-waterfront neighborhood, it is, you know, connected with the government center, and that's primarily it's advantage, and it's a . . . *(inaudible)*. . .

COUNCILMEMBER PALTIN: Realistically, I mean, the...the advantage of being a beachfront center like that isn't necessarily an advantage when all the local people are being pushed out by the tourism industry.

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MS. WADE: Right.

COUNCILMEMBER PALTIN: So I mean, each...each...it's not...it's not an advantage for local people trying to find homes here either, you know? I mean, majority of our...our workforce works in West Maui or South Maui, but they can't afford to live there. And then this other area who could've, you know, purchased credits or built...built the workforce housing where people actually work are exempted from it. So it...it doesn't seem as though the people that were making these plans were thinking about the County as a whole.

CHAIR JOHNSON: Okay. Did you want to add anything to that, Erin?

MS. WADE: No, I...I...I think the...the...looking forward, that it's importance [sic] to invite as much housing as we can, and what we're just trying to do is eliminate barriers to the creation of housing. And if there's better ways to do that, I think we can be open to how we accomplish it, but just being mindful of the...how out of balance the distribution of wealth is in the immediate Wailuku neighborhood.

CHAIR JOHNSON: Yeah, that's really the root of it all. Okay. Thank you for all this. We're getting kind of to the end of it and it looks like Councilmember Keani Rawlins-Fernandez...what would you like to add?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. I move to recommend passage on first reading of the proposed bills entitled, "A BILL FOR AN ORDINANCE AMENDING THE RESIDENTIAL WORKFORCE HOUSING POLICY RELATED TO EXEMPTION FOR DEPARTMENT OF HAWAIIAN HOME LANDS" and "A BILL FOR AND ORDINANCE AMENDING THE RESIDENTIAL WORKFORCE HOUSING POLICY EXEMPTION FOR DEVELOPMENTS WITHIN THE WAILUKU REDEVELOPMENT AREA AND DEVELOPMENTS BY A GOVERNMENT ENTITY OR A COMMUNITY LAND TRUST."

COUNCILMEMBER KING: Second.

CHAIR JOHNSON: Okay, we got a second from Councilmember Kelly King. Discuss?

COUNCILMEMBER KAMA: I thought we were going to defer this matter until we got more...

COUNCILMEMBER SUGIMURA: Yes.

CHAIR JOHNSON: Oh, we got a second, so let's...let's go for it.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. The second item that we haven't really talked to, we have DHHL on as a resource...Mr. Andrew Troy...Choy, and Mr. Stewart Matsunaga, that would allow for DHHL to have the exemption. As we know, they do build housing on Hawaiian homelands. DHHL is governed by Hawaiian Homes Commission Act of 1920 enacted by U.S. Congress to protect and improve the lives of Native Hawaiians. The Act created a Hawaiian Homes Commission to

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administer certain public lands, it's called The Hawaiian Homelands for Homestead, Native Hawaiians defined as individuals having 50 percent Hawaiian blood. The primary responsibility of DHHL is to serve beneficiaries and manage its extensive land trust. The land trust consists of over 20,000 acres on...across the State. And so they are building homes for local people, and unlike the MRA, is deserving of being exempted from 2.96 because they are achieving the goal of getting more of our local people into homes. And that's the purpose of 2.96, was to ensure that when a developer is building housing, that our local people are able to afford the housing and are able to stay home...to...to not be pushed out...to not be pushed out by gentrification, and not be pushed out by the incredible housing market that we currently have, which last reports was average housing sale was \$980,000. So we need to support DHHL in supporting our efforts in providing affordable housing for our residents. Mahalo, Chair.

CHAIR JOHNSON: And Chair Lee, followed by Councilmember Paltin.

COUNCILMEMBER LEE: Mr. Chair...and I...I know we're on another subject, but I have no problem supporting this particular ordinance, but I really would wish that you could defer the other one until we get more information. I probably will support that too, but I just feel a little rushed on the other one. Thank you.

CHAIR JOHNSON: Okay, I understand that concern. Councilmember Paltin?

COUNCILMEMBER PALTIN: I just was wondering if this would negatively affect the turnkey homes. So that was another area where I think Dowling built homes, and then he sold the credits from the Lealii homes to Kapalua Mauka. And so I just was wondering, if DHHL wants to build turnkey homes with a developer partner for the upfront costs, would we be disincentivizing this by taking away the credits, or...if it's built for 100 percent affordable?

CHAIR JOHNSON: Thank you, Ms. Paltin. How about Mr. Matsunaga and Mr. Choy, can you guys answer that?

COUNCILMEMBER PALTIN: Or Ms. Munsell, I guess, because that's what happened . . .  
*(inaudible)*. . .

CHAIR JOHNSON: Oh, okay. All right.

MR. MATSUNAGA: Chair, I will try to answer that. This is Stewart Matsunaga, I'm the acting Administrator for Land Development Division. So for the Pu'unani Homestead in Waikapu, right now we've transacted some existing affordable housing credits that we had banked prior, and additional housing credits will be transferred with County approval after the...after the sale of the houses. In Pu'unani Homestead, proposed for 161 units, 137 will be turnkey, and 24 will be vacant...issued as vacant lot awards. So beneficiaries can build whatever they can afford to build.

COUNCILMEMBER PALTIN: I don't know that my question was answered.

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MR. MATSUNAGA: Kala mai.

CHAIR JOHNSON: Okay, how about Miss...Deputy Director Munsell. Can she speak to that?

MS. MUNSELL: Yes, Tamara...or Ms. Paltin, could you repeat the...the question?

COUNCILMEMBER PALTIN: So if DHHL is not held to the 2.96, does it...would it not get credits for building 100 percent affordable? And then with the folks like Dowling, who build the turnkey upfront for a Hawaiian Homes not getting those credits from building 100 percent homes, would it disincentivize developers from doing that with Department of Hawaiian Homes?

MS. MUNSELL: Thank you for the question, Chair. So the credits --

CHAIR JOHNSON: Go ahead, Deputy Director.

MS. MUNSELL: Yeah, for the...the credits for Hawaiian Home Lands, those are actually State credits. The County doesn't control those, so the State's rules would apply to those, and I'm not as familiar with that...their credits as I...as I am with theirs...or with ours. As far as the actual exemption that they're requesting, honestly, we are of the understanding that DHHL has recently received some notices from the Department indicating that a couple of their current projects are subject to 2.96. However, my understanding is that DHHL is exempt from County requirements, including 2.96. So there appears to be some confusion over this issue (*audio interference*). Yeah, the Department doesn't have any objection to this amendment, actually. I mean, other than trying to answer your question about the credits, we think that the amendment would actually clarify the issue for everyone going forward. But if there's other...other implications, obviously we'd like to talk about those.

COUNCILMEMBER PALTIN: Okay. So the credits that you get when you build on DHHL is State credits then. Oh, okay. Thank you.

MS. MUNSELL: Yes.

CHAIR JOHNSON: Go ahead, Councilmember Mike Molina.

VICE-CHAIR MOLINA: Okay, thank you, Chair. First of all, I'm...I'm with Chair Lee on not taking action on this. She is the district representative, and like we respect the will of...for example, you, Councilmember Johnson for Lānaʻi, and Vice-Chair Rawlins-Fernandez for Molokaʻi on any proposed legislation for your district made by another Member, and if the district representative requests more time, I think we should adhere to that. So I'm with deferring action on that first proposal to give Chair Lee a little bit more time to get feedback from her constituents on this. With this...the DHHL proposal, I'm supportive of moving forward, but I just have a question for our resource personnel from the DHHL.

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COUNCILMEMBER SUGIMURA: They're there.

VICE-CHAIR MOLINA: Oh, okay. So the question is, under Subsection B(8), it states, a development by the Department of Hawaiian Home Lands on homestead land...is there such a thing as development by DHHL on non-homestead land, and if so, should we maybe consider...have homestead land to be removed from this provision?

MR. MATSUNAGA: Thank you for the question, Councilmember Molina. No, there is...to my knowledge, there is no such thing as the Department developing homestead off of Hawaiian homelands. We concentrate...we are responsible for developing B(8) lands designated as Hawaiian homelands, and no other parcels.

VICE-CHAIR MOLINA: Okay, all right. Thank you. Thank you, Mr. Chair.

CHAIR JOHNSON: Okay. Thank you, Mike...Councilmember Molina. Moving on to Councilmember Sugimura.

COUNCILMEMBER SUGIMURA: Okay. I have this question...the documents that we received, Chair, from...from the posting, it doesn't have any Corp. Counsel sign-off on it, and it normally does...it says, Corp. Counsel approved or whatever. Not unless...maybe I don't have a complete document. So I just wondered what Corp. Counsel thinks of both of these?

CHAIR JOHNSON: Sure. Is Corp. Counsel on the call? They can speak to this.

MS. DESJARDINS: Yeah. Thanks, Chair, I'm here.

COUNCILMEMBER SUGIMURA: Thank you.

MS. DESJARDINS: As far as the issue regarding the changing out the date to the effective date to December 5th, I think that's great. It clarifies exactly when it's...when the . . . *(inaudible)*. . . was enacted in 2006. Whether or not the Maui Redevelopment Agency is included or not included is a matter of policy for you folks. I believe, as a matter of law, the Department of Hawaiian Home Lands is not...does not have to follow 2.96 already, based on a 1972 Attorney General's opinion, but I really like the idea of clarifying that, and you certainly have the ability to exempt this agency from this, regardless of whether there was a AG's opinion or not. So I think, as a matter of law, it's great to put that in there and just have it be a part of our ordinance. So those are my comments. Thank you.

COUNCILMEMBER SUGIMURA: So you did...you did sign off on these two documents then?

MS. DESJARDINS: No. I...you know what, I didn't...these were transmitted without going to Corp. Counsel, but I had an opportunity to review them, so I was prepared to make some comments or answer questions if you have folks have any questions . . . *(inaudible)*. . .



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COUNCILMEMBER SUGIMURA: Thank you.

CHAIR JOHNSON: Okay. Thank you so much. Councilmember Keani Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. I...I wanted to quickly speak to the...the dates in cite...I did get a question on those two. So the...the rest of the amendments that you see on the bill are housekeeping, so the "shall to" does not...the effective date of this Chapter changed to that date of when it happened to December 5th, 2006, affordable housing to residential workforce housing. Another date changed...housekeeping to just state on this Code. So yeah, you...you see like some other amendments, and those are non-substantial, really, it's...it's mostly just housekeeping. The...the substantial amendments is approving by Council Resolution instead of its Director, and then adding, Development of Department of Hawaiian Home Lands instead of on homestead land, and adds...our Corporation Counsel explained that a development by a government entity, which would be DHHL, or a community land trust as approved by the Director could have gone through, but this would clarify, and then that way, there's never a question. They don't have to go back to a 1972 opinion, this makes it very clear that DHHL is exempt from 2.96. So I will be happy to amend my motion since Council Chair Lee asked for more time, and that is her district. And the Members asked for a little more time in...in understanding, I'm guessing, the impacts that this would have. Ultimately, it is a policy decision for us to make, whether we want to give sweetheart deals to corporate developers or not, and whether it is fair for those within the MRA area to get this *(audio interference)* deal and those in other districts to not. So I...if my seconder is open is amending, I'm happy to amend my motion to only include the one bill, which refers to Hawaiian Home Lands having the exemption.

CHAIR JOHNSON: Okay, that sounds great. Go ahead, Councilmember King.

COUNCILMEMBER KING: I'm...I'm fine with that as a seconder, and I thought Mr. Molina made a good point that, you know, we should...we usually do...I mean, people have done that for me for South Maui District, so . . . *(inaudible)*. . . need a little more time. I...I just wonder what...is there like a specific additional type of information we're looking for, Member Lee, or...or --

COUNCILMEMBER LEE: . . . *(inaudible)*. . .

COUNCILMEMBER KING: -- yeah, or just...you want time for more people to come out *(audio interference)*.

COUNCILMEMBER LEE: Well, I was curious how the...the proposed bill came up, you know?

COUNCILMEMBER KING: Okay. Okay.

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COUNCILMEMBER LEE: You know I haven't heard anybody talk about it before, so I...is it because the hotel is moving forward? I don't know, what's...what's the genesis for this? I don't know. So that's why I need more time.

COUNCILMEMBER KING: Okay. Yeah, I'm fine. I withdraw my second.

COUNCILMEMBER RAWLINS-FERNANDEZ: And just to clarify, I'm just amending my motion to not have the bill. I'm not withdrawing my entire motion. I'm just withdrawing the one bill, so that my motion will now be recommend passage on first reading for, "A BILL FOR AN ORDINANCE AMENDING RESIDENTIAL WORKFORCE HOUSING POLICY RELATING TO THE EXEMPTION FOR THE DEPARTMENT OF HAWAIIAN HOME LANDS." And I'm ready for the question.

COUNCILMEMBER JOHNSON: Okay. Oops, I was muted. Sorry. All right, so all those in favor raise your hand, say "aye". All those in favor [sic] of the motion say...raise your hand and say, "no". All those against say, "no".

COUNCILMEMBER PALTIN: You meant all those opposed to the motion, right?

COUNCILMEMBER JOHNSON: All those opposed to the motion, say "no". I'm trying to do...forgive me, there's a lot of windows open. All right. So we have nine "ayes" and zero "noes," right? That's what I saw. Okay. Motion passes.

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

**NOES:       None.**

**ABSTAIN:   None.**

**ABSENT:     None.**

**EXC.:       None.**

**MOTION CARRIED.**

**ACTION:     As it relates to bill entitled, "A BILL FOR AN ORDINANCE AMENDING THE RESIDENTIAL WORKFORCE HOUSING POLICY RELATING TO AN EXEMPTION FOR DEPARTMENT OF HAWAIIAN HOME LANDS," recommending FIRST READING of bill.**

COUNCILMEMBER RAWLINS-FERNANDEZ: Pro-temp Kama...Member Johnson, filing. My motion includes the filing of the County Communication and any non-substantive amendments. If there are no objections.

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### **COUNCILMEMBERS VOICED NO OBJECTIONS**

COUNCILMEMBER SUGIMURA: Motion carries.

COUNCILMEMBER RAWLINS-FERNANDEZ: Chair, you're muted.

CHAIR JOHNSON: Okay, I think we're going to do a recess until...for five minutes, okay?

COUNCILMEMBER SUGIMURA: Okay. Or you can...

CHAIR JOHNSON: I'm going to recess at 4:50 p.m. . . . *(gavel)* . . .

**RECESS: 4:45 p.m.**

**RECONVENE: 4:50 p.m.**

CHAIR JOHNSON: . . . *(gavel)* . . . Aloha, Members, may the Affordable Housing Committee of February 22nd please reconvene. It is now 4:50 p.m. All right. So I think we've decided to...hold on, again with the windows, give me one sec...one sec. Yeah. We're going to defer...without objections, I'd like to defer this item.

### **COUNCILMEMBERS VOICED NO OBJECTIONS.**

COUNCILMEMBER RAWLINS-FERNANDEZ: Which item?

CHAIR JOHNSON: Defer AH-5, the proposed bill for Wailuku.

COUNCILMEMBER SUGIMURA: Oh, yes.

CHAIR JOHNSON: For an Ordinance Amending the Residential Workforce Housing Policy, Exemptions for --

COUNCILMEMBER KING: Okay. No objections.

CHAIR JOHNSON: -- Developments within the Wailuku Redevelopment Area and Developments by Government Entity or a Community Land Trust.

### **COUNCILMEMBERS VOICED NO OBJECTIONS**

**ACTION: DEFER.**

CHAIR JOHNSON: Okay. Members, we had a pretty busy schedule. So I think we're going to recess, and I'd...I'd like to ask the Chair...Chair Lee to poll for a recess of this meeting until March 1st, 1:30 p.m. which would be followed by our regular scheduled meeting if 1:30 is okay with you, I want to check with you guys, is...

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COUNCILMEMBER LEE: That's fine with me, but what about the other --

COUNCILMEMBER SUGIMURA: That's our next meeting.

COUNCILMEMBER LEE: -- wasn't there another one?

CHAIR JOHNSON: Yeah.

COUNCILMEMBER LEE: The Na Hale?

CHAIR JOHNSON: We're going to...it's the A8 [sic]...this...we're going to recess that one.

COUNCILMEMBER LEE: You know, I bet you everybody would vote on it right now if you...if you wanted it.

CHAIR JOHNSON: Go ahead, Councilmember Molina.

VICE-CHAIR MOLINA: Yeah, Chair, other option is fine, but, yeah, I think...and I...I don't have anything better to do the rest of the night.

COUNCILMEMBERS: . . .*(laughing)*. . .

VICE-CHAIR MOLINA: We...we went to 10:00 the other night, so this...this is duck soup.

CHAIR JOHNSON: If...if you're ready to vote on it, I'd...let's...let's... I'm ready because...you're right, it...it...we've...we've got stamina. . .*(inaudible)*. . .

### **AH-3 GRANT OF REAL PROPERTY TO NA HALE O MAUI (LAHAINA) (CC 20-609)**

COUNCILMEMBER SUGIMURA: Okay, cool.

COUNCILMEMBER LEE: Move to approve.

COUNCILMEMBER SUGIMURA: Second...Na Hale Project.

VICE-CHAIR MOLINA: Chair?

CHAIR JOHNSON: Yeah, go ahead Mr. Molina.

COUNCILMEMBER SUGIMURA: Mike wants to talk about it.

VICE-CHAIR MOLINA: Yeah, I...I...I...I...I respect the motion on the floor, but just as a courtesy, can we have the...I guess the bill or whatever read . . .*(inaudible)*. . . --

COUNCILMEMBER SUGIMURA: Oh, you got to read the motion.

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VICE-CHAIR MOLINA: -- on the floor?

CHAIR JOHNSON: Yeah, I . . . *(inaudible)*. . . Give me one moment, you guys are much faster than I am at this, one second...pull out my paperwork.

COUNCILMEMBER LEE: Sorry, I threw my agenda away . . . *(inaudible)*. . .

COUNCILMEMBER SUGIMURA: Authorizing the grant of the... . *(inaudible)*. . .property located...

COUNCILMEMBER LEE: Okay, move to approve the Grant of Real Property to Na Hale O Maui.

COUNCILMEMBER SUGIMURA: Located at 244 Komo Mai Street, Lāhainā, Maui, Hawai'i to Housing and Land Enterprise of Maui, dba Na Hale O Maui.

COUNCILMEMBER LEE: Okay, A proposed bill for an ordinance amending the budget to allocate funds from the Affordable Housing Fund for the acquisition of real property at the address just stated.

COUNCILMEMBER SUGIMURA: I second.

COUNCILMEMBER LEE: Is that enough, you want some more?

CHAIR JOHNSON: No, I got you. Okay. So without objections, I'd like to...I'd like us to first hear the...I'm sorry, without objections...wait, we're on discussion.

COUNCILMEMBER KING: Chair, Corp. Counsel just popped up, so Mimi might have something to say.

CHAIR JOHNSON: Go ahead, go ahead.

MS. DESJARDINS: Chair, yeah, sorry, I...I have a typo in the proposed bill. So in the 1, 2, 3rd, 4th whereas, it should say, Section 3.44.020, not 030. So if it moves forward, could we just have that amended as well? Thank you.

COUNCILMEMBER SUGIMURA: Okay.

COUNCILMEMBER LEE: Okay, so be it.

COUNCILMEMBER SUGIMURA: Got it.

COUNCILMEMBER LEE: I just add...I'm just going to add to my motion to give the Staff the authority to make non-substantive changes as needed, and filing of the communication. And a partridge in a pear tree.

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CHAIR JOHNSON: Can I have a second?

COUNCILMEMBER SUGIMURA: I did second.

CHAIR JOHNSON: Say again Vice...Councilmember Sugimura.

COUNCILMEMBER SUGIMURA: Right.

CHAIR JOHNSON: Discussion?

COUNCILMEMBER SUGIMURA: We're...we support.

CHAIR JOHNSON: Councilmember Keani Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. So the typo is that non-substantive. So we're just going to include that, or is that what Chair Lee just said?

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

COUNCILMEMBER LEE: Yeah, I was referring to that, it was a typo. Yeah, it's a typo.

MS. DESJARDINS: There's a difference between the section that talks about getting something at auction and one where you folks have approval to acquire property or to dispose of property. So it's just...it really is just a typo. My apologies.

COUNCILMEMBER RAWLINS-FERNANDEZ: So are we making that amendment, or are we including non-substantive revisions to the motion?

COUNCILMEMBER LEE: I'm including non-substantive revisions and filing of the communication. So you're covered, Chair.

CHAIR JOHNSON: Okay. So if there's no more discussion, let's vote. All...all those in favor, raise your hand and say "aye."

COUNCILMEMBERS VOICED AYE.

CHAIR JOHNSON: All those opposed raise your hand and say "No". Motion passes, nine "ayes", zero *(audio interference)*. Councilmember Keani Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. So were we going to get a presentation from Na Hale O Maui? You mentioned that in one of your...

CHAIR JOHNSON: Yeah, I think they...they...I'm sorry. I think they sent it.

MS. STEWART: Chair?

COUNCILMEMBER SUGIMURA: Yeah.

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MS. STEWART: Chair, their presentation is now available on Granicus.

CHAIR JOHNSON: Granicus.

MS. STEWART: But they...they were not scheduled to actually present at the meeting.

COUNCILMEMBER SUGIMURA: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. I thought during testimony, you had said that they were going to present when the item came up...the 30-page presentation.

COUNCILMEMBER SUGIMURA: No need.

CHAIR JOHNSON: No, 30 page, I think, was just put in Granicus. If I mentioned that, that was a mistake. That was...that's on me then.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay.

COUNCILMEMBER SUGIMURA: Chair? Chair?

COUNCILMEMBER RAWLINS-FERNANDEZ: What's that?

COUNCILMEMBER SUGIMURA: Gabe is the Chair, he's made that decision.

COUNCILMEMBER RAWLINS-FERNANDEZ: I understand that. I just would like there to be something (*audio interference*).

COUNCILMEMBER SUGIMURA: Yeah. If they . . . (*inaudible*). . .

COUNCILMEMBER RAWLINS-FERNANDEZ: Yeah.

COUNCILMEMBER SUGIMURA: Right. If they submitted it, it's in Granicus.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. So for the Committee Report, it's going to say that Council did not discuss anything? That's what the Committee Report is going to say or that we accepted a written presentation, and then that's it? Okay. I mean, that's not how I would do it, but...

CHAIR JOHNSON: Well, I wanted to...I mean, because you...you guys want to recess it, we're going to recess it, so that's...I mean, we can talk...we can go through it, but we're going on to recess.

COUNCILMEMBER RAWLINS-FERNANDEZ: We voted on it already.

COUNCILMEMBER SUGIMURA: Yeah.

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COUNCILMEMBER RAWLINS-FERNANDEZ: You...you took the vote, so...

COUNCILMEMBER SUGIMURA: It's done.

COUNCILMEMBER RAWLINS-FERNANDEZ: Yeah.

CHAIR JOHNSON: Yeah, you're right, it's done. But I...

COUNCILMEMBER KAMA: There's no need for recess.

COUNCILMEMBER KING: Chair?

CHAIR JOHNSON: Go ahead, Councilmember King.

COUNCILMEMBER KING: Just a question. So are we recessing AH-5 then until your...your next Committee meeting date, and then...I just want to clarify what I heard earlier...and we'll meet at 1:30 and take that one issue up, and then gavel out and then go back to the previously scheduled meeting you had planned?

MS. STEWART: Chair?

COUNCILMEMBER KAMA: He deferred that.

CHAIR JOHNSON: Go ahead, Staff.

MS. STEWART: Chair, our understanding is that we've deferred AH-5, and we will be recessing on AH-3.

COUNCILMEMBER KING: Oh, AH-3, okay.

MS. STEWART: Oh, I'm sorry, no. AH-3 . . . *(inaudible)*. . . --

COUNCILMEMBER SUGIMURA: No, we voted on that one.

MS. STEWART: -- we do not need to recess, so...it will just be the regularly scheduled AH meeting.

COUNCILMEMBER KING: Well, we have an outstanding...we have an outstanding item on the...the MRA issue, so that's what I'm just asking. Are we...are we recessing and going to take that issue up...maybe I got the number wrong, but *(audio interference)*.

CHAIR JOHNSON: So we were going to defer AH-3, right? Or I mean...I'm sorry, we were going to recess it, but then we voted it on it, right? So then...

COUNCILMEMBER KING: No, I...I...I...I'm sorry, we...we did not vote on the...I got the number wrong, but the...you know...the...the proposed ordinance to amend the



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exemption rule for MRA. That one we set aside. And so I'm just asking, are we deferring it and you're going to reschedule at some point or . . . *(inaudible)*. . . recess it?

CHAIR JOHNSON: Yes, going to defer it. We're going to defer it.

COUNCILMEMBER KING: Okay, so we have no reason that we're recessing the meeting then?

MS. YAP: That's correct.

COUNCILMEMBER KING: Okay, that's what I was trying to ascertain. Thank you.

CHAIR JOHNSON: Councilmember Keani Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. So Staff, if we don't adjourn this meeting, then none of the recommendations will go to Council because we need to adjourn the meeting. We can't recess one item without deferring everything else that's associated with this meeting.

COUNCILMEMBER KAMA: Why don't we . . . *(inaudible)*. . .

MS. YAP: That is correct. Actions has...you deferred the first item. For the second item, there are two bills; you deferred one, took action on the second. And the last one, you took action on. So there's nothing outstanding, and a new agenda would be posted for the next meeting...or excuse me...

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Staff. And so the Committee Report will say that there was no discussion, and the vote was just taken?

CHAIR JOHNSON: Yeah, that's correct. I think we're adjourned. I mean...

COUNCILMEMBER RAWLINS-FERNANDEZ: Well, Chair, I...I...I didn't vote on that item.

CHAIR JOHNSON: Oh.

COUNCILMEMBER RAWLINS-FERNANDEZ: I...I...I don't feel comfortable with...with that. I...I...I don't...I...I think we should discuss items when they come up on the agenda and not just like pass them through. I mean, I...I...of course I support the project, I support the organization --

CHAIR JOHNSON: Um-hum.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- but I just don't think that's responsible of me. I...I...I won't pass judgment on everyone else, but on myself, I...I don't think it's responsible of me to not discuss the item and just vote on it. I...I...I can't do that. So I would be voting no.

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CHAIR JOHNSON: Yeah, I...okay. Chair Lee, followed by Councilmember Shane Sinenci.

COUNCILMEMBER LEE: Okay, I fully...I fully understand, Vice-Chair Rawlins-Fernandez. However, for myself alone, I recall we had a fairly extensive discussion on this already. I think it was on the floor of the Council meeting, you know, that we talked about this at length, and decided to separate the issue and refer this one to Committee, remember? So we heard everything, but if you...everybody wants to go through it again, that's...that's fine. I'm open.

CHAIR JOHNSON: Go ahead, Councilmember Sinenci, followed by Councilmember Molina.

COUNCILMEMBER SINENCI: Mahalo, Chair. And I agree with Member Rawlins-Fernandez to be...so I'm...I'm willing to stay on maybe another 15 minutes should we just have a...a discussion to put with...into the Committee Report. I'm okay with that, Chair.

CHAIR JOHNSON: Okay. Councilmember Molina?

VICE-CHAIR MOLINA: Yeah. Thank you Mr. Chair. So this last item passed out of Committee today, so it would likely be scheduled for the next Council meeting. That would be...let me ask Chair Lee. Would that be for March 5th, or would this likely go on the March 19th agenda? And the reason why I bring this up is...you know, I can certainly understand the Vice-Chair Rawlins-Fernandez's request to at least hear...get a little bit more information. So maybe at that Council meeting, provided you...you allow for it, Chair Lee, Members can ask Ms. Abdul, who is the resource person...can ask questions, you know, in public about the proposal. I'm just looking at it as one venue or one way to get some...some of these questions she may have or even some of us, so...

COUNCILMEMBER LEE: Okay. Ordinarily, it would have gone on the March 5th Council meeting. Ordinarily.

VICE-CHAIR MOLINA: March 5th. Okay. So if Members have questions, then I guess...of course, it's up to you, Chair Lee, how far you want to let us go with asking questions of...if Ms. Abdul decided to come and testify, and then if you would allow for her to be a resource, once we get to that item, for any questions. Something I'll just throw out there for your consideration.

COUNCILMEMBER LEE: Yeah. I'm...I'm open to whatever the body wants.

VICE-CHAIR MOLINA: Okay. Thank you, Chair. Thank you, Mr. Chairman.

COUNCILMEMBER RAWLINS-FERNANDEZ: Chair?

CHAIR JOHNSON: Keani...Councilmember Keani Rawlins-Fernandez...Councilmember Sugimura.

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COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. So if you have just a summary that you can provide for the record. I know what this item is, but I just...there should just be something for the record.

CHAIR JOHNSON: Sure, let me pull up the notes here. One moment. Okay, I'll just read what the...what I got in my notes here. It's a...so general notes on AH-3. Council passed resolution to purchase the four-bedroom/three-bath single-family home on \$700,173.11 appraised at \$925,000. Property is one of 12 Na Hale O Maui residential workforce housing units in the Kahoma Homes residential subdivision, and HOM currently has 45 properties in its portfolio, 80 to 140 percent AMI. Unit was initially sold in 2017 as a workforce unit with a ten-year affordable period, approximately 7.5 years are left in its restrictive...restriction period, with...after which it might be sold at market. So those are the notes...oh, I got a little bit more. NHOM...or NOHM lists other options for the County as allowing property to move market price in about 2.6 years...or tiers, County handling the property itself, or County issuing RFP to handle the...the property. So that's what I have we can put into the record. Okay? Go ahead, Councilmember Keani Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. So when we took this up at Council, there was a reason that we sent this part to Committee, and it was to discuss with Na Hale O Maui questions that we had that we didn't want to take up on the floor at that time. So by just passing this through, I mean, it...it kind of makes that whole... you know, referring this to Committee pointless if we're not going to take the time to ask questions and properly vet the process for...for this property. I mean, it was...it was a pretty expensive property, and I would like to know how much they're...they're planning on selling it to whoever's next on their list, for example.

CHAIR JOHNSON: You know, I...I...I wanted to recess this to March 1st. I was ready to speak about it, but it seemed everyone wanted to go and so we went. So I'm just trying to do the will of the body at that point in time. Go ahead, Councilmember Molina.

VICE-CHAIR MOLINA: Yeah. Thanks, Chair. Here's another suggestion and certainly, you know, we all got to respect each other's Committee chairmanship...how we want to run it, but at the same time, I appreciate Vice-Chair Rawlins-Fernandez need to ask questions because I have a couple of questions, but procedurally, after we've taken action on something, can we then ask questions about it after taking the vote? I don't know if maybe that's a question for Corp. Counsel or OCS. I mean, I'm open to that if we want to vote...just a tad longer, maybe another 20 minutes or so. I mean, I don't have a lot of questions, and I know most Members don't have a lot, but I'm hoping that this might alleviate us having to maybe extend the March 5th Council meeting with questions about this. So Mr. Chair, under your permission, is it okay to get a...an opinion from OCS or --

CHAIR JOHNSON: Of course.

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VICE-CHAIR MOLINA: -- Corp. Counsel? Operating like this after making a decision, then ask questions about it? Because this is not the end all. Plus we got to do at least, what, one more vote at Council, so if what you don't like...if you're not...if you have concerns about what's being expressed in response to this, then you can change your vote at the next meeting. So anyway...

MS. DESJARDINS: You want me to respond to that, Chair?

CHAIR JOHNSON: Sure. Please do.

MS. DESJARDINS: So one...one thing I wanted to point out is that if you look at the...you know, the...what's been posted on this agenda, there's a substantial amount of information in writing regarding this project, and (*audio interference*) probably a lot of it was already posted that first time that this came up for discussion. You can...I think you can discuss it, but obviously, it's not going to affect the vote that's already occurred, or you can defer the discussion until you get to the Council meeting. Up to you guys. There's nothing wrong with discussing it now, it's just not going to affect the vote unless somebody makes a motion for reconsideration after you listen to the discussion.

CHAIR JOHNSON: Okay. (*audio interference*) for that clarification. So I think we...as long as...I want to make sure everyone's being heard, though, but I think we're at the end of the agenda. Okay? Go ahead, Councilmember Keani Rawlins-Fernandez, followed by Yuki Lei Sugimura...Councilmembers.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. I would like it reflected in the Committee Report that the Committee didn't fully discuss this item. Mahalo, Chair.

CHAIR JOHNSON: Go ahead, Yuki Lei Sugimura.

COUNCILMEMBER SUGIMURA: Okay, thank you. So I...I just want to make a...a note, and I...and I would not be surprised if Na Hale O Maui...I met with them, as well as David Ward, so the President and the Executive Director, and I got all the information that I had curious...questions about through that meeting, and then they appeared today again. And you read off, you know, what was in your notes, so it's in the record. If...if people have, you know, concerns, it...it sounds like, you know, the Chair took care of his responsibilities, so I don't feel like there was a void of information. And I believe also whatever the organization was going to present, they sent it to us in Granicus, I think your...Staff confirmed that. So it's there. I just want to, you know, recognize that the effort was made. Thank you.

CHAIR JOHNSON: Thank you, Councilmember Yuki Lei Sugimura. Okay. Go ahead, Councilmember Keani Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. I...I think it would have been faster if we just had a presentation and then had questions, but here we are, and that's fine. I didn't say we didn't receive information in writing, I'm saying that the



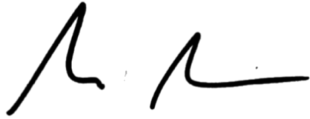
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**ADJOURN: 5:13 p.m.**

APPROVED BY:

A handwritten signature in black ink, appearing to be 'Gabe Johnson', written over a horizontal line.

GABE JOHNSON, Chair  
Affordable Housing Committee

ah:min:210222:

Transcribed by: Cheryl von Kugler &  
Jaylene K. Hamilton

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CERTIFICATIONS

I, Cheryl von Kugler, hereby certify that pages 1 through 35 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 23rd day of March 2021, in Wailuku, Hawai'i



Cheryl von Kugler

I, Jaylene K. Hamilton, hereby certify that pages 36 through 70 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 23rd day of March 2021, in Wailuku, Hawai'i



Jaylene K. Hamilton