

AFFORDABLE HOUSING COMMITTEE

Council of the County of Maui

MINUTES

July 19, 2021

Online via BlueJeans Link

CONVENE: 1:31 p.m.

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

EXCUSED: Councilmember Tasha Kama

STAFF: David Raatz, Supervising Legislative Attorney
James Forrest, Legislative Attorney
Shelly Espeleta, Supervising Legislative Analyst
Alison Stewart, Legislative Analyst
Wilton Leauanae, Legislative Analyst
Rayna Yap, Committee Secretary
Kristeena Locke, OCS Assistant Clerk
Lenora Dineen, OCS Assistant Clerk

Evan Dust, Executive Assistant for Councilmember Tasha Kama
Lois Whitney, Executive Assistant for Councilmember Tasha Kama
Davideane K. Sickels, Executive Assistant for Councilmember
Tasha Kama
Roxanne Morita, Lanai District Office
Ana Lillis, Executive Assistant for Councilmember Michael J.
Molina
Kate Griffiths, Executive Assistant for Councilmember Gabe
Johnson
Stacey Moniz, Executive Assistant for Councilmember Gabe
Johnson
Autumn Ness, Executive Assistant for Councilmember Gabe
Johnson
Sarah Freistat-Pajimola, Executive Assistant for Councilmember
Keani N.W. Rawlins-Fernandez

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ADMIN.: Sananda Baz, Managing Director
May Anne Alibin, Deputy Director, Department of Finance
Mimi DesJardins, Deputy Corporation Counsel, Department of the
Corporation Counsel

OTHERS: Wayne Higa
Mele Kaneali'i
Tom Cook
George Burnette
Tom Blackburn-Rodriguez
Jordan Hocker
Lisa Darcy, Share Your Mana
Rose Crichton
Jasee Law
Todd Apo
Kainoa Lei MacDonald
Devin Vinoray
Leonard (Junya) Nakoa
Michelei Tancayo
Tierra Ghareh Gharibi
Maile Magallanes
U'ilani Tevaga
Tom Blackburn-Rodriguez

Jeff Gilbreath, Executive Director, Hawaiian Community Assets,
Inc.

Rhonda Alexander-Monkres, Program Manager, Hawaiian
Community Assets, Inc.

Blossom Feiteira, Contractor

Terrance Arashiro, P.E., President, Austin, Tsutsumi and
Associates, Inc.

Adrienne Wong, P.E., Vice President, Austin, Tsutsumi and
Associates, Inc.

Tyler Fujiwara, Chief Transportation Manager-Maui, Austin,
Tsutsumi and Associates, Inc.

Tom Schnell, AICP, Principal/Planner, PBR Hawaii

Selena Pang, Associate/Planner, PBR Hawaii

Stanley Keasling, Principal, Stanley Keasling Consulting

David Ferrier, Housing Director, Rural Community Assistance
Corporation

Alan Nazzaro, Rural Development Specialist-Housing, Rural
Community Assistance Corporation

Bonnie Craigie, Senior Project Developer-Housing, Rural
Community Assistance Corporation

Maren McCleary, Project Developer, Rural Community Assistance
Corporation

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Kenna StormoGipson, Policy Analyst, Hawaii Appleseed Center for
Law and Economic Justice

PRESS: *Akaku Maui Community Television, Inc.*
 Kehaulani Cerizo, The Maui News

CHAIR JOHNSON: . . .(*gavel*). . . Aloha. Will the Affordable Housing Committee meeting of July 19th, '21...2021 please come to order. The time is now 1:31 p.m. I'm Gabe Johnson, your Committee Chair. And thank you all for joining us. Pardon the chickens in the back, but it's Lānaʻi life. If you would please silence your cell phones and other devices. Please also note that this information is on online connectivity, and related procedures can be found on the last page of the agenda. Members joining us today are Committee Vice-Chair Mike Molina. Bonjour.

VICE-CHAIR MOLINA: Bonjour and aloha, Mr. Chairman. Good to see you and my colleagues. Been a while, and looking forward to a very exciting Affordable Housing Committee meeting today. Aloha.

CHAIR JOHNSON: Most definitely. Councilmember Tasha Kama is excused. Next we have Councilmember Kelly Takaya King. Buongiorno.

COUNCILMEMBER KING: Bonjour. Oh, are we on buongiorno or...I can't tell if it's Italian or French. But anyway, good to see everybody.

CHAIR JOHNSON: Good afternoon. And I guess it is bonjour. So next we have Council Chair Alice Lee. Bonjour, Council...Council Chair Alice Lee.

COUNCILMEMBER LEE: Bonjour, Mr. Chair. And nice to see all of you back refreshed, ready to go.

CHAIR JOHNSON: Ready for action. Next we have Councilmember Tamara Paltin. Bonjour, Councilmember.

COUNCILMEMBER PALTIN: Bonjour, comment allez-vous.

CHAIR JOHNSON: Doing it. Okay. Bonjour. Next we have Council Vice-Chair Keani Rawlins-Fernandez. Bonjour.

COUNCILMEMBER RAWLINS-FERNANDEZ: Aloha 'auinalā, Chair, mai Molokaʻi nui a Hina, and bonjour kākou.

CHAIR JOHNSON: Bonjour kākou. Okay. Next we have Councilmember Shane Sinenci. Bonjour.

COUNCILMEMBER SINENCI: Bonjour, monsieur, and aloha nui kākou mai Maui Hikina.

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CHAIR JOHNSON: Bonjour, Shane. Okay. Next we have Councilmember Yuki Lei Sugimura. Bonjour.

COUNCILMEMBER SUGIMURA: Bonjour, everybody. Nice to see you. It's been a long time. Looking forward. Thanks.

CHAIR JOHNSON: Sure has, neighbor. Okay. Also with us today we have Managing Director Sandy Baz. Bonjour. I'm killing that. I know I'm terrible at that. On...on our Staff we have Legislative Analyst Alison Stewart. We have Committee Secretary Rayna Yap. We have Legislative Attorney James Forrest. We have Legislative Analyst Laksmi Abraham, and Assistant Clerks Kristeena Locke and Lei Dineen. Okay. So today we have a much anticipated item on the agenda today, and even though we have an extended meeting time, there's a lot to discuss. I do want to take the time to thank the Members for allowing us for this extended time. I know we're busy, but this is a really important issue. So I'd like to remind the Members to only ask testifiers clarifying questions about the testimony provided. So let's begin with the public testimony. AH-14, the Comprehensive Affordable Housing Plan, submitted by the Hawai'i [sic] Community Assets Incorporated. Testimony is limited to the agenda item, which I would like to point out is the final report submitted by the nonprofit organization Hawai'i [sic] Community Assets and its team of consultants. The plan contained in the report is not intended to be legislation in and of itself, it is before us today for our considerations of its findings. Testifiers can join the BlueJeans meeting using the information in the agenda. And written testimony can be sent at any time using the eComments link at mauicounty.us/agendas. Can we mute our mics, please, if you're...if you're joining the call. Staff, if you could help us with that. Oral testimony is limited to three minutes per item. While waiting for your turn to testify, please turn off your microphone and audio/video...or microphone and video. When you're called upon, please unmute yourself and state your full name for the record and if you are testifying on behalf of an organization or if you're a paid lobbyist. If you joined this meeting on BlueJeans, Staff will add your name to the testifiers list, and the link to the list will be posted in the chat. The BlueJeans chat should not be used to provide commentary or to engage in conversation during the meeting. Mahalo for that. If you do not wish to testify, or once testimony has closed, you will be disconnected from BlueJeans, and please continue to view...to view the meeting on Akakū Channel 53, Facebook Live, or on the mauicounty.us website. Mahalo for your cooperation. Members, I would like to proceed with oral testimony if there's no objections.

COUNCILMEMBERS VOICED NO OBJECTIONS

CHAIR JOHNSON: Okay. Ms. Stewart, please call the first testifier.

. . .(BEGIN PUBLIC TESTIMONY). . .

MS. STEWART: Chair, the first testifier is Wayne Higa.

CHAIR JOHNSON: Okay. Why don't we move on to the next testifier.

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UNIDENTIFIED SPEAKER: We're here.

UNIDENTIFIED SPEAKER: Just a moment.

MR. HIGA: Okay. Aloha, everyone. Wayne Higa, Kaahumanu Church. Born and raised here on Maui. So I'm just going to jump right in. I've got a lot of things jamming around right now, including this. . . .*(inaudible)*. . . Yeah. Being born and raised on Maui, we've all seen the housing crisis just skyrocket. About \$300,000 as a median price was high, went 500,000, now it's at 1.1 million. I hope that we're not using that as a definition of affordable housing anymore because I remember when that word median price kind of was that...that...that place where we would say that is affordable, even if we knew that it wasn't. And 1.1 is just ridiculous. I'm *(audio interference)* that our government can do to help with the housing issue, whether that's building more homes, whether that's making it so that buying a home as an investment...there's an investment in ohana, in community, in our children and our keiki versus the investment of our bank accounts. So let's think about our community in all of this. That's all I got. Mahalo nui.

CHAIR JOHNSON: Thank you, Mr. Higa. Sorry about the interruption, the technical in the beginning. But Members, do we have any questions for Mr. Higa? Seeing none. Once again, thank you for your testimony.

MR. HIGA: Mahalo.

CHAIR JOHNSON: Okay. Miss...mahalo. Aloha. Ms. Stewart, will you call the next testifier please?

MS. STEWART: The next testifier is Matt Bakman *(phonetic)*.

CHAIR JOHNSON: Okay. Mr. Bakman, are you on the call?

UNIDENTIFIED SPEAKER: I want to put in who wants to testify. Should I put you in? What's your name?

MR. LAW: Jasee Law.

UNIDENTIFIED SPEAKER: Jasee Law?

CHAIR JOHNSON: Hey, George. I'm sorry, your mic is open. Can you close your mic while we...for the next testifier? I think we got Mr. Bakman on. Is he...is he on the call? Are you ready to testify, Mr. Bakman?

MS. STEWART: Chair, this is Alison --

CHAIR JOHNSON: Okay. We'll give...

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MS. STEWART: -- I...I don't see him on the list any longer.

CHAIR JOHNSON: Okay. Go ahead. Please call the next testifier, Ms. Stewart.

MS. STEWART: The next testifier is Cassandra (*phonetic*).

CHAIR JOHNSON: Okay. Cassandra, you're up to testify. Are you on the call, Cassandra?
Okay. We can loop back to Cassandra. Ms. Stewart, will you call the next testifier please?

MS. STEWART: The next testifier is Mele Kaneali'i.

MS. KANEALI'I: Aloha. My name is Mele Kaneali'i. I live on Moloka'i, and I'm an intern in Councilmember Rawlins' office. Today I'm testifying on AH-14, the Comprehensive Affordable Housing Plan. I haven't read all 200 pages from the document, but from what I've read so far, I support the plan. From the...on page 9 of the Maui County Comprehensive Affordable Housing Plan document, there are two lists of steps that are recommended to be taken beside the priority projects, and ensuring that there are no gaps in the plan. I think that this should not just be recommendations, but follow through because they're important parts of the process and ensure that the needs of the plan are met. I've also read that there is so much demand for homes of residents below 15...50 percent of the AMI, so it's good that that's being prioritized in the plan. Another thing I read from the document that I support is teaching financial literacy in schools. This past school year, my leadership has taught me about it, and me and my classmates know so much more about saving, buying a home, or just making major payments, loans, debt, credit scores, so it definitely has a positive impact. Mahalo for this opportunity to testify today.

CHAIR JOHNSON: Thank you, Mele. We have a question for you from Councilmember Shane Sinenci. Go ahead, Shane.

COUNCILMEMBER SINENCI: Mahalo, Chair. And aloha, Ms. Kaneali'i. Mahalo for your testimony this morning. I just wanted to see the type of housing demands on Moloka'i. Do you see a lot of your classmates that have to live with other family members and don't have any homes of their own?

MS. KANEALI'I: Sometimes, yeah.

COUNCILMEMBER SINENCI: Oh, okay. Thank you. Well, I'm glad you are on the job training. Thank you.

MS. KANEALI'I: Thank you.

CHAIR JOHNSON: Mele, we have one more question from you...for you from Councilmember Keani Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Aloha, Ms. Kaneali'i. Mahalo for

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your testimony this afternoon. You mentioned that you receive financial literacy class at Moloka'i High. Was that an elective or a core class or extracurricular?

MS. KANEALI'I: It was an elective during leadership class, so it wasn't really based on financial literacy, but we did go through it briefly.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo for that clarification. Mahalo, Chair.

CHAIR JOHNSON: Thank you. Okay. Thank you for your testimony, Ms. Kaneali'i. Any further questions? Seeing none. Thank you. Ms. Stewart, will you call the next testifier?

MS. STEWART: The next testifier is Devin Vinoray.

CHAIR JOHNSON: Okay. Devin, are you on the call? You're up to testify if you'd like. Okay. Let's move on, Ms. Stewart. And you...can you call the...in...in pairs of two so the testifiers know who comes next? Thank you.

MS. STEWART: Yes, Chair. The next testifier is Tom Cook, to be followed by Jim Moore (*phonetic*), who seems to have left the call, so to be followed by the user logged in as Visitor.

CHAIR JOHNSON: Okay. Mr. Cook?

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

CHAIR JOHNSON: Loud and clear.

MR. COOK: Excellent. I'm glad that my technology is working today. I wanted to basically thank you, all the Council and the Members for your focus on affordable housing. I thought that the Hawai'i [sic] Community Assets did a good job. I wanted to acknowledge that I gave testimony in opposition of this RFP some time ago, and I wanted to just state that it was money well spent. I think that the people who ran it did a good job. I participated in, I think, three of the...the meetings. I...I have a lot of feelings about affordable housing. I'd like to just say that one of the things that this doesn't really address, and I haven't heard anybody else to sort of...to...talking about, I think to me, it's the elephant in the room for affordable housing. When we talk about supply and demand, it's not just how many we can build, the demand...the real estate industry--and I may lose a lot of friends and allies--the real estate industry is advertising and selling Maui globally. And if you look in the last 20 to 30 years how many homes have been built and how many homes have been sold, that is the real supply and demand issue. 40 million people would like to live here and they can afford it, 165,000 of us would like to live here and we can't afford it, so somehow, somehow if we could have prep tightened, extreme preferential treatment for our local working residents. And so I just...that...that's something that somehow, somehow within the American legal system, if we as the local community and you as our representatives can somehow address to put the brakes on the sales, and step the gas on the building. So that's my

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testimony. Thank you very much.

CHAIR JOHNSON: Okay. Thank you, Tom. Members, do we have any question for Tom? Seeing none. Thanks for your testimony. Aloha. Ms. Stewart, will you call the next testifiers please?

MS. STEWART: The next testifier is Jim Moore, to be followed by the user logged in as Visitor.

CHAIR JOHNSON: Okay. I'm not hearing anyone. Can you call the next ones?

MS. STEWART: The next testifier is logged in as Visitor, to be followed by Crystal (*phonetic*).

CHAIR JOHNSON: Okay. So if you're a visitor, that means you might...you didn't write your name down. So if you are new to it, that might be you, so you can unmute yourself. And then if not, we will go back...go...go on to the next person. Okay. Seeing no response. Thank you, Ms. Stewart.

MS. STEWART: Crystal has left the meeting, so the next testifier is Alan Nazzaro, to be followed by George Burnette.

CHAIR JOHNSON: Okay. Mr. Nazzaro, are you here to testify? You can unmute yourself.

MR. NAZZARO: I'm sorry, I...I'm not familiar with the BlueJeans app, so I didn't mean to put my name in.

CHAIR JOHNSON: Oh, okay. Well, if you want to testify, you can, but if you don't, you don't have to.

MR. NAZZARO: I'm here as part of the TA team.

CHAIR JOHNSON: Okay. Great. All right. Thank you so much. And I guess George Burnette is up next, so...George, if you want to unmute yourself, you can go ahead and testify now, George.

MR. BURNETTE: Can you hear me?

CHAIR JOHNSON: Loud and clear.

MR. BURNETTE: Okay. Good afternoon, Councilmembers. Could you mute that? My name is George Burnette, and I'm testifying today in favor of the Comprehensive Affordable Housing Plan. I think it's fair to say that everyone is in favor of affordable housing, but despite that, decades have gone by without enough progress being made, and this is still a priority topic for all of us. . . .(*beeping*). . . I believe the likely reason for this is simply...sorry. I believe the likely reason for this is simply because there's more money to be made doing other things, catering to the tourist industry and building more expensive homes. This Council is to be commended for some progress made in recent times and some success stories. Thank you for that. However, the scope of this problem

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requires action on a much larger scale. The building of thousands of truly affordable homes, not homes with the label “affordable,” but homes actually affordable to the most in need. Such bold action requires a specific plan and specific detailed steps to accomplish that plan. I urge you to vigorously review and debate this Comprehensive Affordable Housing Plan, and amend it as you find necessary, but do so with a sense of urgency that is required, and do so with the only acceptable result being an actionable plan and a plan that is to begin without further delay, not further study. Those that have the means and the wherewithal to adequately house themselves and have the time and the means to influence you, the decision makers, are already well represented. As an elected official, I believe you also have the obligation to represent those many without such a voice. If decades from now Maui County has become not only just a tourist destination and a home for the wealthy and a profit engine for offshore interests, but also a place where local people can thrive and Hawaiian culture and rights are respected, and the beauty of once was is still recognizable, at least in some places here. If you believe in your obligation to represent those without a voice, then act on this and provide a way for them to live here. I’m truly honored to testify...I’m truly honored to testify before you today. Sorry for the technical problems. And mahalo.

CHAIR JOHNSON: Thank you, George, for your testimony. Members, do we have any questions for Mr. Burnette? Seeing none. Once again, thank you for your time. Okay. Ms. Stewart, will you call the next testifiers please?

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

CHAIR JOHNSON: Okay. Mr. Blackburn-Rodriguez, are you on the call?

COUNCILMEMBER PALTIN: Oh, Chair, he wrote in the chat that he does not wish to testify, only observe testimony. That’s what he wrote.

CHAIR JOHNSON: Okay.

MR. BLACKBURN-RODRIGUEZ: That...that...that is correct. And I was just about to apologize to the Chair, who might not have gotten that message, but (*audio interference*) for the courtesy of calling upon me. I am very much interested in hearing what people are saying rather than me telling people what I think.

CHAIR JOHNSON: Okay. Thank you, Tom. Thank you for the heads-up. All right. Ms. Stewart, will you call the next testifier please?

MS. STEWART: The next testifier is Jordan Hocker, to be followed by Lisa Darcy.

MS. HOCKER: Hi there, Affordable Housing Committee. So thank you so much for having this hearing today. I’d like to testify on the Comprehensive Affordable Housing Plan. When I was reading through the plan, honestly, I’m super happy that it happened, and it told us a lot of things that we already knew. So what I’m going to speak to right now is the demographic or the generation that’s about ten years below mine. So we’re looking

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at early 20-somethings on Maui right now. So I'm actually just going to tell a story about the woman who cuts my hair. She's amazing, she's in cosmetology school, and she's currently running her own business. She is...immigrated from the Philippines. She is paying taxes on her GET. And while she's sitting there cutting my hair, I'm like, what do you look forward to the future? What worries you? And she knows that she's not able to buy a house. She knows that she's investing all of this time and energy into help diversifying our economy here on Maui, just like many other young business owners, and that they're not going to be able to buy houses here, no matter what. So how do we keep them here? We have an economy right now that isn't diverse. We have an economy that relies on really just about three things, and diversifying that economy is incredibly important. And one of the ways that we allow people to do that is we allow them resources to stay here. So it is very obvious, based on what I've seen, that developers don't really want to build affordable housing because that's not where the money is. So the County needs to take the reins on this. The County needs to find the places, the County needs to find the contracts, and you guys need to move forward in a bold way and make this happen. We're drowning out here, okay. And the reason I show up so often is because I'm one of the few people in a very dire situation that has the luxury and the time to show up and advocate for people who are like me, for people who made \$10,000 last year due to COVID. For people who were only grossing about 20 to \$30,000 before that. We still deserve to be here no matter our income bracket is, because housing is not a luxury. And what we're seeing right now is we're drowning. We're being pushed out. It's unacceptable that there are more Hawaiians living outside of the State of Hawai'i than there are living inside the State. This housing issue affects our homelessness, it affects our mental health issues, it affects the addiction rates, it affects everything. You cannot expect people to be law-abiding citizens, or put an investment into their community, if they do not have a solid foundation. And so right now, we need to stop relying on the way we've been doing it and start getting really, really brave. And I am appreciative of this being brought forward to this Committee and thus the Council. And I hope that the rest of the Government Administration can follow suit on the fact that the County needs to step up and take the reins and you need to solve the problem. So that's actually all I have to say. I'll...I'll yield to other time. I appreciate you guys today.

CHAIR JOHNSON: Well said, Ms. Hocker. Do we have any questions for our testifier? Seeing none. Thanks again for your testimony, Jordan. Ms. Stewart, will you call the next testifiers please?

MS. STEWART: The next testifier is Lisa Darcy, to be followed by Jasee Law.

MS. DARCY: Good afternoon. And thank you, Committee. My name is Lisa Darcy, and I am the founder of Share Your Mana. I am not a paid lobbyist. And I would like to very clearly voice my testimony in favor of the Comprehensive [sic] Affordable Housing Plan. As you know, for over a decade, probably almost two decades, I have been advocating for affordable housing; and more importantly, for the changes that go along with that. The...the term and the narrative affordable housing hasn't changed in the last 20 years, and the needs and the urgency has changed dramatically. So I am not going to belabor this testimony and just say, what do we need? Housing. When do we need it? Now.

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And I thank you for listening to the voices of the people who are very much suffering. And when people finally come out and take to the streets, you know it's past time to act. So we are so excited that you will be acting and moving forward for everybody who needs this. So thank you so much for your time and all of your hard work.

CHAIR JOHNSON: Thank you so much for your testimony, Ms. Darcy. Members, do we have any questions? Seeing none. Thank you again. Aloha. Ms. Stewart, will you call the next testifiers please?

MS. STEWART: The next testifier is Rose C., to be followed by Todd Apo.

MS. CRICHTON: Aloha. My name is Rose Crichton, I'm from Lāhainā, and I'm just here...I didn't think I was going to get called this quickly, sorry. But I am here to agree with the AH-14 Affordable Housing Plan, comprehensive plan. I just wanted to voice my opinion and trying to keep more local people here on the island. I've seen too many family members and friends have to move away, and it's about time that yes, the County does take action. Jordan Hocker actually stole all the words out of my mouth, so there's not much to repeat. But yeah, it's...it's definitely something that I don't want to depend on the developers to do in having to, you know, make that 20 percent off of their big plan as affordable workforce housing. I want it to be done by the County, and maybe even put a cap on...on actual market-price development. But basically I'm for it, I'm for AH-14, Comprehensive Affordable Housing Plan. And mahalo, and thank you for having me today.

CHAIR JOHNSON: Thank you, Rose, for your testimony. Members, do we have any questions?

MS. YAP: Member Johnson --

CHAIR JOHNSON: Okay.

MS. YAP: -- this is...this is Rayna Yap, Member Johnson. Can we confirm the spelling of Rose's last name please?

CHAIR JOHNSON: I beg your pardon, Rose, what's your last name?

MS. CRICHTON: My last name is Crichton, C as in Charlie, R-I-C-H-T-O-N.

MS. YAP: Thank you.

CHAIR JOHNSON: Okay. Thank you so much. Okay. We don't have any further questions for you, Ms. Crichton, so thank you so much for your testimony. Ms. Stewart, please call the next testifier.

MS. STEWART: The next testifier is Jasee Law, to be followed by Todd Apo.

MR. LAW: How do I see myself? I saw...huh?

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CHAIR JOHNSON: Ms. [sic] Law, do you have...are you...

MR. LAW: There I am. It's magic. I got to...oh, my name is Jasee Law from Kula moku, ahupua'a Waiakoa. Nice to see you all again, it's been a long, long time no see. This...this computer stuff is kind of trippy, man. It's like a video game or...hey, Shane. I want to talk to you and as...as you, and my Councilwoman Yuki Lei Sugimura, and a lot of you guys, but once again, it comes down to recycling. You see a lot of those homeless guys out there recycling, digging in trashcans and stuff. I went to jail in my neighborhood because the...the manager of the bistro restaurant is using the homelessness card on me and saying I was going in his dumpster taking cardboard out and putting it on County property behind the gym. Well, I was actually trying to help him with the cardboard. As you all know, I'm very big on recycling, and he tried to use the police against me to try to force me out of there. So thank you all guys for...especially you, Gabe, congratulations on the elections. I heard you guys been...

CHAIR JOHNSON: Thank you, Mr. Law. I...I appreciate the kind words. You want to...you want to speak to --

MR. LAW: *(audio interference)*

CHAIR JOHNSON: -- the agenda, which is about affordable housing?

MR. LAW: What is the agenda? I don't have...that's one of the things, I don't have a computer or nothing, I don't know what the agenda is.

CHAIR JOHNSON: Okay. It's about --

MR. LAW: What is the agenda?

CHAIR JOHNSON: -- affordable housing and the plan. The Affordable Housing Plan...

MR. LAW: Well, that's why I'm behind the gym. Everyone know Kula is very expensive, there's no...I'm not going to get a house up there. I'm working on...with...working with the neighborhood, the guy might let me live in his van down across from Yuki Lei Sugimura's house, and yeah. So I appreciate, like I said --

CHAIR JOHNSON: Yeah.

MR. LAW: -- getting this opportunity to talk to you guys, express my opinions. And I just wanted to say thank you. Like I said, somebody told me...Lisa filled me in on the...the laws and stuff that you all have been battling and the Police Department has been very...I'm not sure what the word is, polite to me and very...and trying to understand and follow. So if it weren't for you guys --

CHAIR JOHNSON: Okay.

MR. LAW: -- directing them on how to go, my things might have turned out differently for me,

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and they might have just said get all...get out of here, you've got 24 hours. And then they say --

CHAIR JOHNSON: Okay.

MR. LAW: -- don't get out here. And then they say well, how am I going to get my stuff out of there, like they don't care. It's just like don't come back --

CHAIR JOHNSON: Yeah.

MR. LAW: -- and once your stuff's gone and your papers and all, then you can't do nothing.

CHAIR JOHNSON: Yeah. I...I understand that, Mr. Law. I...I --

MR. LAW: Okay.

CHAIR JOHNSON: -- I know it's not easy being in your shoes. So that's kind of why we're here, we're trying to help, you know, folks in need of the most. So thank you for your testimony. I really appreciate your time coming out here and testifying. Members, do we have any --

MR. LAW: *(audio interference)*

CHAIR JOHNSON: -- questions for Mr. Law?

MR. LAW: Oh, my time's up.

CHAIR JOHNSON: Hold on. Let's see if we have a question. We do have a question for you. Go ahead, Councilmember Keani Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair.

MR. LAW: Hi, Keani.

COUNCILMEMBER RAWLINS-FERNANDEZ: Aloha, Mr. Law, long time no see. Mahalo for your testimony.

MR. LAW: Yes.

COUNCILMEMBER RAWLINS-FERNANDEZ: So I just wanted to find out if...if there was a way for you to testify. Mr. Law, Chair, was a pretty consistent testifier when we were meeting in person last term and then, you know, the transition from the pandemic.

MR. LAW: Okay. So...

COUNCILMEMBER RAWLINS-FERNANDEZ: We can work on --

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MR. LAW: Is that your question?

COUNCILMEMBER RAWLINS-FERNANDEZ: -- getting...yeah, for you to testify.

MR. LAW: Just like...I think I heard in Lāhainā, there's a remote office, I think we need a remote office up in Kula.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Mr. Law.

MR. LAW: Councilmember Sugimura, any questions on that?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair.

CHAIR JOHNSON: Oh, go ahead, Councilmember Sugimura. That's...that's a valid point. Go ahead.

COUNCILMEMBER SUGIMURA: Yeah. So Mr. Law, can you spell your last name? Is it Lau like in Chinese Lau --

MR. LAW: It's pronounced Lau. It's...

COUNCILMEMBER SUGIMURA: -- or is it Law?

MR. LAW: It cost me 200 bucks to...to petition the Lieutenant Governor to change it to Law. My birth certificate says James Lawrence (*phonetic*) but I...ever since I been here in Hawai'i my name is Jasee, J-A-S-E-E, L-A-W, Law. Like, you know --

COUNCILMEMBER SUGIMURA: L-A-W.

MR. LAW: -- there's a new law in town. Hey, so I just wanted to thank Pastor Higa...oh, I'm sorry, Councilmember Sugimura, did you have anything?

COUNCILMEMBER SUGIMURA: No, so that was --

MR. LAW: Another question?

COUNCILMEMBER SUGIMURA: -- I always wondered how you spelled your name. That...is that your legal name then?

MR. LAW: Depends on what you mean by legal. Hawaiian legal? I don't have a lawyer. Is that it, Mr. Chairman?

CHAIR JOHNSON: Yeah. Oh, it looks like that it's for...any further question, Ms. Sugimura? Do you have anything to add to that? I think you were muted for the last...okay.

MR. LAW: I want to ask Suki Lei...Yuki Lei a question.

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CHAIR JOHNSON: No, it's not how it works, Mr. Law.

COUNCILMEMBER SUGIMURA: That's not how it works.

MR. LAW: Where are you, Yuki Lei? I see the...I see the trees. Your hair looks nice today.

CHAIR JOHNSON: Okay. All right. Thank you for your time. Aloha. Have a good one. Ms. Stewart, will you call the next testifier please?

MS. STEWART: The next testifier is Todd Apo, to be followed by Kai.

CHAIR JOHNSON: We can't hear you, Mr. Apo, if you want to unmute yourself. Staff, of course we're going to unmute him on our end, I'm sure.

MR. APO: There we go. Is that better? You're able to hear me now?

CHAIR JOHNSON: Got you loud and clear. Thank you, Mr. Apo.

MR. APO: All right. Sorry about that. Aloha, Chair, Vice-Chair, and Committee Members. Thank you for the opportunity to testify on behalf of Hawai'i Community Foundation. We've submitted written testimony from our CEO and President, Micah Kane. Again, first just want to thank all of you for taking this leadership and...and having this plan done. It's a huge step. As we say in our testimony, you know, the community, we all hear it, we know it, need your leadership as we work through this issue. From the Hawai'i Community Foundation side, we have been working with our House Maui initiative over the last year. Got a little interrupted by the pandemic, but really focused on willing to put our resources, time, expertise, effort into helping bring an objective view into solutions for housing. And again, citing the bill of testimony, we know, you know, to get to solutions, everyone is going to be a little bit uncomfortable. Developers are going to be a little bit uncomfortable, the Council may be a little bit uncomfortable, and the Mayor and the Admin is going to be a little bit uncomfortable, but that's what we need to all get to. We need to continue to work hard to get through that uncomfortableness to get to solutions. And you know, I think in the past we talk about broken systems of the past that haven't served the residents of Maui, and sometimes it's hard to keep pushing through those difficulties, but we want you to know that we are here as a resource for you as the Council, for the County as a whole, to try to solve through some of that, work through some of that. You know, some of the three points that we hit on the third page of our testimony, you know, the devil's in the detail. The plan lays out a lot of good things. There's some things we definitely agree with. There's some things we really don't agree with. And looking forward to having, being a part of those discussions to find the right answers. But as we get into those details, that's what's going to provide true solutions. The other one is that we see solutions on the horizon. Some of our work so far with the County being able to bring State and Federal Government resources in, being able to make sure that...that the right discussions are going on amongst the parties have...have started to come together. The work of financial counseling centers, not just the FOC that Hawaiian Community Assets has started, but others are making sure that residents are ready when those opportunities come along,

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and it takes both sides of the equation to be worked on and put together to get to those solutions. So please know that we're resource, please reach out. We will continue to stay engaged. Whether as a Council as a whole or individually by your offices, please let us know how we can help. Because we know it's a crisis, we will work as a community foundation to...to serve the community, just as all of you do as a Council. And so again, look forward to many more discussions, getting through a lot of issues, and finding those solutions. So thank you very much.

CHAIR JOHNSON: Thank you, Mr. Apo. Thank you for your testimony. Well said. We do have a question for you from Councilmember Sugimura. Go ahead, Councilmember.

COUNCILMEMBER SUGIMURA: Thank you, Chair. Nice seeing you, Todd. I do not find your testimony from Hawai'i Community Foundation, so I wonder if you could send it. I...I'm looking on eComments, and I don't see it there. Sorry if I missed it. I wonder if you could send it again.

MR. APO: I...I will...again, yeah, I think...I think I got it attached in eComments, but if not...regardless, I will send it to the clerk as well as to your offices.

COUNCILMEMBER SUGIMURA: Thank you. Thank you.

CHAIR JOHNSON: Okay. Councilmember Paltin, you had your hand up?

COUNCILMEMBER PALTIN: Yeah. Thank you, Chair. Thank you, Mr. Apo. I...I did see your testimony with the attachment in the eComment. It's the second one down for me. My question was, you know when you mentioned about pulling together State and Federal resources, one of the things I think some of the other testifiers mentioned was, you know, worldwide or within the USA, there's no shortage of folks that would like to buy a house in Maui. And when you're talking about bringing in Federal resources, that also brings in people from the continent as well. So I just was wondering if you could clarify on that? Like, you know, we're focused on...we have a big problem for housing for the people that already live here, and...and I'm not opposed to Federal dollars, but it's the strings attached with it that is a problem. Because if we're having a hard time to house the folks that are already here, and those Federal dollars opens it up supposedly nationwide, then it's like a lot more people that we're going to have to plan for. And so I just was wondering if you could clarify how that works out?

MR. APO: So couple of quick answers. So number one, I want to point out to...I think to the crux of your question is, we support the...the...the idea that anything that's getting Government subsidy, whether it's State, Federal or County, ought to be for Maui residents, right? And so, you know, making sure that it is a primary residence, not something that someone's using part-time, is something that we believe is a must to get to this. So we do not believe in the Federal dollars that we are looking at, whether through the RAISE grant that the...that the County has applied for or other Federal dollars that we have talked about at least with some of our Hawai'i delegation would open up any of those rules or differences to not be able to make sure that the affordable housing that gets developed is required to be for Maui residents, Maui County residents,

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right? So you know, I think that requirement is important. You know, I know in the...in the plan there's the recommendation that it...you have to have a two-year residency before you can apply. I think that's an interesting one to discuss. We've had a bunch of discussions internally already about that. You know, you don't want to stop...or you have needs, whether it's for teachers or firefighters or...or service individuals, kids who want to move home. They may not have a two-year residency, but you want to find a way to provide them with a home, provided that that's going to be their primary residence and they are committed to being a resident of...of the County. And so it's a detail that needs to be worked through, but definitely hear you, we do not want to risk that focus on residency and residents by bringing in any other resources. We need to find other resources that will allow us to continue to do that.

COUNCILMEMBER PALTIN: So just to clarify, you're saying that there is Federal money available that doesn't require us to open up the housing that's built with the Federal money to the rest of the supposed nation?

MR. APO: Yeah. So little bit different, just...I just don't want to mix words too much, but the Federal dollars that we've been talking about is for infrastructure, road infrastructure mainly. And so it would not be for individual houses that would run into issues about what you could restrict or not restrict. The actual housing development would still come through HHFDC, your County, the Affordable Housing Fund, so those restrictions could still be applied. It's just the infrastructure that the Federal dollars would go towards.

COUNCILMEMBER PALTIN: Thank you. Thank you for that clarification. It helped me a lot. Thank you, Chair.

CHAIR JOHNSON: Okay. Thank you, Ms. Paltin. We do have another question for you from Councilmember Kelly King.

COUNCILMEMBER KING: Thank you, Chair. Aloha, Mr. Apo. You know my understanding is that HHFDC is considered Federal funding, and we've been told...you know, we've been using that kind of funding for affordable housing for many, many years, and always been told there's no way to absolutely restrict those...any project that's using that funding from mainland sales. So...but you're saying that...that you believe that HHFDC is State money only?

MR. APO: No, it is a mix. HHFDC administers both State allocated funding, appropriated funding through the Legislature, as well as Federal fund dollars. And so yeah, it's definitely an issue that needs to be looked at as to how you work through those based on where the funding is coming from. And...and there's people who are much better experts of that than...than I am. Yeah, I think the upside is we all recognize the issue, we all recognize the desire we're trying to get to, and so I think we can be careful about what resources we use, whether it's for infrastructure...

COUNCILMEMBER KING: I just wanted to clarify, you weren't saying that HHFDC is not Federal funding because for years I've been told that every time I bring up that issue. And that is one of the...the...the main streams of funding for the affordable housing

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we've been approving, so. But thank you for (*audio interference*). It is a very real issue that we have to deal with.

MR. APO: Yes.

CHAIR JOHNSON: Okay.

COUNCILMEMBER KING: Thank you, Chair.

CHAIR JOHNSON: Thank you, Councilmember King. Any further questions for Mr. Apo? Seeing none. Thank you for your time. Aloha.

MR. APO: Mahalo, everyone. Aloha.

CHAIR JOHNSON: Ms. Stewart, can you give us a count on how many more testifiers we have, and then call the next two please.

MS. STEWART: Yes, Chair. We have five testifiers, and then two additional who did not respond to the first call, so perhaps a total of seven. The next testifier is Kai, to be followed by the user logged in as Student.

MS. MACDONALD: Aloha.

CHAIR JOHNSON: Okay. Aloha. We can hear you.

MS. MACDONALD: Yes. I'm so sorry, I'm actually calling from San Antonio, Texas, so we're like in the middle of a major storm, so I want to keep my data down. So let's see. Aloha mai kākou, everybody. My name is Kainoa Lei MacDonald. I want to go on record saying that I support the AH-14 efforts on Hawai'i [*sic*] Community Assets survey in its efforts to address affordable housing. Bravo. Good job. We were able to assist Hawai'i [*sic*] Community Assets through a bunch of partnerships to get more beneficiaries to attend these meetings, and so we're happy to see that, you know, the survey gets to get deployed. I do have one question, which is, what are the future plans, you know, to address the future development? And what is...what is the Council's take in consideration of, you know, connecting with more native locally-owned companies to where they would be in partnership with the development in building, you know, that higher, you know, locally...you know, local employees, you know, with that skill set for all future developments. Because economy, you know, I am one of those statistics everybody's been talking about. I actually do serve on the AHHL board, which is the Association of Hawaiians for Homestead Land, and we serve the 29,000 on the wait list, beneficiaries on the wait list. I'm also a project partner with Pā'ūpena CDC, who's currently running a beneficiary survey as we speak, and that's...entity is located up at Waiohuli, Kula. And so a lot of our discussions and policies that we talk about, both on the AHHL board and Pā'ūpena is really about building capacity. And through building capacity, it's about, you know, really ensuring that if we could help, you know, position more local Native Hawaiian businesses and, you know, into a position, would the Council consider, you know, hiring these...these companies to do the work. So

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that's one. I also am the owner of Credit Edge Solutions, and I am a project partner together with Pā'upena and presently and currently doing credit literacy for beneficiaries, as well as some businesses here. And that business, through COVID, took me to move away from, you know, being born and raised on Maui. And I made the decision to move to San Antonio, Texas. And so, you know, my advocacy through here comes through my work together with the AHHL and with Pā'upena. And I serve...you know, I do a lot of service work to bring in much-needed resources, not only for beneficiaries, but also for local people to build their own capacity. I also support many CDFI organizations that can bring in much-needed funding. As we know, COVID is really going to, you know, hit, you know, the budget belt, and so by bringing in resources, you know, . . . *(timer sounds)* . . . such as CDFI...such as CHA...C...HCA, you know, to be able to address Federal funding. So I hope I addressed my main question, and I look forward to hearing your response. Thank you.

CHAIR JOHNSON: Thank you, Kai, for your testimony. I have a quick clarifying question for you. What was your --

MS. MACDONALD: Yeah.

CHAIR JOHNSON: -- last name?

MS. MACDONALD: MacDonald.

CHAIR JOHNSON: Okay.

MS. MACDONALD: M-A-C...

CHAIR JOHNSON: All right. Thank you so much. Okay. Gotcha. Members, do we have any questions for Kai MacDonald? Seeing none. Thank you once again for your testimony. Aloha. Ms. Stewart, will you call the next testifiers please?

MS. STEWART: Next on the list is logged in as Student, to be followed by Devin Vinoray.

CHAIR JOHNSON: Okay. Do we have a testifier labeled as...as students [sic], are you on the call? If you'd like to unmute yourself, you can testify now. Okay. We can circle back to that person. Ms. Stewart?

MS. STEWART: Next is Devin Vinoray, to be followed by Leonard Nakoa.

MR. VINORAY: Hello. Can you hear me?

CHAIR JOHNSON: Yes, we can, loud and clear.

MR. VINORAY: Hi, good afternoon. My name is Devin Vinoray. And I recently moved back to Maui in 2019, and originally I am born and raised, growing up Upcountry, Maui. And you know, I just moved back, pandemic hit, and you know, it's kind of a weird phase, we're all adjusting. And I think...you know, I'm 27, and a lot of people my age that grew

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up on Maui and are making their way back or trying to make their way back have a goal of owning a home here and raising a family. And because of the pandemic, you know, unfortunately the median cost of a home has gone up to over a million dollars. And looking at a *Maui News* article from January 25th of this year, it says that out-of-state buyers account for 30 percent of Maui home sales. And so how that relates to affordable housing, you know, I do think that we're making a lot of progress...progress in helping the local community afford a home, but I do think that there is a grey area in which non-residents may also benefit from our efforts, and your efforts especially, to create affordable housing for our community. I think just another recent example with the Hokuula development that recently had a groundbreaking ceremony. I think there was about 200 units, and the applications for residents to apply and people to apply was only about two or three months, and it wasn't well marketed. Like we kind of discussed earlier in this testimony hearings that there's a lot of demand, everyone in the continent, everyone in the world would love to live on Maui and afford a home here. And so I think going forward, personally I would like to see more, I guess, commentary on when we do these projects for affordable housing, who specifically is, you know, ending up with the housing that you guys are creating, that everyone on this Committee is creating. Is it a percentage majority of residents or non-residents, things like that. And so over the next five years, you plan to create 5,000 homes. And so is there a residential demand for that number of homes, or are we going to see a mix where residents are going to apply, but majority of it is going to go to non-residents? That's just a few thoughts I'd like to share. Thank you.

CHAIR JOHNSON: Okay. Thank you, Mr. Vinoray. We do have questions from our Councilmembers. Let's start with Councilmember Paltin, followed by Councilmember Sugimura.

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Mr. Vinoray, for your testimony. I guess I was wondering if you could clarify for me what your definition of a non-resident is? Kind of because you said you recently moved back here. And so I...I just would...would ask what is your definition?

MR. VINORAY: So my personal definition is, you know, a resident is someone that resides in Maui, in Hawai'i, for majority of the year, six months and one day. They also would pay income and State taxes for residing in Hawai'i. And so when I graduated from college, just as an example, in 2017, but my whole time going to school I had a Hawai'i driver's license, you know, I lived and filed my dependent taxes in Hawai'i. And so like it's...it is a grey area of course, but that's...that's how I look at it, is if you're paying taxes to the State, that's where you should kind of live and...

COUNCILMEMBER PALTIN: Thank you. Thank you for that clarification.

MR. VINORAY: Yes. Thank you for your question.

CHAIR JOHNSON: Okay. Member Sugimura?

COUNCILMEMBER SUGIMURA: Yeah, thank you. So Devin, my question was something

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similar because this plan does call for qualified residents, like creating like this wait list, and I think you defined what you think would be a qualified resident. The plan does call for two years to be a resident here, and I think more details have to be vetted out. But I wondered what you thought about that.

MR. VINORAY: I think...I think two years is a...a good number because I...I...I...my intention is not to...not to hinder people from moving here and, you know, they don't buy a house, but they move here and they work here and they...they assimilate into the community. And then after two years, right, they can qualify for workforce housing and...and, you know, afford a home that way or...or otherwise. And so I do think that two years is at least a minimum requirement for...for future planning for affordable housing.

COUNCILMEMBER SUGIMURA: Thank you. And thanks for sharing your other clarification about paying taxes and being...being part of...I guess there's a tie with that, but I guess more has to be vetted out. Thank you. Welcome back.

MR. VINORAY: Thank you. I appreciate it. Thanks, everyone.

CHAIR JOHNSON: Okay. Thank you, Devin. Seeing no further questions. Thanks again for your testimony. Ms. Stewart, will you call the next testifiers please?

MS. STEWART: The next testifier is Leonard Nakoa, to be followed by Noah Walin.

MR. NAKOA: Howzit, howzit, howzit. I was just going listen, but you guys give me chance for talk, I going talk. But what you call, yeah, us locals, we live here 50 years, we just like one place for stay, yeah, or live instead of staying my mother's house, li'dat. My two daughters just went graduate. One graduate from college, one going college. Their boyfriends, they...they all, you know what I mean, they all doing their future, but they no can kind find a house li'dat. So this is what we gotta do, this is who we looking for, the houses for. I hope so that this research dat...dat just went be done by the Assets guys, it actually gets done. 'Cause I...hey, I know we did dis before, you know, we did dis kine stuff, the research and all the kine stuff before. Nobody went move on 'em. You know, I was trying to be a part den, and I was a part of it dis time. I was on three of the meetings. Try...yeah, try do something. And I going say dis again, check the Planning Department, gang. That's the one get, you know, all this developers gotta go through them. You know, all the...you know, some...some things seem so illegal, but den they find a way to say it's legal. You know, it's just...please, I mean, you...just really do something, no joke. Just go really do something, brah. I...like I just was at one...cruising this weekend and that's all I could hear, everybody frustrated. The locals is so piss off, not joking, about all...and den you guys talking about the mainland people coming and all that kine stuff. Yeah, I sorry, brah, we sick and tired of 'em. Literally coming over here and taking our...taking...taking our...our land and our houses. And I mean serious, brah, we kinda tired hear this thing about 'em. And the bruddah just before me, you know, about the two years, that kine stuff, you know what, I get plenty friends that, you know, come paddle canoe and den they just stay here couple years. Even they no say dey like one house before us locals. Dey even...dey get the respect for say dat. Dat you know what, they yield to the guys that was here forever. You know,

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we gotta take care us, the Hawaiians, the guys that live here all our lives. You know, and den I mean just sick and tired, just sick and tired. Yeah, we going start doing something, we going...yeah. But I going educate myself and see what's happening with this Hawaiian Asset thing. Hopefully you guys did something positive. And where the Mayor? Tell him...the Mayor that was waiting for this one, that's why he went cancel...he went cancel that Bill 10 thing yeah? Where his ass? Why he not saying nothing about this thing? I'm sorry, but you know what I mean, and Sandy Baz, you stay on this buggah, you better listen too. You part of the problem too. Okay. Shoot.

CHAIR JOHNSON: Okay. Junya, we have some questions for you from Councilmember Sugimura.

MR. NAKOA: Ready.

COUNCILMEMBER SUGIMURA: So Chair, just a clarification, if I could. So I was the one who mentioned the two-year term, not the previous testifier, because it's part of the plan, so I wanted Devin's opinion. So apology to you, Mr. Nakoa, I didn't...I didn't try to put words in his mouth, I was just saying that the plan has that. So I guess the question to you is on residency for qualification, like this wait list, to qualify for these affordable homes, what do you think about the two-year requirement to be part of a list?

MR. NAKOA: I think I went clarify 'em by saying dat dat is too short. I mean no joke.

COUNCILMEMBER SUGIMURA: Okay. Thank you.

MR. NAKOA: I mean 'cause even when I did...when I did affordable housing projects, you know, we was thinking like the five, the tens, and all dat kine stuffs. Make 'em 20, you got to be here 20 years, no joke. That's the guys who really need one house, that really like stay here. Not the kine guys come for two...two...two years and think dey like...dey like live here. The guys that been here over 20 years, dey really like be here, and dey care about the place.

COUNCILMEMBER SUGIMURA: Thank you. Thank you for letting me clarify that, Chair.

MR. NAKOA: You're welcome.

COUNCILMEMBER SUGIMURA: Thank you.

MR. NAKOA: You're welcome.

CHAIR JOHNSON: Of course, Councilmember Sugimura. Members, any further questions? We do have one from your Councilmember Paltin. Go ahead.

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Mr. Nakoa. And I just wanted to clarify, that 20 years would count from...from birth, yeah? Like I mean if you were born here, 20 years, that would be...

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MR. NAKOA: Yeah.

COUNCILMEMBER PALTIN: Okay.

MR. NAKOA: Yeah.

COUNCILMEMBER PALTIN: Fine.

MR. NAKOA: Yeah. And then you...you know what I mean, maybe you go leave little while for go college li'dat, but you know what I mean, and then you come back you live over here. I think dat still would count, yeah, you know what I mean from the born...from when you born to the kine, you know. Yeah, you guys got plenty work for do, dat's why I like...I like be on 'em for educate myself on what you guys...what the Assets guys went do.

COUNCILMEMBER PALTIN: Or...or maybe --

MR. NAKOA: Mahalo.

COUNCILMEMBER PALTIN: -- if you were born here and lived continuously or you just went away for college, that would...that would count regarding *(audio interference)* --

MR. NAKOA: Hell yeah. Yeah.

COUNCILMEMBER PALTIN: -- 30 years or 40 years. Okay. Thank you.

MR. NAKOA: Yeah, yeah, yeah, yeah. You're welcome.

CHAIR JOHNSON: Okay. Any further questions for Mr. Nakoa? Seeing none. Thank you once again for your testimony, Junya. Okay.

MR. NAKOA: You guys have a good one.

CHAIR JOHNSON: Ms. Stewart, will you call the next testifiers please?

MS. STEWART: Next on the list is Noah Walin, to be followed by Tierra.

CHAIR JOHNSON: Mr. Walin, the floor is yours. Are you on the call? Okay. We can circle back to that person, and if you can just call the next two for us, Ms. Stewart.

MS. STEWART: Next is Tierra, to be followed by Michelei Tancayo.

CHAIR JOHNSON: Aloha. We can see you, but we cannot hear you. Can you unmute yourself, Tierra?

MS. GHARIBI: Hi. Aloha, everybody. If I could go after the next person, that would be amazing. I joined on the call --

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CHAIR JOHNSON: Sure, sure.

MS. GHARIBI: -- but I want to make sure that I...yeah. I'll go right after them.

CHAIR JOHNSON: Okay.

MS. GHARIBI: Thank you so much.

CHAIR JOHNSON: All right. Yeah. Okay. Go ahead, Ms. Stewart, call the next testifier please.

MS. STEWART: The next testifier is Michelei Tancayo, to be followed by Tierra.

MS. TANCAYO: Aloha.

CHAIR JOHNSON: Aloha. We can hear you.

MS. TANCAYO: Okay. So you know, I agree that we do need more affordable housing, you know, in Hawai'i, particularly on Maui, which is the island I live on. But my concern is the location of these affordable housing. You know, are these houses going to be built on ceded lands? And if so, is there some kind of requirement, you know, just like how you was trying to put maybe two year, five year, 18 years, you know, in order to qualify. If it's on ceded lands, can it be for, you know, Hawaiians...Hawaiians only? And that's the point I want to make, or what I'm trying to say is, where is this location that these affordable houses are going? And is there something we can do about getting our Hawaiian community in these homes on these ceded land location? Mahalo.

CHAIR JOHNSON: Oh, okay. Thank you, Michelei. Members, do we have any questions for her? We do have one from Councilmember Rawlins-Fernandez. Go ahead.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Aloha, Ms. Tancayo. Mahalo for your testimony today. My question is to...so to clarify your testimony, is your request that if affordable housing is built on ceded land, that there would be some kind of similar requirement like DHHL that it would require the applicants or person seeking housing on ceded lands or seized lands --

MS. TANCAYO: To have Hawaiian, yes.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- be able to track their ancestry?

MS. TANCAYO: Yes.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay.

MS. TANCAYO: So --

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo. Go ahead.

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MS. TANCAYO: -- you know, I said this years...years before when...so okay. I applied for a loan through First Hawaiian Bank, and it was an OHA loan. And First Hawaiian Bank is, you know, like one public bank, anybody can go and get a loan from this public bank. However, for this OHA loan, I had to be Hawaiian. And the good thing about OHA is they don't have one income...I mean not income, but blood quantum requirement. So I'm wondering, if this is ceded land, can we reach out to OHA, can we get OHA involved where, you know, HDT...DBC or whatever those four letters are, sorry, can OHA channel these homes through maybe, you know, Hawai'i Authority or whatever that letters are where you can build homes like...like you know, how...how was I able to get this loan, this OHA loan only for Hawaiians through First Hawaiian Bank. That's something I'm trying to think about, how can we...you know, because I've heard before that oh, if it's State we got to...you know, we got to allow everybody to apply. But if this is ceded lands, you know, there's that little discrepancy with ceded lands that that should be for the benefit of Hawaiians. So I'm trying to figure out how can we get that...you know, get that going. Should we bring OHA involved in this and then they can channel...you know, they can go from providing loans to providing homes, or can we require the State or County have that note that this is ceded lands, and how can they assist in bettering the Hawaiian community based on the purpose of the ceded lands to benefit Native Hawaiians. Did you get that? I don't know if...

COUNCILMEMBER RAWLINS-FERNANDEZ: Yes, mahalo. Perfect. Mahalo for that clarification, Ms. Tancayo. Mahalo, Chair.

CHAIR JOHNSON: Okay. Thank you for that, Councilmember Keani Rawlins-Fernandez. Members, any other questions for Ms. Tancayo? Seeing none. Thank you once again for your testimony.

MS. TANCAYO: Aloha.

CHAIR JOHNSON: Ms. Stewart...aloha. Ms. Stewart, will you call the next two testifiers please?

MS. STEWART: The next testifiers are Tierra, to be followed by the testifier with the last four digits 3059.

MS. GHARIBI: Aloha, everybody. My name is Tierra. Thank you so much for having this meeting. Shucks. Sorry, I had to catch my breath, I had go up two flights of stairs. But you know what, I found out about this meeting through Hawaiian Community Assets, my financial advisor, Rhonda. And I'm 33 years old. Nobody really taught me...I'm a Native Hawaiian. My parents never taught me about how to, you know, go about homeownership. And the only reason why I started getting into this is because my husband and I started moving into homeownership as of this year. What grieves me is the fact that it...it's...if my husband hadn't gotten his new job...I'm an entertainer, you know, thank God that I make enough money to get by. But if my husband hadn't gotten his new job, we probably would not be able to afford a house. You know, a lot of the houses right now are going for over a million dollars. And affordable housing is coming

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up, thank God. I'm hoping that you guys are going to push this through and...and that we're going to have more options as local people because it's...it's really sad to hear that over the pandemic, many local people have been moving away because they can't afford to live here. You know, we...everything is high. You talk to anybody who lives here, they're working two to three jobs, you know, trying to just pay for their rent. And right now, it's ridiculous because if you're looking at a shack made into a studio, people are asking for at least \$1,200. And how can you expect to get ahead and buy a house when you're pretty much paying just to live? And I...as an entertainer, I'm constantly sharing our Hawaiian history with a lot of people who come from all over the world. I meet people who are owners of oil companies, and people who have money, and you look at...out into the audience and you see that, you know, these people probably have homes here. And as a local person talking about our 'āina, about Maui, and the stories of our places, it really grieves my heart that as a local, if I was by myself trying to buy a home, that would be nearly impossible. And so I just wanted to come on today and speak on behalf of a lot of local people that I've met that are struggling not only to make it by, but just to buy a home. It...it's...it really is taking on a mountain. And my husband and I have discussed a lot of different options of moving away because it's expensive to live here. I would be looking at paying for my mortgage for the rest of my life if I get one million dollar house, if I get one, if I'm not overbid by somebody who lives from the mainland and can pay cash. You know, I...I...I couldn't afford to do that. And so that's why today I wanted to come up and stand up for something like this that I hope, I hope, I hope . . . *(timer sounds)* . . . that we as people will be able to get into affordable housing. And that's all I wanted to say.

COUNCILMEMBER RAWLINS-FERNANDEZ: It looks like our Chair has lost connectivity. Perhaps our Committee Vice-Chair can temporarily take over?

VICE-CHAIR MOLINA: Thank you very much, Council Vice-Chair Rawlins-Fernandez. So until we get our Committee Chair back online, Members, you have any questions for our testifier Tierra? Member King?

COUNCILMEMBER KING: Thank you, temporary Chair. Appreciate the opportunity. Aloha, Tierra. Thank you for coming and...and speaking up. And I know your story, we've heard it thousands of times. I know it's...it runs true and deep. But you know, speaking for...you're about the same age as my son, who also does not have a home. But speaking for you and your peers, what range do you see as being affordable, or what range of homes you see as being affordable? I don't think it's a million dollars, so there's probably some...something well below that level that you would see as affordable to...to your...your peers.

MS. GHARIBI: To myself, I think about \$400,000 is affordable. That seems doable for me.

COUNCILMEMBER KING: Okay.

MS. GHARIBI: But you know, some of the affordable housing I've seen that they've made in Haliimaile, those are all like 560,000, maybe even 700,000.

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COUNCILMEMBER KING: Right. Well --

MS. GHARIBI: And like I said...

COUNCILMEMBER KING: -- it's...it's important because...because we understand that, and so a lot of us are using --

MS. GHARIBI: Yeah.

COUNCILMEMBER KING: -- the term truly affordable housing and, you know, that's kind of what we're trying to figure out, what is that sweet spot. So your input is really important. Thank you for that.

CHAIR JOHNSON: Okay. Thank you, Councilmember Kelly King. We have another question for you from Councilmember Shane Sinenci, Tierra, so hold on one sec. Go ahead, Shane.

COUNCILMEMBER SINENCI: Mahalo, Chair. And mahalo, Tierra, for your testimony this morning. It looks like from this report...I'm just reading off the...the...the news. It says the plan estimates a need for 300 million in investments by the County, then also another 789 million in housing supports to local residents so that we can get housing for under the 120 percent AMI. So...so this is not going to work without the County heavily investing into 5,000 homes in the next five...five years. So...but and...and I understand that, you know, you and your husband and have been hustling and...and you guys are in a...in a good position. I...I still live home with my...at my parents' home. But do you see that same in your family, in your immediate family, are there people that are in...in dire situations than yourself?

MS. GHARIBI: Yes, I do. Actually, right now I live in EAH housing, which is affordable housing, Kahului Town Terrace. And my sister also lives in the same housing complex. And you know what, thank God for EAH housing because I...you know, we pay \$969 a month, which is doable. And my sister is actually going to be moving here with my father. My father owns...he has a Hawaiian homestead, and they're actually looking at building an extension and having my sister guys move in, and then opening up the house to...you know, if any of us other kids want to come in and try to save up for our own house. The only problem with that is that we...I mean, I know that a lot of people are able to go in and move with each other, you know, that's how some people get ahead, but if you're like...anything like my father and I, we're both Taurus, and we both butt heads and, you know, we cannot have two chiefs of the house. So I...that's impossible for me, especially being that I'm married, I have my son. Trying to live with my sister, her husband, five kids, okay, my mom, my dad--and my dad, who's the main chief--and my mom is going to ask me oh, you never clean up, how come you never do this, la, la, la. I cannot...as an adult, 33-year-old, I cannot. But it's hard because living in EAH housing we deal with roach problems, we deal with crazy people, neighbors, you know. So it's like we're trying to just push through to make what we can to meet the goals of trying to buy a house. So trying to live with other people might work for other people, but I know for my Hawaiian family, that is not doable.

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COUNCILMEMBER SINENCI: Mahalo, Tierra. Yeah, it's definitely...yeah, your testimony covers a lot...including myself. So again, mahalo for your testimony today. Thank you, Chair.

CHAIR JOHNSON: Yeah, thank you, Councilmember Sinenci. That...I just came out of low-income housing right...in November right before election, so I...I feel you. We do have some questions for you from Councilmember Paltin though, Tierra, so hold on one sec. Go ahead, Councilmember Paltin.

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Tierra. I...I was wondering...when you said that you were working with Hawai'i [sic] Community Assets and they had directed you to this. I just was wondering, do you feel like you are prepared to make applications for either workforce or affordable housing? Like you...you don't have to share with us, but that you know what your AMI is, and like what is the...the range corresponding to the AMI that you're in of what the houses would cost, and...and so forth? Like by working with Hawai'i [sic] Community Assets, do you think you're prepared enough to take those next steps?

MS. GHARIBI: Yes. Rhonda, shout out to Rhonda, she's amazing at Hawaiian Community Assets. Thank you guys to the County for funding this program because all these things that they've been teaching us step by step, I never know. Hey, credit got to be good, savings got to be good, work history. Now mind you, for me and my husband, my husband is not from here, so we got to wait...kind of wait until his work history is set. But as for knowing where we're going and the direction, I mean, Hawaiian Community Assets is such a blessing. And they keep us on financially, making sure we know what loans we're going towards. And so I...I honestly wouldn't know where to go if it wasn't for Hawaiian Community Assets. So...yeah.

COUNCILMEMBER PALTIN: And do you think it's a well-known resource, like within your housing complex, for folks that would like to attain that housing that...to go through them?

MS. GHARIBI: Well, you know what, I'm...I'm pretty sure they probably could give the office like, you know, like a flyer so they can put it up. Because the reason why I found out was that...about Hawaiian Community Assets was through Instagram, and Mayor Victorino had this whole ad. And so I was like what, and so I checked it out, and that's how I found out about the program. But I did know about it a couple years prior. But now that they got re-funded again, we started going through that. But I think it could be pushed out more, especially for the local community. Because I mean, I've been meeting so many people that are in the same boat as I am, and they're like, I don't know if...I cannot afford that much money, so I...I always direct them to go and check out Hawaiian Community Assets. And you know, like the first homeowners program through Maui County, I'm always telling them whatever Rhonda at Hawaiian Community Assets tells me, I'm like telling my coworkers because I...I want them to be able to move towards homeownership too, not that they have to move away. You know, it's...it's so sad when you see your coworkers saying hey, I cannot afford to live here, so

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we moving, you know, and it...so yeah. I think it could be spread out more, but I've been doing word of mouth too.

COUNCILMEMBER PALTIN: Thank you. Thank you so much for your service. Thank you, Chair.

CHAIR JOHNSON: Thank you, Councilmember Paltin, for your questions. Tierra, I just want to ask for the record, what's your last name? We have...you know, just recordkeeping. What's your last name?

MS. GHARIBI: Okay. So my last name is kind of hard, it's Persian. It's Ghareh Gharibi.

CHAIR JOHNSON: Okay. All right. Thank you so much. That's just for the record, that's all we need. All right. Thank you for your time and your testimony. Let's move on --

MS. GHARIBI: Thank you so much.

CHAIR JOHNSON: -- to the next testifier. Thank you so much. Ms. Stewart, will you please call the next testifiers.

MS. STEWART: The next testifier is logged in with the last four digits 3059, to be followed by U'ilani Tevaga.

MS. MAGALLANES: I currently reside in Kahului. We...aloha, my name is Maile Magallanes. I just recently relocated from Ha'ikū to Kahului because the homeowner decided to renovate his house and needed to move into his cottage that we were living in. And so very fortunately, we found a landlord who quickly, you know, took us in. We felt so...so super blessed that we found a house so quickly with no problems as we have...we are a family of five. I myself, I do not qualify for the County's homebuyer program, but I have a few peers...several peers that have qualified, but there's nothing on the market that they can afford, which is just so strange because I feel like it's...it's misleading, the program might be misleading for our true local families, you know, who really need the homes. I support truly affordable homes for truly local families. Like Junya Nakoa said, you know, families who have been here 20 years. I'm 32, 20 is...seems like the minimum, not two years...20 years seems reasonable because this is the generation that's moving away. And for me and my family, that's not an option. We...we...moving away is not an option for us, we choose...we were born here, we do not deserve to be driven out. It...I wish that the...there were stricter laws on the gentrification of our neighborhoods. It's such a poor sight. And I spoke at a previous Council meeting about short-term home rentals being detrimental to our growing communities because during COVID, we had to rely on each other, you know, to build our communities. And we can't...we can't do that if there's no homes for us to live in. You know, moving to Central Maui, we see more homelessness and it's...it...it's tragic. You know, I have to explain to my kids, it's just...I don't even know what to explain to my kids. But what is affordable? Yes, \$400,000. I mean, a few years ago, I think it was 500,000 or 600,000, and that wasn't even affordable, but anything less than 400,000, which should be affordable. Raising the minimum wage would be affordable. You know, just kind of encouraging

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farming, true real farming, and enforcing Agricultural lots to be agricultural areas of growing food, you know, for helping to sustain outer communities not in Agricultural zones. I think the law should be stricter. And if this isn't enough, like you know, the families outside pleading, you know, protesting for affordable housing, I mean, if you are truly working for the community, us people and the generations . . . *(timer sounds)*. . . who...I'll wrap it up. I just want to say thank you very much for your time, and thank you for working diligently for your people. And if it's too much to just ask to work a little bit harder because a lot of us are working two to three jobs just to stay alive, just to make it by. So thank you again for your time.

CHAIR JOHNSON: Well, thank you. And it isn't too much to ask. Yeah, I agree with you 100 percent. Members, do we have any questions for the testifier? Seeing none. Thank you so much for your testimony. I really appreciate it. Okay. Ms. Stewart, will you call the next testifiers please?

MS. STEWART: Yes, Chair. Did we get the name of the testifier, if I could ask?

CHAIR JOHNSON: She said it when she first started. I didn't write it down.

COUNCILMEMBER PALTIN: I think she said Maile Magallanes.

MS. STEWART: Thank you.

CHAIR JOHNSON: Oh, okay. Thank you for that.

MS. STEWART: The next testifier is U'ilani Tevaga, followed by second call for Cassandra.

MS. TEVAGA: Hi. Aloha. I hope you can hear me. I'm using my phone and my computer. Hopefully this is okay. Okay. Good. Got the thumbs-up. I am just calling in as my duty to...you know, this is an issue that's really important to me as a family of...I have five children. We were able to kind of get out of the cycle of being renters. Within nine years we moved nine times, and it's a sore spot. But we were able to buy our first home, eventually put equity in a...in a house, it went in foreclosure, and we were able to...to purchase in an area that we waited 11 years to...to get. So we bought workforce home in Lāhainā, but it's...it's very not Hawaiian to just say okay, I got mine, and then we don't turn around. And it just tugs on my heart because I've been through having a lot of children, trying to find places to rent, and so it's an issue that I feel just so strongly on my heart. And it's so awful to be pregnant, not knowing where you're going to go or where your family is going to be next month. So I am in full support of Hawai'i [sic] Community Assets. I looked into their programs. I've had many friends that have benefitted from this amazing program; however, it hasn't come with...I think without trial because of the out-of-state buyer issue where families will have luck and find an affordable home on the market, but be bought out by an out-of-state buyer, investors that are offering four times the amount. So I think that it's really important moving forward that somehow the laws are tightened up around out-of-state buyers. I also feel that this is not just the continent, it's not just America, and so when we talk about well, there's inflation everywhere, it's so different because we're...this is Native Hawaiian land

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no matter what. Wherever you are, this is Hawai'i, and I do think Native Hawaiians should have precedence over. You know, generations living here, so this six months and one day rule, I'm...I'm not sure how that benefits. Also, generational plantation families who have come from, you know, Japan and Portugal and have lived here amongst, you know, native people for that long, I think that they should also...there...there should be some, you know, thing in moving forward for truly like, you know, Junya was saying, like Michelei was saying, people that have been here for generations and plan to be here for generations, and not just trying to take, but are trying to preserve. And so I think that is something I just wanted to share. In...in the meantime, when we were waiting, you know, that 11 years to get into our home, we had to end up buying at market, thank goodness . . . *(inaudible)*. . . you know to our story, but I think that...I'm trying to hurry up. It's important to give programs because people are on these lists, and then they lose hope, and then they're not financially ready when the time comes. So programs like Hawai'i *[sic]* Community Assets, which give checkpoint for accountability, I think are really important as far as once you're on these lists, give that accountability . . . *(timer sounds)*. . . that *(audio interference)* on track. Yeah. I have a lot more, but anyway, mahalo.

CHAIR JOHNSON: Thank you, Ms. Tevaga, for your testimony. Members, we...do we have any questions for...for her? Okay. Thank you so much once again. Oh, we do have one from Ms. Paltin. Go ahead, Councilmember Paltin.

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Ms. Tevaga. I know that you said you had a lot more. I was wondering if you could just briefly summarize the main points of the a lot more?

MS. TEVAGA: Yeah. I just think that, you know, a lot of times, the middle income homeowners, they don't qualify for these low-income housing rental projects and maybe they'd like to, even if they make 100 or \$200 more. But I think case-by-case basis, it needs to also take into accountability like what they have, the liabilities, and just the higher cost of living. I think that it's really important to look at the whole, you know, not just the numbers on the sheet, but like where are these numbers coming from. As far as 2020, for people trying to make more cash flow, the fact that 2020 is going to be a wash, even if people are ready and that they're in the tourism industry for the last couples of years, they're not able to even qualify for these programs. So I think that that definitely has to be addressed because if people are trying to, you know, create more cash flow or refinance their...you know, I know we're talking about first-time homeowners, but just living off of half a pie, but now it's like 70 percent of people's whole income is going towards housing. That definitely needs to be addressed rather than just looking at numbers, but what is the total sum of what these households...and...and like I said, I think accountability. But I loved what Kainoa said about the local builders and construction owners and those things that will keep the circulation, and so that we're not so heavily reliant upon Federal dollars and Federal builders and then it comes with all this extra, you know, red tape. But yeah, that was basically what else I wanted to say, was just taking into account case-by-case situation, not just oh, this is where you're capped out at.

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COUNCILMEMBER PALTIN: Thank you.

CHAIR JOHNSON: Okay. Members, any other questions for Ms. Tevaga? Seeing none. Thanks again for your testimony. Ms. Stewart, how many more testifiers do we have?

MS. STEWART: The only remaining people are you have previously called and they did not respond, so that would be Cassandra, Student, and Visitor. And Mr. Tom Blackburn-Rodriguez has just identified himself as a testifier.

CHAIR JOHNSON: Okay. Let's start with Tom because he's ready to go. The floor is yours, Tom.

MR. BLACKBURN-RODRIGUEZ: I've been involved in advocacy in this area for many years and I have to tell you, this is the best Council dealing with this out of many very good Councils. But first of all, I just want to tell you that. Secondly, I'd just like to say that implementing the plan is a key thing, and it's all about the money. Money is necessary for the housing. And I would suggest the Council may want to consider having the County issue housing bonds in order to increase the supply of money from the funds that are flowing in. These housing bonds could be paid for by the tax increases in the housing that would be built, and it would also be paid for by the cash flow coming in for the affordable housing tax fund. And it could thereby many times multiply the money that the County has in order to have the funding for all the infrastructure and *(audio interference)* that are necessary for affordable housing. So in conclusion, I would suggest the Council seriously look at housing bonds. There are two funding sources for them. And I think they could expand our pool of funds a great deal, and we do need the money. And the funding sources as now outlined are static and do not take that into account. Thank you very much, Mr. Chairman.

CHAIR JOHNSON: Thank you, Mr. Blackburn-Rodriguez. Do we have any questions for our testifier? We do have one from Councilmember Sugimura. Go ahead, Councilmember.

COUNCILMEMBER SUGIMURA: Thank you, Chair. So just kind of...good afternoon, Tom, nice to see you. So just kind of a clarification. So you're saying the bonds, the County bond should be...we should bond the Affordable Housing Fund to build infrastructure, or houses, or what are you...I'm sorry, I didn't get the connection.

MR. BLACKBURN-RODRIGUEZ: I'm saying that we should put...issue bonds onto the market to be purchased with the understanding that *(audio interference)* because we would be building housing that will increase our property tax base, which can help for those bonds. And also, because 3 percent now going from real property tax rates into the Affordable Housing Fund, which can also be supplemented by additional money from the Council. But in speaking with other *(audio interference)* country, one of the questions that's raised is, why aren't you using this capital in order to increase the power of your money rather than simply taking it in and spending it? So that's what I'm talking about, Ms. Sugimura, is take the money we have *(audio interference)* power. Rather than simply take it in and spend it on grants, which is the old fashioned way of doing business.

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COUNCILMEMBER SUGIMURA: Thank you. Because that's what the County does to build infrastructure, we bond it, right, the departments do. So you're talking about an existing process, and I agree with you. Thank you.

MR. BLACKBURN-RODRIGUEZ: Thank you.

CHAIR JOHNSON: Okay. Tom, hold on one moment. We have a question for [sic] Councilmember Molina.

VICE-CHAIR MOLINA: Yeah. Thank you, Mr. Chairman. Good afternoon, Mr. Blackburn-Rodriguez. Always good to see you. And thank you again for your many years of advocacy for affordable housing, the Affordable Housing Fund, First-Time Homebuyers Fund, Na Hale O Maui, and you got a laundry list of contributions that you've made. Very quickly, I...I really like this idea of using bonds. Can you cite any other municipalities that maybe Maui could...Maui County could model off of?

MR. BLACKBURN-RODRIGUEZ: Thank you very much, and I appreciate the question. I do not have a list of specific municipalities or programs. (*audio interference*) that information and send it to you.

VICE-CHAIR MOLINA: That would be great. All right. Thank you. Thank you, Mr. Chairman.

CHAIR JOHNSON: Thank you so much, Councilmember Molina. We don't...seeing no further questions for Mr. Blackburn-Rodriguez, I just want to once again ditto what Molina said, thank you so much for all that you do in this field. So thanks again. Okay. Ms. Stewart, do we have --

MR. BLACKBURN-RODRIGUEZ: Thank you, sir.

CHAIR JOHNSON: -- any more testifiers? Yeah.

MS. STEWART: You had wanted to return to Cassandra, Student, and Visitor.

CHAIR JOHNSON: Okay. Cassandra, if you're on the call, the floor is yours. Okay. And then we'll move on. Did you say Visitor would be next?

MS. STEWART: Yes.

CHAIR JOHNSON: Okay. Any...last call for the person signed up as Visitor. Okay. And then we'll move on to the testifier named as Student. Are you on the call? If you'd like to testify, the time is now. Okay. So this is the last call for all the testifiers. If you wish to testify, please unmute your video and/or audio and identify yourself. Seeing there are no more individuals wishing to testify, without objection, I will now close oral testimony.

COUNCILMEMBERS VOICED NO OBJECTIONS (Excused: TK)

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CHAIR JOHNSON: And then without objections, I'd like to take the written testimony into the record.

COUNCILMEMBERS VOICED NO OBJECTIONS (Excused: TK)

... (END PUBLIC TESTIMONY) ...

CHAIR JOHNSON: So Members, it's three...okay. Thank you. It's 3:05. I would like to take a break if it's all right with you folks because we do have a bit of a longer...longer...longer meeting. So how about a ten-minute break from now? It's 3:05, at 3:15 we will come back. The Affordable Housing is...meeting is now in recess until 3:15. ... *(gavel)* ...

RECESS: 3:05 p.m.

RECONVENE: 3:17 p.m.

CHAIR JOHNSON: ... *(gavel)* ... Will the Affordable Housing Committee come back to order from recess. It's now 3:17. It's 7/19/2021. Members, I hope that you...that break gave you a refreshing change, and now we can get to work and get on the agenda.

AH-14 COMPREHENSIVE AFFORDABLE HOUSING PLAN (CONTRACT C7183;
HAWAIIAN COMMUNITY ASSETS, INC.) (MISC)

CHAIR JOHNSON: All right. So today's agenda item is AH-14, the Comprehensive Affordable Housing Plan (Contract C7183; Hawai'i *[sic]* Community Assets, Incorporated. An RFP was issued for a comprehensive plan that could provide a roadmap for the County to meet the housing demands of its residents, focusing on households or...at or below 120 percent area median income, AMI. The contract was awarded to Hawai'i *[sic]* Community Assets, Incorporated, a nonprofit organization founded in 2000, to increase the capacity of low and moderate-income communities to achieve economic self-sufficiency primarily through financial education, counseling, and assets building. I'd like to think of...I'd like for you to think of today's meeting as a study session, a chance to understand the parts of the plan, the justifications for the recommendations, and how they fit together as a comprehensive plan so that we can get right away to work on implementation. Jeff Gilbreath of Hawai'i *[sic]* Community Assets is here to present the final report and highlights of the plan. Many of the subject matter experts that worked on sections of the plan are also available on the line to answer questions that come from the Members. Members, without objection, I would like to designate him as a resource person under Rule 18(A) of the Rules of the Council.

COUNCILMEMBERS VOICED NO OBJECTIONS (Excused: TK)

CHAIR JOHNSON: Mahalo, Members. Mr. Gilbreath, if you could please introduce yourself to...and the other consultants involved in the development of the report who have joined

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us in today's meeting.

MR. GILBREATH: Sure. Mahalo, Councilmember Johnson and the rest of the Council. Appreciate your time today. I'm Jeff Gilbreath, I'm Executive Director of Hawaiian Community Assets. I'm joined by our Maui Program Manager Rhonda Alexander-Monkres, and our long-time Maui housing advocate Blossom Feiteira. I'm also joined by individuals from Rural Community Assistance Corporation, including Dave Ferrier, Bonnie Craigie, Marty McCleary, and Alan Nazzaro. Also joined by PBR Hawai'i Tom Schnell and Selena Pang, as well as Austin, Tsutsumi and Associates, Terrance Arashiro, Adrienne Wong, Tyler Fujiwara; Stan Keasling from Stanley Keasling Consulting; and Kenna StormoGipson from Hawai'i Appleseed Center for Law and Economic Justice. I hope I got all you folks. I think I got you.

CHAIR JOHNSON: Okay. Thank you, Mr. Gilbreath. So without objections, I'd like to designate the identified individuals as resource persons under Rule 18(A) of the Rules of the Council.

COUNCILMEMBERS VOICED NO OBJECTIONS (Excused: TK)

CHAIR JOHNSON: Okay, Members. So here's how I'd like to structure today's discussion. First I'd like to have a presentation from Mr. Gilbreath, which would...which is divided into three sections: the goals, the priorities, and strategies of implementation. Following each section, there will be an opportunity for Members to ask any questions about that section. Then I would like to share with the Committee my priority areas for possible implementation. And I would like to seek the Members' comments and questions about my priority areas, followed by what Members see as their top priorities, and the most viable or urgent recommendations for the Committee to tackle. Members, without objections, I'd like to proceed with a presentation from Jeff Gilbreath.

COUNCILMEMBERS VOICED NO OBJECTIONS (Excused: TK)

CHAIR JOHNSON: Okay. All right. Thank you, Mr. Gilbreath. The floor is yours.

MR. GILBREATH (*PowerPoint Presentation*): Thank you, Chair. You folks can see this okay?

COUNCILMEMBER KING: Yes, we can see it.

CHAIR JOHNSON: Can you make it so it's just full screen? Yeah, there. Thank you so much.

MR. GILBREATH: So first off, just want to mahalo you folks again. But to the community members who presented earlier, our deepest gratitude and mahalo. These are the kind of voices we were hearing as we engaged community throughout this process, and it's so critical to have their voices be the first thing you folks hear. But to the folks who haven't been able to join us today or who are living on the beach or in their cars, that they're with us here too, and I want to mahalo them. Of course, the team that did this hard work. So again, I'm Jeff Gilbreath with Hawaiian Community Assets, and here to present to you today the Maui County Comprehensive Affordable Housing Plan.

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Councilmember Johnson mentioned the purpose of the plan. This was to address a specific request for proposal from the Office of Council Services, which is laid out here in this slide. It was specifically focused on getting 5,000 affordable...affordable homes to the folks who are under 120 percent area median income in the next five years. We use area median income, but a lot of times it's really hard for folks to understand what the heck does that mean, right? And so we've provided here for you today is just a...a basic AMI chart, area median income chart by household persons, and the amount of annual income. I would just note that these are official HUD and State AMI levels; however, we believe these AMIs to be overstated. HUD and State AMI levels for rural communities are actually extrapolated from their nearest urban metropolitan statistic area, which is Honolulu. Second, when we talk about affordable homes, I want to make sure folks know the price we're talking about. So you see in this slide the range of monthly rent as related to AMI percentages that we just showed, and the number of homes built for each. Same on the for-sale side, taking a look at the monthly mortgage payments, estimated purchase prices. Just making sure that folks understand what we're talking about when we talk about affordable, so what is affordable for that household that's under 50 percent AMI up to that person or that household at 120 percent AMI. I think this plan, it's...it's a roadmap definitely to get to 5,000 affordable homes in the next five years, but it really asserts that it's our collective responsibility to ensure everyone has a home. Housing is a right, a human right, and that even those with the lowest incomes deserve an affordable home. To walk you folks through the methodology of how we went through this plan and how it's laid out, I want to just walk through the five basic steps. But essentially, we had taken community recommendations through community meetings, one-on-one key stakeholder interviews, through presentations, feedback sessions from you folks. Our team went back and conducted research and analysis to lift up those...those recommendations to see what was viable, and through that process identified key goals for the plan. At the same time, it was very clear to us and the request coming from the Office of Council Services that policy priorities need to be part of this plan, as well as action steps. We laid those out, we looked at strategies that have been implemented outside of Hawai'i, but also inside of Hawai'i, as best practices in affordable housing development and community development. As for the community recommendations, I spoke to what the team did over the last eight months. It's been a really fast eight months. Roughly 1,600 County residents have weighed in on this process in some form or fashion. This does not include the folks who have done studies and research prior around affordable housing, and that they need to be commended. While they may not have engaged on this plan specifically, we have to lift up the fact there was hard work done and hard work has been done over many years that we benefitted from in sharing this with you folks. But these community recommendations are straight out of community, and if you look in your community profiles in this plan, you'll see specifically the recommendations that were brought forward in those meetings in your districts. And this is the community's best foot forward on how to get to affordable housing for 5,000 local families. You know, first off, I want to share that we analyzed the current system of affordable housing. And I'll tell you that the current system is producing the price and type of home that it has been set up to do. It has been set up to incentivize the building of for-sale homes over 100 percent area median income, and it has been set up to incentivize rentals at 50 to 60 percent area median income with low-income housing

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tax credits. But it fails to deliver homes to those who need it most. When we look at affordability, we look at affordability restrictions being waived when low-income homebuyers cannot be found, and that we only mandate a ten-year affordability restriction on the books. This current system assumes the developers can pay the extremely high cost of offsite infrastructure, water, sewer, road improvements. And at the same time, as we...we assume this, a large part of that is because there's been a serious lack of public investment over the last 40 years, starting with the Federal budget in 1983 that effectively cut our Section 8 vouchers by 400,000 in that one year, and has now gotten down to 9,000 annually that's shared across the nation, new Section 8 vouchers. The County...the reality of this system is the County really has few tools to meet the demand for local residents. Your Affordable Housing Fund is really the primary tool. In terms of policy, without those resources in place, operating with an assumption of scarcity of resources, things that we can do are really regulation and over regulation and leading to conflicting policy decisions, which naturally creates a lack of certainty and outcome in the process. And we know a part of the reason why there's a, you know, assumption of scarce resources is because of the revenue that currently exists. Your property taxes are the lowest in the State of Hawai'i, and possibly the nation. This whole system operates on the assumption of these scarcity of resources, and it creates competition amongst all of the interests, whether you're nonprofit, you're for profit, you're a builder, you're a County, you're a Councilmember. And it pushes you folks, as the Council, to make policy by project versus by community, right. It adds to developer uncertainty, and it keeps the County from being able to be in the driver seat to take the lead on affordable communities. This is the current system. It is providing and producing the price and type of homes it has been set up to do. But there's a new system that we propose. It's one that says that home production should meet the real needs of local families, and it should ensure long-term affordability. A huge step in this is the developers will work with the County to access land in market-rate developments, in other developments, other County land to develop affordable homes. Instead of operating with the mindset of scarcity of resources, we're calling for the County and the Council to make investments in your greatest assets, and that's your local families and your local communities, and in particular, to buy down the costs of where the current system is not currently serving, that's under 50 percent area median income, and between 61 to 100 percent AMI. It's time to reform the 60-year-old Zoning Code, to get back to a mixed-use, mixed-income communities that look like traditional...traditional Maui. At the same time, we cannot turn our eye on protecting valuable health, cultural, environmental resources, and engage community members along the process. They should never find out about a project only at the point of when it starts getting built. We believe there's a huge opportunity to raise tax revenue on those who can afford it the most. Non-owner-occupied properties, second, third, fourth, fifth homes, \$3 million and up, so that we can make sure those who need it the most have a home...homelands. We see this system with the County leading to provide offsite infrastructure, safe drinking water, wastewater systems, and roads that don't threaten public health, the environment or cultural resources, and that you folks will empower the County with the type of resources and tools to target affordability of local residents where the current system is missing the mark. We believe that for-sale homes that you invest in should have limited equity appreciation, and be resold to other low-income homebuyers so that we're ensuring it stays affordable. And that all rentals that are...that are built with

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these funds are affordable in perpetuity. This new system really operates with sufficient resources. It's going to reduce unnecessary competition, as folks will be putting forward projects that address the need, not that's...not that's the most competitive. They'll encourage the Council to make policy rather than project decisions, which will help certainty in the development process and it will allow the County to lead on creating affordable communities. So with that analysis, we did identify three assumptions. And our first assumption is that housing under this plan must respond to the real need as identified by the Hawai'i Housing Planning Study. We see the Hawai'i Housing Planning Study, which is updated every five years, as our best source of data to determine demand of local residents. Here's what the study says about folks under 120 percent area median income: 50 percent of the need is under 50 percent AMI, what you consider extremely and very low-income households. Another 35 percent runs between 50 and 80 percent, and 15 over 80 percent AMI to 120. The second assumption is that the current workforce housing ordinance requires 20 percent of the units produced in a development to be affordable, but this will not...this will not meet what is that true need, which is 54 percent needed to serve lower income residents. The chart you see here in blue is what was built over the last five years, or in process; 34 percent of the total...total units were affordable for households under 140 percent area median income. But we need to get to where the orange bars are at, and so 54 percent of development is under 140 percent AMI, and 46 percent above. The third assumption is that the County needs to remove barriers to affordable housing development. You've got two parts to this slide. The first at the top really shows, after the hard work of our team, in particular Austin, Tsutsumi and Associates, and the rest of our team members, there is a need for \$380 million in offsite infrastructure, community serving infrastructure--water, sewer, road improvements--to unlock an estimated 4,300 affordable opportunities for local residents in the next five years, but you should know this is regional backbone infrastructure that can weather additional homes in the future, making an investment now for the future. And the current system, as we looked and analyzed affordable housing projects, projects that are 100 percent affordable, it takes approximately 24 months for a 100 percent affordable project to get to approval from site control. This means that an affordable housing developer is accessing the land, purchasing the land, and oftentimes carrying interest on debt for that 24 months while they get approved, and thereafter. The new...new system proposes that all 100 percent affordable projects which meet clear rules of the road on design guidelines, requirements of environmental and cultural resource and health management could be as short as six months of approval. So based on those assumptions, we've made five goals in this Comprehensive Affordable Housing Plan. And the first is to build 5,000 affordable homes for local residents at or below 120 percent AMI. There's those numbers again. I won't belabor the point. The need is truly with those who are far below 50 percent AMI, but there is demand at all of these levels, and we should hit those. The second goal is that we need to provide sufficient funding to the Affordable Housing Fund to finance this affordable housing and community serving infrastructure. As I shared at the beginning, the current system is really still reeling from the dominant narrative that has taken hold for the last 40 years, which has led to a lack of public investment in affordable housing for those who need it most and the infrastructure to do it. What you folks would be doing with this plan is you would be rectifying that and using affordable housing bonds to make the investment over the next 20 years in a five-year window, but that you'd be having housing supports

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for local families and infrastructure to make sure our...our communities can...can welcome families in. The third goal is to require developers to dedicate 20 percent of their land to affordable housing, and develop that dedicated land at higher densities to meet the housing demand, which we know is 54 percent of the total. So rather than requiring 54 percent of the units be affordable in that development, we are saying no, give us 20 percent of the land and use higher density, more units per acre, to get to that affordable percentage. Goal four is really use County-owned land to develop affordable housing. We see there are five parcels of land in particular, but there are others out there, as I've heard from many of you Councilmembers. There are opportunities out there that may be non-County-owned lands, but we estimate there are 1,300 affordable homes that could be built starting construction in the next five years. And the last goal is really to make the development process more accessible and predictable and timely. So the slide that you see here, the current system as I shared with you takes approximately 24 months from site control to approval. What I've listed for you are just the basic steps in that process. I will note that conditions can be added at all of these sections where I've noted with the yellow boxes. This means that the...the plans of the developer of affordable housing need to change to accommodate whatever modifications have been requested of the County or the Council at each of these levels. But the new system offers really three ways to reduce this timeline and make it more predictable. The first is that when we were looking, there are a significant number of committees whereby all of you Councilmembers are a part of, including the Affordable Housing Committee. Based on this, one simple thing we think can be done is if referrals will go to Council committees that have all Members on them condense into one full hearing of the Council. Based on this estimation, we could cut the approval time by about six months, and that's just...that would be for just one referral to another committee after the Affordable Housing Committee. But as you can see here, it moved from Department of Housing and Human Concerns and their conditions to the Council to full hearing and conditions, and a final vote for approval. We estimate this can cut down six months in a timeline. The second is a more focused timeline looking at as of right development for 100 percent affordable projects with design standards and community decision making. We believe that we can reduce the timeline from 24 months to six months using this process. The project would go to the County, Planning Director. The Planning Director would move that application to community advisory committees, which I know you folks are aware of, if they meet the standard design guidelines. The committee would review, add conditions, send back to the County. County approves, denies, there's an appeal decision that can go into place and allow for appeal, hearing, and action. And the last is a one-time review process for preapproved accessory ohana and owner builder units. We heard loud and clear from community members in all of your districts that there needs to be a faster process for families who are ready to go, right, and to be part of that solution. And so this is a 60-day window. This is based on the City and County of Honolulu model. There's a pre-check form that would be completed by that homeowner or that aspiring homeowner that get signatures from the departments and a notarized declaration filed with. Well, with that said, I want to open up for Q&A. I've got my subject matter experts to be able to assist me as well. So that's section one.

CHAIR JOHNSON: Okay. Thank you, Mr. Gilbreath. And I'll just piggyback off that real quick. That was section one, so if Members can stick to what was just presented, and I'm sure

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we'll have more questions coming up. So I'm just going to go down the list, and then we'll...we'll rotate the list, but we'll start with Councilmember...Committee Vice-Chair Member Molina, followed by Member King. And we all have two minutes.

VICE-CHAIR MOLINA: Thank you very much, Mr. Chair. And good afternoon, Mr. Gilbreath. Thank you for the presentation. One question I have, it relates to the 20 percent for the developers. So if the developers are required to dedicate 20 percent of their land to the County, so are you then saying that the developers, should they be allowed to build 80 percent of their land as market rate? Can you provide some clarification on that?

MR. GILBREATH: No, it's actually not to donate land to the County, but to dedicate the land for affordable housing, and that 54 percent of the total units in that development will be affordable under 140 percent area median income.

VICE-CHAIR MOLINA: Okay.

MR. GILBREATH: So dedicating that land and then using the streamlined 2.97 process, we're talking about this as a standalone process, would be used to be able to do the up-zoning and get to that density, which is what we need to...to drop prices.

VICE-CHAIR MOLINA: Okay. Okay. I don't know if I have enough time for another question, Mr. Chair, for this round. Mr. Chair, just for procedures, we're going to get...will we get a second round possibly? Because I have --

CHAIR JOHNSON: I was thinking...

VICE-CHAIR MOLINA: -- questions on other parts of the report.

CHAIR JOHNSON: Thank you. I was thinking one round because we have three presentations, so...but you can...you can...you can ask the question.

VICE-CHAIR MOLINA: Oh, okay. I don't know if this fits into this first part. But the community oversight board, would their powers be limited to just oversight and advisory, or would that include approval of any projects?

MR. GILBREATH: Are we okay to hold on that until we present?

VICE-CHAIR MOLINA: Yeah. I...I can wait until...until that time.

MR. GILBREATH: Is that okay? Thanks, Councilmember.

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

CHAIR JOHNSON: Thank you, Councilmember Molina. If...if the body is asking that we do want a second round, then I'm sure...we can, but I'm just thinking for the...you know, in the interest of time, let's try for one round. So let's move on to Councilmember King, followed by Chair Lee.

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COUNCILMEMBER KING: Okay. Thank you, Chair. Aloha, Jeff. Really good to see you. Very exciting to hear your presentation and to start with the goals. Just real quickly, housekeeping on your goal four, you've got West Maui bullet point, and it says Kihei Fire Station and Police Station. So I think you meant South Maui there?

MR. GILBREATH: You're correct.

COUNCILMEMBER KING: And then...okay. And then on...on the...the...the goal five, where you're trying to make the development process more accessible and like cut it down to six months, maybe you could clarify when you say...you know, when you start off with your...your projected processes, project to County. You know, the County could be the Administration and could also be the County Council, so kind of...if you can be more specific on what body that would go to.

MR. GILBREATH: Yeah.

COUNCILMEMBER KING: It's...

MR. GILBREATH: Yeah, currently the projects get first submitted to the County, the Administration, so typically the Planning Department.

COUNCILMEMBER KING: Okay. So you've got this as of right...as of right development with design standards and community decision making, six months. And I don't see in your proposal from the 24 months to the six months where the Council fits in. It just says project to County, app to community advisory committee, committee reviews and sends to County, which I'm assuming you mean the department again, and then County approval, appeal, and then appeal hearings, and action. So at what point does it get to the Council?

MR. GILBREATH: At this point, and what you've seen proposed here is that a community serving board, a community advisory committee would be responsible for the decision making alongside --

COUNCILMEMBER KING: Okay.

MR. GILBREATH: -- with the County. And so the Council itself would not have a role to play in this; however, in some of our analysis that we shared, it could be that the Council could come into play at an appeal hearing if that...if that were necessary.

COUNCILMEMBER KING: Okay. And...and then the...the...can you just explain to me what you're trying to get to with...instead...I think you said instead of going to the Affordable Housing Committee that the project would go straight to Council, and I'm looking at this . . . *(timer sounds)* . . .

MR. GILBREATH: Yeah, so there's essentially, you know, you folks hear it in the Affordable Housing Committee, a project, and then you'll...you'll do your work, you'll put on your

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conditions, and then you'll pass it on to the full Council for another hearing. You all sit on both of those bodies. And so our thing was that maybe there's a way that Councilmember Johnson, Councilmember Lee, along with you folks can...can kind of coordinate and say hey, we'll just do one hearing at full Council, or maybe it's a joint hearing. I'm not...I'm not sure how it would work. But just as a way to...to reduce that timeline by an estimated six months.

COUNCILMEMBER KING: Okay. So versus the...the two Council meetings, you would say just one Council hearing, which would probably take...I don't know if that's a policy or a Charter amendment, but that's what you're suggesting? Okay. Okay. I was just trying to clarify. Thank you. I think my time is up.

MR. GILBREATH: Of course.

COUNCILMEMBER KING: Thank you, Chair.

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

COUNCILMEMBER LEE: Thank you, Mr. Chair. Jeff, hi. Thank you for your presentation. Could you explain more about the 20 percent of land dedication that would be required under this new proposal? How would that work?

MR. GILBREATH: Sure. Maybe to do that, I'm going to pull in Stan Keasling. Stan, can you come up and share kind of the nuts and bolts of --

COUNCILMEMBER LEE: And while you're at it --

MR. GILBREATH: -- how this would work.

COUNCILMEMBER LEE: -- while you're at it, you...you also talked...in the same frame, you also talk about breaking down barriers, you know, certain barriers have to...and one barrier or one suggestion is to...is mixed use, higher densities, et cetera. So you know, you're talking about trying to accomplish a lot because you're talking about change in zoning in...in and of itself is a long process, let alone having a housing project. Okay. So I'll let you answer that.

MR. GILBREATH: Stan.

MR. KEASLING: Thank you. And thank you for the question, Councilmember Lee. So...so the...right now, market-rate developers are required to make 20 percent of their housing units affordable at...at less than 140 percent of median according to 2.96. And what we're suggesting is that if you took 20 percent of the land instead of 20 percent of the units, so you just took the land that those 20 percent of the units were put on. And if you took the land and negotiated how you were going to receive the land in...in that process of providing a development agreement, that you could then design projects on the land that would actually build twice as much...twice as many units as typical. And

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the reason, frankly, is that in the current...as we looked at projects across the...across the County, approximately...well, nearly all of the projects had a density of four units per acre or less. Well, we think that affordable housing can easily be built at eight units to the acre on a for-sale basis, and 20 units to the acre on a...on a rental basis. So that allows you to significantly increase the density by simply taking land instead of...instead of requiring the development of units.

COUNCILMEMBER LEE: Which...which I had mentioned would...would require a change in zoning. So --

MR. KEASLING: Well...

COUNCILMEMBER LEE: -- a developer could have, let's say, R-2 zoning, you know, Single-Family Residential, and a portion of his property, 20 percent would be dedicated to the County, which would be R-2 Residential. So the --

MR. GILBREATH: But the...

COUNCILMEMBER LEE: -- County would take the land and have to rezone...go ahead.

MR. KEASLING: Well, the develop...so what would happen is that the...the County or the...whoever is administering it would...would decide what they wanted to have built on that property and...and require that it be 100 percent affordable. So it would go through the 2.97 process about approval of the project, which allows you essentially to waive zoning.

COUNCILMEMBER LEE: Okay. I still have questions on it, but I'll...I'll yield my few seconds. Thank you.

CHAIR JOHNSON: Thank you, Chair Lee. Okay. Let's move on to Councilmember Paltin, followed by Councilmember Rawlins-Fernandez.

COUNCILMEMBER PALTIN: Thanks. I'll...I'll use those few seconds if I can. My question is about the community serving infrastructure. I like it. I guess couple concerns I have is would it...would it be a scenario where, you know, we bond out or we...we RFP, I guess, this community serving infrastructure, and for whatever reason we're trying to get these affordable housings in that don't rely on the infrastructure, and it takes longer than anticipated, and a rush of market-value homes come in and use up all the community serving infrastructure that we RFP'd out. Because we're not thinking the County is going to do the infrastructure, right?

MR. GILBREATH: The...the County could have the...the ability to do it or to...to contract that, and we've heard there's capacity issues, so I think, you know, it...it can go either way. But what I'll tell you is that the community serving infrastructure for affordable housing units, the cost of that would be waived for the affordable housing units. For the market-rate units, the County would determine a reasonable fee on those market-rate units to pay for that community serving infrastructure so it gets replenished into the

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Affordable Housing Fund. The infrastructure that we're talking about, the offsite infrastructure, is targeting regions that are...and projects that are dedicated to affordable housing. And so the idea is, is that you're building that backbone infrastructure to serve those affordable housing units. Any market-rate units would...would have to pay a reasonable fee...a reasonable fee back.

COUNCILMEMBER PALTIN: So you're suggesting the reasonable fee would not necessarily prevent market-rate houses from using up all the infrastructure, but it would pay for the infrastructure itself so that the money would be paid for it if the affordable isn't built?

MR. GILBREATH: Well, under the plan, it assumes that you folks are taking up the recommendations and the priority projects that are targeting affordable, and that those infrastructure investments are all tied to these affordable projects. It's not tied to a market-rate development, although there are some...some mixed-income developments that are part of the...the infrastructure investments. But again, affordable housing units would be exempt, and the market-rate units would pay a fee that's...that's figured out when they pull permits. . . .*(timer sounds)*. . .

COUNCILMEMBER PALTIN: And then...oh, shucks. Okay.

CHAIR JOHNSON: Thank you, Councilmember Paltin. Let's move on to Councilmember Rawlins-Fernandez, followed by Member Sinenci.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Aloha, Mr. Grilbreath [sic]. Mahalo for your presentation. Gilbreath. Sorry.

MR. GILBREATH: Yes.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. So on page 7, your policy priority number six, qualified resident. Is that part of this first section, can I ask about that? Okay.

MR. GILBREATH: Not on this first section.

COUNCILMEMBER RAWLINS-FERNANDEZ: How did you determine...oh, okay. So priority six, qualified resident.

MR. GILBREATH: We'll address in the next...next section.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. So in the next section, you're going to present on how you came up with the two years?

MR. GILBREATH: Yeah. Yeah.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. Okay. Page 8, so in...in covering...I don't know, I think you're going to cover all these things in the next section. So I'll just wait, Chair. Yeah. Mahalo.

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CHAIR JOHNSON: Okay.

MR. GILBREATH: Thanks, Councilmember.

CHAIR JOHNSON: Thank you, Councilmember Keani Rawlins-Fernandez. Let's move on to Member Sinenci, followed by Member Sugimura.

COUNCILMEMBER SINENCI: Mahalo, Chair. Aloha, Jeff and gang, for your presentation. In your goal number one, build 5,000 affordable homes for local residents at or below 120 percent AMI. And so...and then you've got a breakdown of 2,490, 1,740, 1,770. Now on page 45, you list 5,125 in Tier 1, Tier 2A, and Tier 2B affordable homes. So all of these projects that are currently in the pipe, if we build out all...whatever is in...in...on the list, we'll reach that 5,000 and then some?

MR. GILBREATH: So the projects that have been identified are affordable under 140 percent area median income. So essentially what we had to do for this plan was to figure out how much of those will be 120 percent and down, and our estimation is it's a little over 4,300, which means there's still going to need to be...to one of the...one of the testifier's points, there's still going to need to be pilot and demonstration projects that fill that gap. But those total numbers you look at, Councilmember Sinenci, they...they encapsulate up to 140 percent AMI.

COUNCILMEMBER SINENCI: So technically we wouldn't need any newer...I mean, newer projects. Some of the projects that go up to 140 percent could actually come down or increase some of their numbers should we...should they receive some County funding for infrastructure, correct?

MR. GILBREATH: That could be. I think there could be some negotiations that occur, especially if you folks have the funds to be able to buy down...buy down units.

COUNCILMEMBER SINENCI: Okay. So when we're talking about the 20 percent, given...dedicated from developers to the County, technically should we...should we just go with this current list, you know, that is something that might be further down...down the road. If...if we did follow the...the projects that are listed in...in the plan, yeah.

MR. GILBREATH: You know, it's our stance that you folks don't just need 5,000 units in the next five years, you're going to need to continue to build for local families as they grow. And we believe that that change to 2.96 is critical to...and not just building the units as Stan had kind of mentioned that are affordable, 100 percent to 140 percent to meet that 20 percent requirement, but instead that we're digging deeper into affordability based on what is really the demand of families. So we do see . . . *(timer sounds)* . . . all of these recommendations as critical to move forward, not just now, but in out years.

COUNCILMEMBER SINENCI: Okay. Thanks, Jeff. Thank you, Chair.

MR. GILBREATH: Yeah.

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CHAIR JOHNSON: Okay. Thank you, Councilmember Sinenci. Let's move on to Councilmember Sugimura.

COUNCILMEMBER SUGIMURA: Thank you. So Chair, are you...is this presentation online for us? I wanted to see your goal...the screen for your goal number two. I missed it, I was taking photos of it.

MR. GILBREATH: I'll assume it's shared.

COUNCILMEMBER SUGIMURA: Is it...is it part of our...

MR. GILBREATH: I can put it up.

COUNCILMEMBER SUGIMURA: Thank you.

COUNCILMEMBER PALTIN: It's on Granicus.

COUNCILMEMBER SUGIMURA: Is it on Granicus? Oh, okay. Then I'll get it from there. The question I have for is regarding the 380 million infrastructure which you're talking about now. I don't know if this is better to be spoken about later, so you can stop me. But has the departments agreed to do this if we're bonding, building. Wastewater 100 million; planning, design, and management, 30 million; water is 50 million; and road projects are 200 million. I don't know if I missed anything, but I think that's what I got from your plan. So can you...can you explain if the departments are going to do it or who's doing this?

MR. GILBREATH: So we've been in conversation with the departments, we believe they can do the...the planning and design work, absolutely. There is...you know, there's options here on the table. You know, the County could do it or they could contract the developer to...to do it. We're trying to keep that open. We have spoken with the departments though...though it was fairly late in the game. I'd say in May, in June is when we had most of the conversations. But I do get a sense that the...the Administration's pretty serious about it. And at least going forward on the planning and design work, we've seen the commitment there.

COUNCILMEMBER SUGIMURA: So the Administration is behind your plan to do the infrastructure and...because they would float the bonds?

MR. GILBREATH: I wouldn't necessarily speak for the...the Administration, but I'll...

COUNCILMEMBER SUGIMURA: Oh, so you haven't...you haven't gotten their commitment to this plan, I guess?

MR. GILBREATH: I haven't gotten your folks' commitment to this either, so I mean, you're the first group to present to, and I believe what is going to have to happen is this is the beginning of a discussion that's got to happen between Administration and the Council.

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This is our best foot forward, but I haven't gotten any commitments any way.

COUNCILMEMBER SUGIMURA: Oh, okay. Well, thanks . . . *(timer sounds)* . . . for that clarification. Thank you.

MR. GILBREATH: Sure.

CHAIR JOHNSON: Thank you, Councilmember Sugimura. Thank you, Mr. Gilbreath. So I...I just have a clarifying question. You often mentioned when you were...in your presentation about building 5,000 units, but also creating 5,000 units. I think there's a big difference. Can you talk about that and specifically so...because...we get our minds exactly what you mean by that.

MR. GILBREATH: Sure. So you know, we're talking about creating two...or 5,000 affordable opportunities for families. We know that a lot of this is going require new building to get done, and in those areas where there's community...sufficient community serving infrastructure and sufficient investments by the County. However, to create those additional units, the gap that we see, we'll be talking more about some of the strategies, Councilmember, which are in the later sections, but it is related to the pilot and demonstration projects, which means not building new, but maybe redeveloping.

CHAIR JOHNSON: Okay. Thank you for that first round. And I know we have a second presentation, Mr. Gilbreath, so let's move on to that. And we'll have some questions, and we'll just reverse the role of...of the questioning. So Mr. Gilbreath, the floor is yours.

MR. GILBREATH: Thank you, folks. Let me share here for you. Okay. You folks can see that okay? Great. So as I shared with you folks, after our goal section, we did identify policy priorities. And one of the priorities...so these are not in any specific order. The first priority that we have in front of you is updating the 60-year-old --

CHAIR JOHNSON: Mr. Gilbreath --

MR. GILBREATH: -- Zoning Code...

CHAIR JOHNSON: -- I'm sorry to interrupt. Can you make it a little bit bigger? That's...recommended revisions is really small on my screen, I'm sure on all the other Members.

MR. GILBREATH: Oh, shoot. Let me see if I've...if I'm sharing...

COUNCILMEMBER KING: I think you're showing your second...your upcoming slide, that's what's...that's what's...it's...if you can just focus on the slide you're showing us instead of the next slide, including...

CHAIR JOHNSON: You're right. You're right.

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COUNCILMEMBER RAWLINS-FERNANDEZ: You have to take it off of the display settings in the presenter mode.

MR. GILBREATH: How's that?

CHAIR JOHNSON: Much better. Thank you. Please continue.

MR. GILBREATH: No problem. No problem. So again, I don't think it's lost of any folks that the Zoning Code is 60 years old at this point, and that there's a recommendation here to...to update that, to reform it for lower housing costs and to promote affordability by design. In our research and our work with the...the County, they currently have a contractor, Orion, who is going through this process. And we encourage Orion to...and the County to really engage community members, different sectors to further identify zoning reforms that would make sense toward this goal. We have talked with the County department, we believe it's reasonable that these reforms be done by 2023, and that we feel your folks' capacity to...to engage them in hearings related to the timeline benchmarks when reporting is...is also a reasonable request. What we've listed for you folks are just some of the recommended revisions that have come up in our conversations with community. And so again, these are recommendations for you folks to consider, for department to consider. This is not a complete list by any means, and we don't mean for it to be, but that we encourage additional conversation happening with the community that's...that's encouraging the...encouraging potentially other...other recommendations. But I would point back to the fact that we are recommending that the Zoning Code be reformed for greater affordability, so lower housing costs, and affordability by design. The second policy priority is really to make sure that the Affordable Housing Fund has four...four tools. One, to enable bond sales, and...as spoken by one of the testifiers early on, and referenced by Councilmember Sugimura. Expanding eligible uses of the funds, and I'll talk more on the next slide what this is. Targeting real needs of local residents, which we've...we've discussed. Really using that Hawai'i Housing Planning Study as the tool, or the best tool we have at this point, to identify real demand for local residents. And then establishing a community oversight board who would oversee the funding of...of awards, as well as monitoring the progress of getting us to 5,000 affordable units. Here are some of the...the key recommended revisions. One of the things I did want to point out under expanded eligible uses is the use of deferred payment mortgages for first-time homebuyers, accessory dwelling units, ohana units. What these are essentially is a second mortgage that serves as a lien on the property, but the family doesn't have to make any payments. It stays a lien on the property until it's resold, refinanced, or if it's sold to another low-income homebuyer, it just stays with the property. This is what's called a deferred payment mortgage, and it's...there's more information in our analysis in the appendix that you folks have. And we also believe there needs to be rental housing gap financing that's available, acquiring existing structures and rehabbing them. We do believe that the Affordable Housing Fund could fund the County to do the planning, design, and...of units. Also provide for the provision of housing counseling services to build a list of prequalified renters and homebuyers who are ready to go when time comes. And to community's call, needing to make sure that on County-owned land in particular, that there are resources to do health, cultural, and environmental impact

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assessments to make sure we're identifying and preserving these resources. It does add a qualified resident definition which we dig in later. It allows for the Department of Housing and Human Concerns to administer this work or to contract a third party to do so if that's where the capacity lies. We are calling for any County financing not to take a first position on...of debt on a project, but instead take a subordinate position. So typically we'll see, you know, private capital taking those...that first or second position, and the...the County could do well on affordable housing projects by moving their position further back. We're encouraging to reduce the interest rates on affordable housing financing to zero to 2 percent on rentals and zero to 3 percent on homeownership, and similarly be deferred in payments, so only making payments once...and paying everything off with the interest once the project is done. Last, I would say is...oh, kind of speaking to establishing a fair, a reasonable reimbursement rate for any offsite infrastructure that is used by market-rate homes, and establishing that community oversight board, which we think is really, really critical in overseeing these investments. The third priority that we wanted to share with you folks, and I alluded to in the previous presentation on goals is about streamlining the planning and permitting process for 2.97 to...to allow as an of right or administrative project to approval process. The slide you're looking at here, so on the top we pulled data...we pulled permit data for the last five years, and what we found was that 1,265 homes affordable for households under 140 percent AMI were permitted in that five-year window. The housing plan, in terms of what it's calling for, for up to 140 percent AMI really is going to call on the County to do about four times what it did in the last five years, which is significant obviously. It's a major paradigm shift. But in order to reach that, what we're...what we're calling for is to really establish a 2.97 approval process that reduces down to six months. I believe the County then could approve four times as many 100 percent affordable projects during that same five-year window. It's aggressive. You know you folks had asked us for 5,000 affordable homes in five years, it's a lot, and looking at this slide can show you that. And the bottom just really again shows you the process of what this as of right development would look like. There is an as of right development process for Hāna, you know, Councilmember Sinenci, that you might be aware of, and essentially it's been modeled after that. Key recommendations to these 2.97 changes is that there are requirements of community meetings, that these projects will still have to meet community meeting requirements. Income distribution would address specifically the most recent Hawai'i Housing Planning Study. Why that's important is that there's a planning study that comes out every five years, right? So you want to make sure that this thing is evergreen. The next one that comes out, you want to target for the demand in that, and then we're not just building based on what was happening 20 years ago, we're building on what's happening now, right? We're looking to conform deed restrictions to an updated 2.96 ordinance, which we're going to talk about at length later. These projects, these 100 percent affordable projects, would have to adopt design standards which lay out location, climate change mitigation, management of resources, and it's in your appendices what some of those are that we've...we've recommended. I think what's important is to speak a little bit about the affordable housing credits and the credit system under the current system. Under the new system, we would limit to developers developing multiphases or multiple properties in one community plan area where there's an excess of affordable units in one phase, and then it can be used to offset the requirement in a subsequent phase or development. And existing credits may

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only be sold to developers in the same community plan area. That was a big call from community in our discussions that existing credits be sold only to developers in the same community plan area. And then an annual report of this 2.97 process from Department of Housing and Human Concerns to you folks. Policy priority four is really to focus on updating that 2.96 ordinance so that we can get to the extremely and very low-income folks, the low and moderate-income folks where the real demand is at, right? So what I'm showing you here is a slide...in blue on the left-hand side, this shows you was in built or in process over the last five years versus the grey bars, which is where the need is under...under 80 percent AMI. So as you can see, the current system is addressing the need at 50 to 60 percent area median income typically with low-income housing tax credits, but the rest of the folks are kind of being left in the lurch. There's no investments, there's no public dollars driving investment in those other AMI levels. On the right-hand side, you see where the homeownership supply has been at. We've been doing okay with 140, you know, 120 up to 140, but where we struggle is...is hitting folks that are 50 percent up to 80 percent, 100 percent AMI. With this 2.96 process the key revisions that we're talking about and we had alluded to in the first goal was really not to necessarily donate the land, but dedicate land, 20 percent of the land in a project to affordable housing. Those units can be built by the developer, and those built can count towards land dedication. But we're...we're encouraging the County, don't just take 20 percent of the...the units or...or the units that are being made available for...only for those 120 percent, 140 percent, we need to dig deeper on affordability. And so another piece that we're identifying is that the County or a designated third party could develop or could select developers to complete the projects on dedicated land if the current developer cannot, if they don't have the expertise in affordable housing to get at the deeper levels. The landowner will have right of first refusal to build those affordable units on the dedicated land. But the types of developments will be negotiated as part of the development review and approval process. Projects of less than ten acres, there will be an alternative method for meeting the land dedication, but developers will not be able to split the projects into a bunch of less than ten acre parcels. In terms of subsidies, we see really subsidies...and when I talk about subsidies, folks, I want you to hear investments. When you make these investments, we can target the affordability of the buyer and renter developments so they meet the housing needs of that housing planning study. And that's where we see it be regularly updated is using...using that study to do so. But this will help us get to the rent levels that we need to, the sales prices that I think Tierra had talked about, and deeper, right? Affordability, we believe that all 2.96...any homes built under 2.96 should have a minimum ten-year affordability, and longer if the County provides fee waivers and/or affordable housing financing in the unit. So the level of investment that we're talking about for multifamily rental housing to get under 50 percent AMI, we believe the County should stand firm that those units be affordable in perpetuity. On the for-sale side, we have a 30-year affordability requirement, and we'll talk more about the equity appreciation on that. Plus the County will have the right to buy that home at...at sale, and make sure that it goes to a prequalified low-income homebuyer that's local. So essentially keeping it in the hand of local...hands of local homebuyers who have been prequalified, and making sure that the County's investment ensures that there's for-sale affordable opportunities into the future. Other key recommendations to take a look at; again, talking to the affordable housing credits, which I spoke to previously. This would also mirror 2.97 that I shared.

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This will...this 2.96 ordinance update will...will address that. We would use the updated 2.97 process, to your folks' question, right, well, how do you...how do you develop that land that's been 20 percent of it dedicated for affordable? Well, you do it by making sure that that parcel of land participates in a 2.97 fast-track process that we shared with you folks, right? With community decision making powers, potentially appeal at the County...the Council level to make decision. . . .(timer sounds). . . And then last, I would just say on the workforce housing owners and the equity appreciation, we're talking about a shared appreciation model where the first ten years the homeowner would gain no equity, and then 2-1/2 percent after that ten-year period annually if they live in the home past ten years. And I provided a little model here for you. Essentially, at the 30-year mark, they'd have a max 50...50 percent appreciation. And on top of this, what I would say is that any subsidies provided by the County will be in that deferred payment mortgage, a lien on the home, and must be repaid on sale if it's not going to a low-income homebuyer who's...who's been prequalified with the program. The next priority, I would say, is just looking at amending the Real Property Tax Code to make sure that we're...the folks who have the ability pay into this Affordable Housing Fund to make sure those who need housing the most get a shot, and that you use this revenue source to repay bonds, you know, after selling bonds, to...to repay bonds that have been sold under the plan. The slide that you're seeing here, this just shares with you folks kind of real property tax rates of homes valued at \$4 million. You can see in the...kind of the...the peach color is where Maui currently is. It's the lowest among the four counties. Even a small increase that our team was working on would still make Maui County the lowest, though it would provide significant amount of resources. I also want to show you just this slide, this is for a \$1.5 million home. Very similar, right? Only in this Maui potential, you would edge above Honolulu on \$1.5 million homes in real property taxes. Policy priority six, this is...I know this is going to be a big one, and I'm going to bring up our...our attorney to speak about it. This is establishing a local residency requirement for affordable housing subsidies and defining qualified residents for housing units. In our research of ten high-cost communities across the U.S., we found that 80 percent of those communities had a local preference for affordable housing subsidies and units--80 percent. The qualified resident definition that you see here is one that we feel can pass the muster. And I'll allow our folks from Hawai'i Appleseed to speak more about that in the Q&A, I think that'll be a big...big conversation. The next policy priority is really to enforce fair housing and fair lending laws, and levy fines for violations with resources to support affordable housing. I can't tell you how many times in our talks with community we heard about developments steering folks just to one mortgage lender. We didn't...we weren't able to collect data on that, though I'm sure we could have if we would have been...had more time; however, you know, speaking with community members, that seems to be a major issue. And what happens when you steer toward mortgages, you're...you're violating the Federal fair lending laws, but you're also not giving that family a right to choose what is the most affordable mortgage product. Because not every mortgage lender offers every mortgage loan program, and to be frank with you, there's not a lot of folks offering the FHA mortgage lending product, which 50 percent of first-time homebuyers that are low income use across the United States. The next priority is priority eight. We think it's time for the County to update its rent and sales price guidelines for equity and access to affordable mortgage financing for all of its residents. And so the slide that I have for

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you here, this assumes an 80 percent area median income family, it's a four-person household. Under the current system and sales price guidelines, you can see what the mortgage amount is. The estimated down payment and closing costs, we've assumed and estimated 5 percent on closing costs, 5 percent on down payment. But I'll just note that the current guidelines only take into account and only limit the housing payment of principal and interest at 28 percent of a household's gross monthly income. But I will tell you, no mortgage company is just looking at principal and interest, they have to look at principal, interest, taxes, insurance, and HOA fees in order to get that frontend ratio. And it's not 28 percent, it's 31 percent, but it's with all of those things combined. And so under the new system, we have presented to you folks two sets of new sales price guidelines. One is just based on straight income, one is based on AMI. But in our estimate, it could save families who are 80 percent AMI, four-person household, close to \$160,000 over the life of the loan, and close to \$500 a month in payments. And the last priority I'll...I'll do before we do Q&A is really to ensure affordable homes supported with County funds are rented or bought by local households below 120 percent AMI in a timely manner, and remain affordable in long term. So you folks know what we're thinking in terms of affordability timelines and requirements, but I want to point you to the bottom right-hand side of the slide. Currently, under current policy, the marketing period for an affordable home that's to be sold at 80 percent AMI can go through a process whereby it can be as much as 360 days until that thing gets bought. And at the end of that 360-day window, you are not ensured it goes to a local family. In fact, it allows for someone who is not local to buy the thing at whatever their income is. Under the new system, what we're suggesting is that you market the thing at 80 percent AMI, you sell it to someone who's 80 percent AMI because they're going to be prequalified through a process that Tierra is going through, or other individuals who have gone through, what we call HUD housing counseling. But then at the end of that 180-day window, if it's still not sold, that the County can purchase that thing with Affordable Housing Fund monies, and make sure that they're working with HUD counseling agencies to find that 80 percent buyer. Because I'll tell you, there's plenty of them out there. And we should never be allowing what is marketed as an affordable homeownership opportunity to offshore buyers at market rates. It just doesn't seem to make sense in the grand scheme of things. And the only last thing I would share on this is that in our assessment, we did collect some information that was shared with the Council some...some years back, and I would encourage you to look at your appendices. But we looked over a period of time, and 35 percent of the for-sale homes during a specific time period went to affordable families, went to the families that it was marketed to. The other 65 percent were sold to market-rate buyers who may or may not have been local residents. . . .*(timer sounds)*. . . And that's just a short window. But I'll go for Q&A now, I'll stop sharing, and happy to...happy to chat.

CHAIR JOHNSON: Okay. All right. Thank you for your presentation, Mr. Gilbreath. We're going to go in reverse order of our Members, so we're going to start with Councilmember Sugimura, followed by Member Sinenci for questions.

COUNCILMEMBER SUGIMURA: Thank you, Chair. So Mr. Gilbreath, can you...in your presentation, policy priority five, amend Real Property Tax Code to generate 58.5 million into the Affordable Housing Fund. And you said that during this period, we could

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probably hear from Appleseed. Could you...could you have somebody speak to this?

MR. GILBREATH: Sure. Kenna StormoGipson, I'd like to pull forward as our subject matter expert on property tax and local residency requirement. Are you on, Kenna?

MS. STORMOGIPSON: Unmute my mic. Hi. Which one do you want me to start out with first, the residency requirement or the property tax analysis?

COUNCILMEMBER SUGIMURA: This is...this is your policy priority five, amend real property tax to generate the five...58.5 million into the Affordable Housing Fund annually to repay bonds sold under the plan. So that's the...the screen, and I just wondered --

MS. STORMOGIPSON: Yeah.

COUNCILMEMBER SUGIMURA: -- if...if you're the expert, if you could talk about this.

MS. STORMOGIPSON: Yeah. So the property tax rate is, as we know, very low. And while that does help local residents who are living in their own home, and that's a good thing for local residents, if it's a second or third home, it's not someone living in it, it actually incentivizes people to buy a home in Maui as...as opposed to somewhere else. So it actually incentivizes more out-of-state and offshore investment. And so the proposal is to raise those rates on homes that are not occupied by those owners, right? That they're second homes, maybe...maybe rented out, but a lot of times sitting empty. And by raising those rates...you know, every year it changes a bit, so you have to do the analysis new every year, but there is a way to raise those rates, which is still below the average of the United States average property tax rate and raise the funds that you need.

COUNCILMEMBER SUGIMURA: Oh, okay.

MS. STORMOGIPSON: So you could definitely raise that 58 million and still actually be below average for U.S.-wide property taxes.

COUNCILMEMBER SUGIMURA: Okay. . . .*(timer sounds)*. . . So you're...you're...you're talking about still increasing real property tax rates for the short-term vacation rentals and those second homebuyers who are not residents of...of Maui?

MS. STORMOGIPSON: Yeah.

COUNCILMEMBER SUGIMURA: Oh, okay. So that's not different. Okay. Thank you. I ran out of time.

CHAIR JOHNSON: Thank you, Councilmember Sugimura. Let's move on to Councilmember Sinenci, followed by Member Rawlins-Fernandez.

COUNCILMEMBER SINENCI: Mahalo, Chair. And I'll...I'll leave policy priority six for Member Rawlins-Fernandez, I believe that was her question. But for me, Jeff, on policy priority number two about increasing funding. You know, at a previous meeting, you talked

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about going over the 30 year. You know, some of our testifiers, a lot of the homes that they're going to be acquiring are just going to be passing it down, especially for rural communities like ourselves, passing it down from one generation to another. We're not looking to, you know, create equity and then...and then sell it. So I mean, is there a way to prolong, go beyond the 30 years of the mortgage...the length of the mortgage?

MR. GILBREATH: On the deferred payment mortgage, you were talking about...we were talking about, Shane?

COUNCILMEMBER SINENCI: I believe so, yes.

MR. GILBREATH: Essentially what it is, is if the family stays in that property or if they sell to another low-income homebuyer, it'll stay in the property chain, it won't have to be repaid. So if you're...if you're passing it down to a family member, that stays in the property, it doesn't have to be repaid, it's essentially your family carrying on affordable homeownership. That's my...that's my understanding.

COUNCILMEMBER SINENCI: Oh, okay, great. Right, because we do have that multigenerational folks. Then you also mentioned health, cultural, environmental impact assessments on County-owned land. One testifier mentioned about title...title issues, if there was any title issues that it would go toward, you know, whether it be Native Hawaiians if...if it had. So could it...could that also include some kind of title research like one of the testifiers mentioned?

MR. GILBREATH: I think there's some flexibility there. I think what we've laid out is what we've seen and heard from community and what we researched, but I...I don't think it's limited to just that, Councilmember.

COUNCILMEMBER SINENCI: Okay. Mahalo for those answers. Thank you, Chair.

CHAIR JOHNSON: Okay. Thank you, Councilmember Sinenci. Let's move on to Councilmember Rawlins-Fernandez, followed by Councilmember Paltin.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. I guess my question would be for Ms. StormoGipson, yeah? Is that correct?

MR. GILBREATH: Yeah.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. And that's regarding the two year. So where did the number two come from, if you can explain the rationale for that?

MS. STORMOGIPSON: Yeah. So the number two came because San Diego has a two-year residency requirement on their for-sale affordable housing, and it so far has not gone to court, it hasn't been challenged. They felt confident in their analysis that they would actually withstand a court challenge, so they felt confident enough to move forward with that policy, and they've had it since 2017. So I do want to be clear though that there's an important difference between rental housing versus for sale, and the court...U.S.

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Supreme Court decision seemed to indicate that you can't require someone to be in a county or a place for a length of time--one year, two years, whatever--for a rental because that's not a benefit that you can take with you out of state. But a for-sale unit is treated...could...would likely be treated like a portable benefit similar to in-state tuition. So the way that in-state tuition, you can say you have to be in Hawai'i or any state for a year or...or a length of time requirement because you can take that with you out. That is the legal analysis that San Diego said, well, we can require this for for-sale housing because that's a benefit you can take with you...considered a portable benefit. Yeah.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo for that. So is that in the plan, your analysis?

MS. STORMOGIPSON: Yeah. Uh-huh. And we...and we cite the court...the U.S. Supreme Court decisions that make that distinction.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. So that's Appendix G?

MS. STORMOGIPSON: We had . . . *(timer sounds)*. . . yeah.

MR. GILBREATH: It's on page 145, Appendix G.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo. Mahalo, Chair.

CHAIR JOHNSON: Okay. Thank you. Yeah, Appendix G has got some interesting stuff in there, to say the least. I...I was...I was...it was a good read. Let's move on to Councilmember Paltin, followed by Chair Lee.

COUNCILMEMBER PALTIN: Before I start, can I just make a disclaimer? If I got my answer, I might cut you off because I got choke questions. My first question would be like, you know, zoning districts, eliminating them. Are you saying like all of them, or just like for Residential? Like because Industrial, noxious uses right next to residential.

MR. GILBREATH: Yeah. I mean, in our conversation, it was focused on Residential.

COUNCILMEMBER PALTIN: Okay. And then my next question is not that I have a significant opinion on it, but it seems as though these affordable houses built for people, it's going to squish them into like a small area, and it'll be like, you know, stand out from the market-value homes. And traditionally, like we...we were saying like mix them all together so you can't tell who the affordables are. And you know, also, like multifamily for-sale affordable or workforce usually flips into...affordable multifamily usually flips into market value because people don't want that deed restriction. And so I guess...did you encounter any of that feedback? Like even when we're deciding on affordable housing projects, there's a NIMBY vibe about like that's too dense for our area or...or those types of things. So I just was wondering if you could comment on that? Not that I'm against it, but I mean, I don't want us to get like slammed either, you know, like with blah, blah, blah.

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MR. GILBREATH: Yeah. No, density takes different forms depending on the district you're in, right? And I would say density sometimes means an ohana unit on an existing property, right? And that's more dense, right? Now you have two units instead of one, right? In terms of looking at the 20 percent of land dedication and really focusing on that as a strategy, most of that is centered around Central, South, and West Maui, and in areas where there's already development, that it's already residential. There are standard guidelines that we have put in the plan, in the appendix . . . *(timer sounds)*. . . that they would have to abide by. And in terms of NIMBY, Councilmember, it would be addressed through an as of right process. We do not believe that NIMBY should have the right to tell very low-income families that they don't belong in their neighborhood, that it should be a mixed-income thing, and we should be getting back to where a traditional Maui was, which is hey, everybody come, right, as long as you're local.

COUNCILMEMBER PALTIN: Okay. Thanks.

CHAIR JOHNSON: Okay. Okay. Thank you, Councilmember Paltin. Let's move on to Chair Lee, followed by Member King.

COUNCILMEMBER LEE: Thank you. Jeff, I am looking at priority five, the last set of revisions, list of revisions. So under appreciation, equity appreciation, you know and I know that infrastructure is very costly, so the County subsidy toward a single-family home for, let's say, 80 percent of the median...median income is going to be substantial. You know, possibly 200, \$250,000 even...because when you count water, sewer, roads, all the subsidies, that could be very substantial. But in...in that provision, under equity appreciation, it talks about the homeowner having a deed restriction of 30 years. And after 30 years, upon sale of that house, they have to pay the County back all the subsidies. That's...that's very overwhelming, I think, for a homeowner.

MR. GILBREATH: Well, let me be clear...

COUNCILMEMBER LEE: Isn't that kind of substantial to you?

MR. GILBREATH: Let me be clear on that, that we are talking about exempting affordable homes still from those infrastructure costs, still...still waiving that. And in terms of the additional subsidies that would come out of the Affordable Housing Fund, like a deferred payment mortgage, max we're saying is 150,000 in most areas. That would stay with the home as long as it's going to another low-income homebuyer. And so as long as there's...that right of first refusal is exercised by the County, it'll stay in that home, it won't have to be paid back.

COUNCILMEMBER LEE: Okay.

MR. GILBREATH: But that the...

COUNCILMEMBER LEE: Because that portion doesn't explain that. It says it needs to be paid back upon the sale. So it doesn't say it stays with the next homebuyer if they qualify in

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the right AMI.

MR. GILBREATH: The last...well, I mean the last sentence says County can keep subsidy in the home for the new loan...and...and there's more specifics in the 2.96 appendix. I think there's about...I can't remember the...I think it's Appendix E . . . *(timer sounds)* . . . but can find more information there for sure.

COUNCILMEMBER LEE: Yeah. But...but it doesn't account for depreciation. Okay. I think I've exceeded my time. Thank you.

CHAIR JOHNSON: Thank you, Chair Lee. Okay. So let's move on to Councilmember King, followed by Councilmember Molina.

COUNCILMEMBER KING: Thank you, Chair. Almost like speed dating. So...so Jeff, just real quickly, on the real property taxes, the bar...the bar graph that you showed us, were...was that based on our most recent property taxes? Because I think you started this before we went into budget, and then we did raise some of these property taxes, plus we have tiers. So did you base it on the most recent information after the current budget was passed?

MR. GILBREATH: Maybe I can pull up Kenna. Kenna, do you know if your...if our analysis was...was after the budget period or prior?

MS. STORMOGIPSON: No, it was...it was done before --

MR. GILBREATH: Okay.

MS. STORMOGIPSON: -- so those would need to be updated. Yeah.

COUNCILMEMBER KING: Thank you for that. And then...and then...and also the tiers taken into consideration because we have three different tiers on the non-owner occupied. And then, you know, just going back to that, I know we keep coming back to that 20 percent, and...so you've got options for the developer developing or...or bring in another developer or...and I don't know if the County was to be part of that, but was there anything in this that requires that affordable...the 20 percent to...the affordable housing to be developed first before the market to incentivize the developer to either build it themselves so they can get to their market part, or bring somebody in to develop it? So that we don't end up with all these market developments and then nobody ever gets to the 20 percent.

MR. GILBREATH: I believe there was a negotiation in that, but Stan, could I pull you up to speak to the specifics in the 2.96 revisions?

MR. KEASLING: Sure. So we did not require that the affordable be built first. What we did say is that the plan, the...the dedication...the land that would be dedicated to affordable would be established as part of the development agreement for the overall...the overall development. And that then either the developer would be required to...to develop those

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units themselves, or to...to basically dedicate them to a third party to actually do the development. It...it may have been an oversight on our part . . .*(timer sounds)*. . . not to have actually said that they should get built at the same...you know, along the same timeline.

COUNCILMEMBER KING: Okay. Because we...that's...that was an oversight that's happened in the past, and then we've lost a lot of affordable housing because we didn't require that in a timeline. So maybe there could be something that you folks look at in your *(audio interference)* after our...after our Council input. All right. Thank you. Thank you, Chair.

MR. GILBREATH: Thanks, Councilmember.

CHAIR JOHNSON: Thank you, Councilmember King. Let's move on to Councilmember...Chair...Committee Vice-Chair Molina. Thank you.

VICE-CHAIR MOLINA: Thank you, Mr. Chairman. Mr. Gilbreath, I'm going to do a Member Paltin like thing where I may have to cut you off. I'm just trying to squeeze as much --

MR. GILBREATH: Go for it.

VICE-CHAIR MOLINA: -- as I can. Okay.

MR. GILBREATH: Go for it.

VICE-CHAIR MOLINA: Page 24, the...which had the eliminate zoning districts altogether. On the same page, it was determined that duplexes on all corner lots would be appropriate. Can you briefly tell us what data or input was used to determine that?

MR. GILBREATH: Sure. We were just looking at other high-cost communities that we were researching, and we found that there's a way to get to affordability by design. Essentially by doing a duplex on every corner, you cut the price in half, right?

VICE-CHAIR MOLINA: Okay.

MR. GILBREATH: If not better.

VICE-CHAIR MOLINA: Okay. Great. And then the community oversight board, again, for clarification purposes, this board would just do oversight and commentary, and was it recommended that they also have approval authority as well?

MR. GILBREATH: We had them approving project requests, so funds...funds out of the Affordable Housing Fund, and monitoring to make sure the investments that we say we're going to do for 120 percent AMI and down are actually being made, and where's the...where we're at on that process.

VICE-CHAIR MOLINA: And then finally, the administrative approvals related to policy priority

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three. Was there public support for having administrative approval for affordable projects that are, I guess, less than 150 units? Because 150 units, that sounds like a large number of units for administrative approval, just in my...my opinion. Can you share your thoughts on that?

MR. GILBREATH: Yeah. I think in the...we were looking at Central, South, and West Maui as a potential for those number of units. We were looking at potentially less for the other community plan areas. And we've looked at really just what the average kind of affordable housing build was, right, to kind of define that. But I see Stan pulled himself on. Stan, I don't know if there's something else you want to add to that. But community overall wants to see more affordable homes being built, and this is one way.

MR. KEASLING: I would just second what you said, Jeff, that...that in fact, generally people . . . *(timer sounds)* . . . were supportive of that idea, but we did recognize that in some community plan areas that a smaller number might be appropriate.

VICE-CHAIR MOLINA: Okay. Great. Thank you very much for your responses, gentlemen. Thank you, Mr. Chairman.

CHAIR JOHNSON: Okay. Thank you, Councilmember Molina. It's...I have some questions for you guys, but I just want to...after reading the room, seeing that the Members had a lot more questions, so we'll do a second round. If you have another question, just raise your hand and I'll call on you, because it seems a lot of people did. So let me just give you my two questions real quick. So the deferred payment mortgage program, it's...it's...I'm really interested in learning more about it. My simple question is, is 150,000, is it...is that the cap, can you go higher than that, can you...is there a way to move that?

MR. GILBREATH: If you folks wanted to go higher, you could. It means more in terms of how much you would need annually...annually into the fund to bond against. We have identified on Moloka'i, Lāna'i, and Hāna that that cap should be as high as \$200,000 because of hard-to-reach communities and the...the incomes that we see out that way. But it seems, Councilmember, 150,000 based on our analysis could help us dig below 80 percent AMI.

CHAIR JOHNSON: Okay. Thank you for that. My second question is about the AMI. And AMI is based on more than one income, and it's kind of skewed by homes with doubled up on families. Can you explain the comparison with data that Hawai'i has the lowest salaries, about 43,000 according to the Labor Bureau. Can we restructure how we define what our residents actually make?

MR. GILBREATH: Yeah. I think, you know, to kind of just to speak in one our first slides, right, Councilmember, that you know, AMIs for rural communities, it's oftentimes extrapolated from the most...the...the most...the closest urban statistical area, which is Honolulu. I think you folks have the ability to call the ball in terms of how you want to...how you want to define income requirements and sales price guidelines. And essentially, the developers will just have to abide by whatever the...the most stringent

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requirement is, whether it's yours, or it's Federal monies they're using, or what have you. But you're right, area median income counts everybody in the household that's making income, and it can mean multiple jobs.

CHAIR JOHNSON: Okay. I saw Kenna's camera on, was she going to add to that?

MR. GILBREATH: Kenna, would you like to add? . . .*(timer sounds)*. . .

MS. STORMOGIPSON: Yeah, I just want to make a real quick distinction. Those AMI guidelines have to be applied if it's LIHTC Federal rental housing. So the Federal rental housing, you can't change that. But for any County program, you know, that where you're building those units on County land or on this land given by developers, that's where you can set your own income requirements.

CHAIR JOHNSON: Okay. Great. All right. Thank you for that clarification, Kenna and Jeff. Now, Members, just...I'll just leave it open to you guys. If you have any questions, raise your hands, I'll call on you. Okay. We got Councilmember Alice Lee, followed by Councilmember King.

COUNCILMEMBER LEE: Jeff, just wanted to check, when you're talking about 5,000 homes need to built in five years, did you break it down to like 1,000 a year? And that's question number one. And secondly, did you check if the departments have the capacity to process 1,000 a year or 2,000 a year?

MR. GILBREATH: What we did was we looked at projects. And if you take a look inside the plan where we talk about the methodology for Tier 1, Tier 2 projects, it's essentially that they'll start construction in the next five years. As to when these will happen, year by year, we just don't know, and it really depends on how much of these recommendations you folks accept and move forward with. In terms of the departments, in our conversations there wasn't really a yes or no on whether they could do this or not. It's that we came to them and said hey, we have this requirement to give a plan for 5,000 homes in five years, and...and what are some ways we can do that. And so they were...they were open to the conversation, but there was nothing that said they can't or they...they won't or they don't have the capacity.

COUNCILMEMBER LEE: Okay. Thank you. Thank you.

CHAIR JOHNSON: Okay. Thank you.

MR. GILBREATH: You're on mute, Chair.

CHAIR JOHNSON: I beg your pardon, misclick. Let's go on to Councilmember Kelly King, followed by Councilmember Yuki Lei Sugimura.

COUNCILMEMBER KING: Okay. Thank you, Chair. So I...I actually had a similar question to Chair Lee, and something that Member Sinenci brought up a little bit earlier on the five...the goal of the 5,000. Does that include projects we already have on the books, or

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is that in addition to what we've already approved?

MR. GILBREATH: The only projects that have not started construction yet, but could in the next five years.

COUNCILMEMBER KING: Okay. Because we have a...we have several projects for South Maui that have been approved, but have not started construction. So that's...those are included in that 5,000?

MR. GILBREATH: If...if we thought they met Tier 1 or Tier 2 methodology, which is essentially what they have basically just infrastructure barriers. There might be other barriers, cultural resources, environmental resources, other issues that could come up, those are moved to Tier 3 projects and on hiatus, which we encourage you folks to really kind of dig deeper into over time.

COUNCILMEMBER KING: Okay. Because we've already...you know, these are projects I'm thinking of that we've already approved and already actually approved for the Affordable Housing Fund.

MR. GILBREATH: Yeah.

COUNCILMEMBER KING: So I'm assuming they're going to be moving forward in the next couple of years. But I...the other question I had for you was on the...on the qualified resident, the...it's good news that we can require a two-year residency for for-sale homes, but how does that jive with the HHFDC funding? If a developer comes in and is using HHFDC funding, I mean, I've always been, you know, then you can't have that residency requirement, but you're saying we can.

MR. GILBREATH: Kenna?

MS. STORMOGIPSON: You're absolutely right, and I think this is confusing because HHFDC has pretty much just been doing rentals through the LIHTC program, the Low-Income Housing Tax Credit program. That's where they get their money from, it's State tax credits, Federal tax credits, and then some Rental Housing Revolving Fund. So when you're using those Federal tax credits, which is really just rental housing in that 50 to...mostly 50 to 60 percent, then yeah, you can't. But a County project is different, and a for-sale housing is different.

COUNCILMEMBER KING: Okay. . . .*(timer sounds)*. . . Federal funding that would...that they would be getting that would keep us from doing that for a for-sale project?

MS. STORMOGIPSON: No. Uh-uh. In fact...yeah. Uh-huh.

COUNCILMEMBER KING: Okay. Good news. All right. Thank you.

CHAIR JOHNSON: Yeah, that's great. Okay. Let's move on to Councilmember Sugimura, followed by Councilmember Mike Molina.

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COUNCILMEMBER SUGIMURA: Thank you. So in the plan, it stated that this would be for Central Maui, South Maui, West Maui is where you focused on because of the limited \$300,000 grant...or I'm sorry, contract; is that correct? Are you...is it still correct? So you're not focusing on --

MR. GILBREATH: No.

COUNCILMEMBER SUGIMURA: -- Lānaʻi, Molokaʻi...

MR. GILBREATH: We are. One of the main...one of the main share backs we had...so we went out and raised additional funds to be able to do community share-back meetings after we presented to you folks those draft recommendations. And I'll tell you, the number one comment from us was where's Hāna, where's Molokaʻi, where's Lānaʻi. And our team, we made the push, and we said we're going...we got to include everybody, and so it does. *(audio interference)*

COUNCILMEMBER SUGIMURA: Okay. So you expanded...you expanded to Maui County then --

MR. GILBREATH: Yeah.

COUNCILMEMBER SUGIMURA: -- for the housing study. Okay. That's one. And then the other thing is going back to this bond. So were you thinking of the bond to be for housing as well as infrastructure, or were you only looking at infrastructure?

MR. GILBREATH: For both.

COUNCILMEMBER SUGIMURA: For both. So once the house is built with bond funds...and usually bonds, we decide to bond infrastructure 30 years or whatever just because, you know, we own it. So what's going to happen when the house is sold and we no longer have a share in the home that is sold to someone? What does your...your team say about that? I mean...

MR. GILBREATH: Stan, can I pull you up to address Councilmember's question? Or Dave . . . *(inaudible)*. . .

MR. KEASLING: Sure. It's the...it's that question about...about recouping the subsidy that's put into the house or being able to...to carry it over to the next affordable...affordable household that wants to buy the home, so that the subsidy...what we think is that the subsidy will...will act to keep homes affordable over the...over a very long period of time. And...and that the subsidy isn't ever going to come back to the County, ever going to get...you know, get reimbursed the...the original bond sale, but in fact, it will continue to be used to keep homes affordable over the long term.

COUNCILMEMBER SUGIMURA: Okay. Interesting. So Chair, can you send that question then to the Department . . . *(timer sounds)*. . . of Finance? Because they do all our bonds,

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and I've never heard of us using bonds for housing that are going to be sold to somebody else, and what would do that in terms of is that allowable --

CHAIR JOHNSON: Okay.

COUNCILMEMBER SUGIMURA: -- for a bond sale. Thank you.

CHAIR JOHNSON: Sure. Yeah. Thank you for that. An interesting point there you brought up. Let's move on to Councilmember Mike Molina, followed by Councilmember Tamara Paltin.

VICE-CHAIR MOLINA: Thank you very much, Mr. Chairman. And you know, just dovetailing off of the last question, you know, I guess we're looking at investing in our people through homeownership or rentals, and I guess the side benefits are they become payers into the...the tax system, and then, of course, you keep them here, especially if they're talented individuals. So I can certainly see that perspective. Mr. Chairman, just more of a request for...related to the two-year residency period, if we could get an opinion from our Corp. Counsel as well. And I appreciated hearing the report from Kenna that in San Diego County, thus far there's been no legal challenges for the for-sale units. So if we could get an opinion from Corp. Counsel as well. So that's my only request here. Thank you.

CHAIR JOHNSON: Sure. Mr. Forrest, are you online, or any Corp. Counsel who's willing to take that on?

VICE-CHAIR MOLINA: Mr. Chair, it can be in writing as well if --

CHAIR JOHNSON: Oh, okay.

VICE-CHAIR MOLINA: -- you're pressed for time.

MS. DESJARDINS: Yeah, I think that's a great idea.

CHAIR JOHNSON: Okay.

MS. DESJARDINS: I'm looking at those...those cases now that are cited in the report.

CHAIR JOHNSON: Okay. We'll get that in writing later. Thank you so much, Ms. DesJardins. Let's move on to Councilmember Paltin then.

COUNCILMEMBER PALTIN: Chair, my question is in regards to like, you know, if the Council sets these design guidelines for these affordable, and then sending it off to like a community advisory group, one of the biggest controversial parts I think about affordable housing is the location that it's in. You know, for West Maui, a lot of folks it may be considered sprawl, and even the ones that aren't considered sprawl, again with the NIMBYs. And I guess I'm...I'm wondering how...because for West Maui especially, a lot of the people that really need the housing are working three to four jobs. And so how

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are we going to have these community groups have a good representation so that the...we get the locations correct?

MR. GILBREATH: The...the community advisory groups would be appointed through a process. You folks, I think, currently have a process on the books, a statute for appointing community advisory groups. I think South Maui maybe had one recent. And so these are folks that are expected to have a certain level of skill set, right? But what it's meant to do is to make sure if there's any appeal or anything coming forward from community that it's related to a specific issue like cultural resources, environmental resources, and that it's not just, I don't want you in my backyard because you're a low-income person, right? And so we tried to do that with the design guidelines. You should take a look, it's...

COUNCILMEMBER PALTIN: So just did that for South and Pā'ia. I mean, my concern for West Maui is a lot of our folks work so many jobs that we won't get the folks that need the housing or have that...you know, I mean, they're...the...the people that have that kind of knowledge are already tapped, like, to the limit. So I'm...I'm concerned about the diversity for West Maui.

MR. GILBREATH: It's...yeah, I mean it's...it's meant to have a community advisory committee in each of your districts, and that...that it can't be a frivolous claim brought forward, right? That it's...that it's really...if the groups and the affordable housing developer, the community, they're building toward those set guidelines, then this thing can move forward. But we're not going to allow just a few folks to stand up in a meeting, even if there's nobody on the other side, to just stop the process, you know. And so I think that's the value of this, that there's a community serving body that has decision making power and the skill set . . . *(timer sounds)*. . . to follow set guidelines to get to yes, and kind of weeds out those frivolous claims, but still holds up strong cultural and environmental resource concerns.

CHAIR JOHNSON: Okay. Members, I appreciate you guys doing a second round. Is there any...I mean, anyone who hasn't spoken, you...we can do your last and final. But we got one more presentation, Mr. Gilbreath, if you...seeing no questions from the Members. If you want to go forward, the floor is yours.

MR. GILBREATH: Okay. Let's try this again.

CHAIR JOHNSON: Oh, you know what, Jeff, I...I really want to apologize. I wanted to take a ten-minute break because we are kind of going late. I...I...I'm sorry. Let's take a ten-minute break, and then we'll do...we'll do the...this...to do this presentation. Getting ahead of myself. So it's 4:57, let's return at 5:07 for ten-minute break. All right. So we can take...we can be refreshed for the last and final. So it's 4:57 p.m., the Affordable Housing Committee is in recess until 5:07, July 19th. . . . *(gavel)*. . .

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RECESS: 4:57 p.m.

RECONVENE: 5:09 p.m.

CHAIR JOHNSON: . . . *(gavel)*. . . Will the Affordable Housing Committee meeting come to order. It is July 19, 2021, the time is 5:09. Members, we are about to receive a presentation from Mr. Gilbreath. And I don't want to take up any Members' time because we seem to be moving quite...quite well and are on schedule. So Mr. Gilbreath, you have the floor.

MR. GILBREATH *(PowerPoint Presentation)*: Thank you, Chair. You folks can see that okay?

CHAIR JOHNSON: Yes, we can.

MR. GILBREATH: Great. So as we step into this last part of the presentation, we're really talking about the key strategies to get to 5,000 affordable opportunities, as well as then what, right? Implementation. And so right off the bat, we do see strategy one, what is critical is making sure that we're expanding the Affordable Housing Fund. And this...this graphic is really meant to show you folks what we...what we have identified as the major steps in this process. So you will see in the plan specifics around amendments to 3.35, the call to make sure there's an annual revenue of \$58 million into the Affordable Housing Fund. And the key strategy is to sell bonds to raise funds for financing community serving infrastructure and housing subsidies, and really turning the paradigm of what's occurred over the last 40 years, which is a lack of public dollars in...in this process. We would see the need to appoint a community oversight board that would be responsible for disbursing the funds and monitoring progress. We heard loud and clear from community that there needs to be more public participation in this Affordable Housing Fund awarding process and monitoring. The result of this is it would essentially get you close to \$1.2 billion available for investments in local communities and local renters and homebuyers within this five-year window, so you're...you're front loading. The second strategy is really around the workforce housing agreement and the development of dedicated land. We have a pretty significant appendix on this. I encourage all you folks to take a look on the amendments for 2.96. We believe those amendments should go into place, and then updating the workforce housing agreement that currently exists. On each of these projects, it's going to be important that the County negotiate that land dedication, right? So it's...there's going to have to be a sit down at the table and...and to figure out what will work. The community meetings should be conducted as part of this process, so community can weigh in. Another huge thing that we heard is not just at the funding level, but being involved before the project even takes off. And then negotiating the affordable housing funding for...for the project. The result is really to meet the housing need among local families below 140 percent AMI, which is 54 percent of the total demand of all demand on the island *(audio interference)*. Strategy three really looks at by right development of affordable housing projects. This is something that I've...that we've been talking about quite a bit through this process. It would require the County, the Council, to approve and adopt design standards which provide clear rules of the road for these 100 percent affordable projects. Amend 2.97 based on the...the revisions that we've proposed, and

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I encourage you to look at the...the appendix for that. We are encouraging the County to exempt these 100 percent affordable projects from HRS Chapter 343, environmental review. And with design standards that are specific, that are clear, you can still address the environmental concerns that come forward potentially. Establishing those community advisory committees. And I think I misspoke previously, working with the Planning Commission to approve those 100 percent affordable projects by right. And we really...you know, we looked at what was the...what was the way you can move these 100 percent affordable projects forward, knowing that we need about four times the speed potentially over the next five years. And this was the way we thought we could do it, reducing the timeline by 18 months. The fourth strategy is really developing affordable housing on County-owned lands. We listed a few of the properties that could be used. And really, it's the County moving forward now on zoning and other entitlements to secure those. Working with the community oversight board to develop land use plans. Again, being responsible for conducting community meetings, making sure there's weigh-in. I think on parcels that are not priority projects, health impacts assessments could be critical to see if that land even should be used for that. Reviewing and approving those projects, and then moving towards RFPing and awarding the projects and the affordable housing funds. Based on capacity at the County, we do believe those RFPs will be critical in getting out and making sure you have the experts doing...doing the development. The result is 1,300 affordable homes for local residents in our Tier 1, Tier 2 County-owned land projects. But I do want to also note that in this strategy, you'll...you'll also find in our development strategies there is a clear call from community and a clear focus of the plan that we should be cost sharing with Department of Hawaiian Home Lands to make sure that folks who have been on the waitlist for so many years get a shot to get on their homelands, and that the County be part of that process, be part of that investment. And...and that's in addition to these County-owned...owned lands. The last strategy really recognizes that it's not all going to be building, that there are pilot and demonstration projects that have promise. That we need to start lifting up and...and kind of getting our training wheels on. So we are actually calling for...for four different potential pilot and demonstration projects. One is to use the HUD 108 program, it's a Federal program that's never been used by a County in the State of Hawai'i. It's been used by Guam. But...and maybe we can learn something from Guam on this process. But essentially it helps provide funding. And we're encouraging to look at acquisition and redevelopment of existing properties, potentially 250 units. Set a goal, right, and kind of move toward it. We're talking about establishing renter and homebuyer programs that would back up the individual development accounts that you folks funded so that when folks come through, they can get HUD housing counseling from certified agencies and counselors, and axe those...access those matching funds. We believe that it could potentially help about 100 renters or homebuyers in the...the mainstream marketplace. You know, based on the prices and where they're at, maybe not, but it could be an additional tool not to just get folks into affordable, but for other units that are out there. One...you know, this third one, supportive housing, I will tell you, probably the most feedback that...that I received personally and folks engaged me was really around the idea that our extremely low-income residents have no shot right now, there's nowhere for them to go. And in particular kupuna, houseless families, folks with disabilities, there needs to be funding for pilot and demonstration projects that...that move forward supportive housing, and

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we're saying 100-plus units for this purpose. There is...there are a couple projects that have been identified as potential there. One project may not require any County funding whatsoever, but would require the County to move them through the permitting process in a timely manner that we've been discussing. And then the fourth is really the Maui home accelerator program. We lifted this from the LA ADU Accelerator Program. So in Los Angeles County, essentially if you have a preapproved accessory dwelling unit that you put on your property, that there is financing available to the homeowner who doesn't have the means to tap their home equity. And that you can maybe target these to specific needs. The LA ADU Accelerator focused on providing housing for kupuna, for seniors. But it doesn't mean that you couldn't focus it where you would like. And we believe that by RFPing that with a community development nonprofit, you could help get streamlined preapproval plans, you could get technical assistance to the homeowner to make these builds. It's a...it's a very effective and efficient way to get housing units on the market, and it allows community to be part of the solution. We're anticipating about a couple hundred units out of that if...if that's something you folks decide to pursue. But about 600 affordable opportunities, a little more closer to 700 would be...would be provided through these pilot and demonstration projects, roughly 15 percent of the total of the 5,000 units. And we really see this as a long-term solution, that if you start to lift up and test these creative solutions, five years down the road we may be able to lean on these a little deeper to address the need. Other pilot and demonstration projects I just want to highlight and point out. There's a lot of talk about factory-built housing and a facility for manufactured housing that's local that also serves as a construction training site. This came out, I believe, because we're seeing lumber prices that are 200 percent more than they were a year ago. We see concrete prices even higher. Looking at ways to increase self-sufficiency of the County. Reducing building material cost, but also growing the next generation of affordable builders. And then, you know, another was locally sourced building materials, again, kind of going back to how can the County be sustainable, self-sufficient, and this was one of the things that came up time and time again, research and development on...on this component. The result of this is it would decrease cost of homes, increase self-sufficiency for the County and the families, and build a pipeline of local residents in the construction trades. If you folks ramp up according to the plan, we're going to need to get people off the bench and in the game on construction, and we could see this being union-wage jobs potentially, right? But we need to get more folks engaged in the...in the game. So those are the...the five strategies, but none of this means anything if we can't implement the deal, right? And so this next section all talks about how do you now move to implementation. And the first is, we really believe in the short-term there needs to be a cabinet-level housing coordinator position in the Mayor's Office to manage plan implementation. We looked at the separation of housing from human concerns. Our feeling is in the next five years that's...it's not going to happen, right? So how do we move now, quickly? Get somebody in that position that can coordinate across departments, can take projects, be mindful with folks, be...be engaged with development projects, and get them to the finish line, while having more accountability and transparency. The second implementation point is really to appoint members to the affordable housing fund community oversight board and these community advisory committees. Again, I can't tell you how many times we heard from community that they want to be involved in the decision making. That if they have the appropriate skill sets,

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who are we to stop them from that? And I think it...it'll allow for more folks to come to the table, more buy-in, and a way to push back on frankly NIMBYism, which is always going to rear its head, regardless of what you do. The next layer, which is...is critical, is that this a top-level thing. There needs to be partnerships in particular with community development nonprofits and affordable housing builders who are experts at targeting extremely and very low-income families and low-income residents below 80 percent AMI. So a couple of these that we lift out in the...in the plan are really those that are most poised to leverage a County investment with larger private and public dollars. And so housing counseling agencies that prepare renters and homebuyers, but also make sure mortgage steering is not happening, and if it does there's accountability, and that fair housing is being followed. Treasury certified CDFIs. There is a historic amount of investment in community development financial institutions. We just got word that there's \$380 million in the Capital Magnet Fund at CDFI. Those could be pulled down by CDFIs to help leverage what you folks are willing to invest in your...your local families. And then last are nonprofit community development corporations and affordable housing builders. That all...all these folks are partners in the game. This is how you get your access to low-income housing tax credits, to CDBG, HOME, USDA, bank, and credit union financing or dollars. And so just trying to think of who all can kind of come play in the game, and it's really going to take all of us folks to make this happen. And...and the good news is, in our conversations with community, everybody is ready to go. Everybody is ready to back you up and...and the Administration if you so choose to move on this stuff. But we also know we're not blind to the fact that there needs to be significant capacity building in the public and private sector. And so through multiple meetings, trying to figure out what do...what does the public and private sector need to get to the point where they can start to...to lead on this effort. The first is really, you know, starting to do a training capacity building, even relationship building for not just nonprofits, but individual project managers that might be in the County, might be at a department, that there needs to be some pilina building really happening, and in a deep way. We have talked with representatives at...in housing and Department of Planning and permitting at the other counties. They're willing to come, they're willing to be part of a learning hui that would involve everyone and talk about how do we bust down silos and streamline processes. And everybody that I've spoken to are willing to come...come join, right, and share. How do we do this? What's the best practice? The second is conducting large scale analyses. I think, you know, especially for the County-zoned properties, how do you do these analyses so it doesn't become the cost of the affordable housing builder? This can be a huge cost for them, and can be cost prohibitive. But if...if...if the County is willing to fund this through the affordable housing fund as we've kind of suggested, this would be a huge help for affordable housing developers to get...get prices more...more affordable for families. Improving the County communication regarding entitlement and funding approvals. There is a MAPPS system that we were made aware of by the County. It's a system that's supposed to be more public facing, create more accountability and transparency. It's our understanding that the Department of Planning is moving forward on that system. And our recommendation really is to see where they're at in that. Start to set some benchmarks and timelines and see if we can't get that out there so builders know where their project's at and what they can expect, create some more certainty. Advocacy and partnerships for...for increasing funding from public and private sources. You know,

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really looking at how do we use the power of the Mayor's Office and the power of your folks' offices to encourage philanthropy to come to the table? Encourage other County and...and public agencies to come to the table, and engage your...your Federal delegation, what have you. Number five is really around this idea that there are small nonprofits that are ready to get in the game on affordable housing, but they need capacity. And so encouraging if...if there's some growing nonprofits or small and emerging nonprofits that are going for affordable housing funds, maybe a portion of that could be dedicated to capacity building so that they're ready to go on the next project to do more, right? Capital campaigns, again, really using the power of your folks' offices again, and in particular the Mayor, to endorse kind of capital campaigns for nonprofits that are ready to build at more affordable rates. We have seen on the neighbor islands, there are some projects that are amazing in terms of what they're doing and...and reaching those who need housing the most. One is Pu'u honua o Wai'anae. This is a project that has bought their own land, they're doing site development right now. 100 percent grant fund...or private donation funded at this point. We also see one on Hawai'i Island that we lay out for you, the Pahoa affordable housing project, 100 percent private donation. And so looking at some of these models to be able to implement and maybe getting the power of...of the Mayor's Office behind this might...might help. And the last is training and internship opportunities for housing development and construction trades. There are existing training programs that are being administered by nonprofits, by the University of Hawai'i. On Moloka'i, we have seen a young woman there who's a homesteader, or hopes to be a homesteader, in Ho'olehua that is leading the charge of training next generation builders in tiny home development as a way to address the fact that even though folks on Hawaiian Home Lands are getting leases, they still have to qualify for the home. And if we can qualify them for a smaller home maybe if they're kupuna, then...then let's do it. But...but these are homegrown opportunities that are happening, and we heard this a lot in our share-back sessions. So in your appendices, if you look at the community share-back sessions, these folks let us have it. And it was after our draft recommendations, and they told us, you missed the mark, here's the things you have to hit. Last, the only way this thing is going to go forward, and we truly believe, is that the County and the Council has to come...come to agreement, right, on what to do in year one, including a review and movement of priority projects Tiers 1 and 2, but also talking about projects that are in Tier 3 and have been delayed and stalled, but are really going to take folks coming together, finding consensus, and moving forward. You've heard from me, our team truly believes that this plan is comprehensive. That if you implement the things we're talking about and you move now on it, that you can hit 5,000 affordable opportunities in five years. But any change that you make will change the...the impact to the project...you know, the projections. That should come as no surprise. But that I think there needs to be a real conversation with the County on what...what folks are willing to do, consensus, and move...move ahead. The last, I'll just say, is the value of partnership and the value of all of us coming together on this is really to align new and existing resources. And it's to make that investment where investments haven't been done. And it's...it's your greatest assets, it's your local communities and your local families. That price tag that we talk about doesn't mean that the County has to be the only one doing it, right? That there's other leverage that we can find. At the State, you have CIP and the State Revolving Fund that we should be tapping. But you see those nonprofit...community development nonprofits are listed

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in the green section, and this just gives you a few ideas of the resources that they have available that they can pool to help leverage what your investment is so we can all kind of move together. Especially in mind of the fact of what the current capacity is, we need to build capacity over time, but this is a way you can align new and existing resources. But your key tool will be the County's Affordable Housing Fund.

CHAIR JOHNSON: Okay. Thank you, Mr. Gilbreath, for that presentation. Now, Members, we'll go again...we'll go again first round with everyone. And I just want to let you know that we updated a document on Granicus, it's only three or four pages, that we'll also discuss after this that we can ask the...ask Jeff Gilbreath and his team about. So let's...without further ado, let's start with Councilmember Mike Molina, followed by Councilmember King.

VICE-CHAIR MOLINA: Yeah. Thank you very much, Mr. Chairman. Mr. Gilbreath, I know you didn't quite cover this in this last part of your presentation, but this is related to Appendix M, community profiles, if you're able to respond to that. Which of the pending projects that are identified there as compliant with the affordable housing plan's criteria? And of the pending projects, which of these projects are not compliant with...with the plan?

MR. GILBREATH: So all of these projects are Tier 1 and Tier 2 projects. So in our assessment, their largest barrier, the primary barrier is infrastructure costs for most of them. So...but we do believe these can move to construction within the five-year period. There are other Tier 3 and delayed and stalled projects that are in a list in...in...in another appendices that have significant other impediments, and so we tried to separate those.

VICE-CHAIR MOLINA: Okay. And...and those impediments are...are what?

MR. GILBREATH: Could be presence of iwi kupuna, could be concerns with environmental resource, could be potential litigation or existing litigation, right? So those are some of the things that we --

VICE-CHAIR MOLINA: Okay.

MR. GILBREATH: -- pushed into that tier.

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

CHAIR JOHNSON: Okay. Thank you, Councilmember Molina. Let's move on to Councilmember King, followed by Chair Lee.

COUNCILMEMBER KING: Thank you, Chair. So Jeff, real quickly, you know, you mentioned HRS 343 and exempting projects from the environmental assessment. Can we do that if it's an in-State statute? The Council can?

MR. GILBREATH: The Council can't, the County would have to do it, the Administration. So every seven years, you can add to the list of exemptions. It's been...I think last we were

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looking--what was it, team--it was like 20 years was the last time there was an update.

COUNCILMEMBER KING: Okay. But that has to come from the Administration, not from the Council?

MR. GILBREATH: Yeah.

COUNCILMEMBER KING: That's what you're saying?

MR. GILBREATH: Yeah.

COUNCILMEMBER KING: Okay. Another question I had was, did you look at...you know, in looking at experimental and demonstration projects, did you look...did you consider conversions of any of our empty big box stores? Did you discuss *(audio interference)*

MR. GILBREATH: That would be like the acquisition and redevelopment. So you just have to...you have to be very careful about the financial feasibility of these because it's...it's built to be a store, right, so you start to add capacity and need for wastewater and water.

COUNCILMEMBER KING: Okay. So you looked at that. Yeah. Because...you know, and also, I was...I was very impressed that you looked at two of the things that we actually got into the budget this year, which was, you know, having someone look at new...new local construction materials, and also the...the prefab homes, affordable prefab homes construction here. So thank you for that. And then the last question I have...

MR. GILBREATH: Thank you guys.

COUNCILMEMBER KING: Yeah. The last question I have is when you talk about the community advisory committees and you put them under the Administration. You know, just in creating the two that we recently created, the South Maui and the Pā'ia-Ha'ikū, when I talked to the Kihei Community Association and I asked them, you know, point blank, who do they want to appoint this body, and they said unequivocally, the Council. Because we have a body that was appointed by the Administration, and all they do is approve every single project, you know, regardless of the fact that, you know, 100 percent of the people could come out against it, and they'll approve it. So that's just one...one thing, you know, hoping that if we tweak that, that's not going to mess with your plan. And also, if we...if we come up with some changes, can you give . . . *(timer sounds)*. . . which ones would significantly affect the plan? Because you know, that one change we talked about earlier where requiring the 20 percent affordable if we do that...you know, the 20 percent dedication land can stand first or concurrently.

MR. GILBREATH: We'll do our best to...to assist you folks in the process. We raised some money of the side, so we can be available at least and through September to be part of that, so...

COUNCILMEMBER KING: Okay.

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MR. GILBREATH: And that includes our subject matter experts.

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

COUNCILMEMBER LEE: Shall I start?

CHAIR JOHNSON: Okay. Yeah, sorry. I'm sorry.

COUNCILMEMBER LEE: Thank you, Chair. Jeff, okay, so in your extensive research with various municipalities, did you come across one that was able to raise \$1.69 billion for infrastructure for housing?

MR. GILBREATH: I don't believe we were looking at that as an assessment. But I might pull in Dave Ferrier. Dave, are you still on with us?

MR. FERRIER: Yeah.

MR. GILBREATH: Was that --

MR. FERRIER: Yeah. So we --

MR. GILBREATH: -- when you looked at bonds?

MR. FERRIER: -- didn't see that. I think...we didn't look at bonds primarily because the capacity to service bonds wasn't nearly at the...at the capacity that the County does have. And so I think the tax rate is so low, I think it creates an opportunity that other communities don't have. And so we didn't take a deep dive into...into that kind of capacity, that I suspect that none of those other communities have that kind of capacity.

COUNCILMEMBER LEE: Okay. And well usually, it's not only real property tax revenues that you look at, but the houses...the people that buy the houses generally contribute back to the fund. But there's so much subsidy, and the fact that, you know, the subsidy could remain with a subsequent owner, how do the homeowners help to pay back the bonds? Or don't they?

MR. FERRIER: They...they don't. The bonds are serviced by the annual tax revenue, and so I think...

COUNCILMEMBER LEE: So pretty much the tax revenues by the general populace?

MR. FERRIER: Yeah. It's...it's a revenue anticipation bond, I believe is the term. Kenna, I'm sticking my neck way out...too far out here, but...

COUNCILMEMBER LEE: Because that's --

MS. STORMOGIPSON: No, yeah, it's...it's...

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COUNCILMEMBER LEE: -- that's a lot of money to raise. Okay.

MS. STORMOGIPSON: But it's funded primarily by a tax on the non-owner occupied second, third homes. Yes. Yeah.

COUNCILMEMBER LEE: Well, if you looked at our...our tax revenues, and...you would see that everybody's pretty well covered except maybe the homeowners...the owner occupieds. Okay. There...there may be some room there, but not much, not to the tune of (*audio interference*) dollars. So that's why I thought maybe some of the homeowners could help contribute to...

MR. GILBREATH: Stan, would you want to address back that?

COUNCILMEMBER LEE: Yeah.

MR. KEASLING: Yeah, so the...you know, actually, when we looked at the...at the tax rates on especially short-term rentals, by increasing the tax...essentially by increasing the property tax enough to raise the daily rental rate by \$3, the average daily rental rate by \$3, raises a ton of money. And all you did was increase the cost \$3 a night.

COUNCILMEMBER LEE: But...but at the same time, I think our policy is that we would like to reduce the number of short-term rentals. You know, that...that's the policy we're looking at, not increasing, you know, the number of STRs. Okay. I'm just wondering how we're going to pay back our bills, that's all. Thank you.

MR. GILBREATH: Good question.

CHAIR JOHNSON: Okay. Thank you, Chair Lee. Let's go to Councilmember Paltin, followed by Councilmember Keani Rawlins-Fernandez.

COUNCILMEMBER PALTIN: Thanks, Chair. Same disclaimer. First question is, have you looked at that...regardless of tax classification, the majority of our tax revenue comes from the coastal properties, and we're not sure exactly how long those coastal properties with SLR-XA and what happened in Florida, the revenue is going to be there, and then what happens to all this bond financing that we took out. And in addition to the compounding of losing that existing buildings and dealing with the fallout of that, like how...how far out is this projection going to be good? Like if we're talking about a 3.2 at this point minimum sea level rise exposure area.

MR. GILBREATH: Stan?

MR. KEASLING: Yeah. So what I would say, Councilmember, is that...that we are not the people who would actually underwrite the bonds. And so at some point, you're going to have...you know, if you propose a bond sale that is predicated on certain...certain revenue, that your bond underwriters are going to rate it, and they're going to make decisions about that. And they're going...you know, they will tell you what the interest rate is going to be as a result of that. They're going to tell you how long a bond you

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could issue. They'll make recommendations around those things. It's not our expertise.

COUNCILMEMBER PALTIN: Okay. Second question. In Lāhainā, we have quite a bit of County-owned parcels that may be good for like a duplex, couple duplexes. What are your thoughts on those small amounts of properties? And should the County be the land trust, or should we just hand it over to folks with already that expertise?

MR. GILBREATH: I mean, I...I think you have nonprofits that would...community development nonprofits that could take that and do something with it, whether it is a land trust itself or it's a nonprofit builder, smaller folks maybe that are trying to do some supportive housing models or just trying to get --

COUNCILMEMBER PALTIN: Like --

MR. GILBREATH: -- in the game.

COUNCILMEMBER PALTIN: -- would it . . . *(timer sounds)* . . . onto the land?

MR. GILBREATH: I'm sorry, say that again?

COUNCILMEMBER PALTIN: You wouldn't recommend the County to hold onto the land?

MR. GILBREATH: You could. You can make that a condition. I think in the rental housing side, if you're putting subsidies in like we said, it should be perpetuity. You could use the mortgage...deferred payment mortgages as the subsidy and the tool to make it affordable over the long term for the for-sales.

COUNCILMEMBER PALTIN: Okay. Thanks. Sorry, I went over my time a little bit.

CHAIR JOHNSON: That's fine. Okay. Let's go . . . move on to Member Rawlins-Fernandez, followed by Member Sinenci.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Okay. I just...I have two questions. My first question is regarding our real property tax rate. I think this question might be for Ms. StormoGipson.

MR. GILBREATH: Yeah.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay.

MR. GILBREATH: Kenna, can you pull forward?

COUNCILMEMBER RAWLINS-FERNANDEZ: Aloha. Okay. So I know we talk about how low our rates are, but I also recognize how high our valuations are. Did you do an analysis on other municipalities' valuation and how much in property taxes like they pay? And I...and I guess it would be compared to those that aren't paying into their Department of Education, since we don't pay for schools in our counties.

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MS. STORMOGIPSON: Yeah. Hawai'i is the only state where no property tax money goes towards schools, which it actually used to go to schools back when the State controlled property taxes.

COUNCILMEMBER RAWLINS-FERNANDEZ: Right, right, but...but my question.

MS. STORMOGIPSON: Yeah. So...

COUNCILMEMBER RAWLINS-FERNANDEZ: Because I only have two minutes.

MS. STORMOGIPSON: Yeah. Sorry, sorry. So other high-cost places do have much higher property tax rates, but a chunk of it, maybe 30 to 40 percent, does go to schools, yes.

COUNCILMEMBER RAWLINS-FERNANDEZ: Oh, that wasn't my question. My question is, you know, like we've been talking about how low our rates are --

MS. STORMOGIPSON: Yeah.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- but the valuations of our properties in Maui County is relatively high. And so the amount that people --

MS. STORMOGIPSON: Yeah.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- pay on their property taxes. So like, you know, if --

MS. STORMOGIPSON: Yeah.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- if someone's valuation is, you know, \$2 million --

MS. STORMOGIPSON: Yeah.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- and, you know, while the rate is low, you know, the amount that they will be paying, you know, per thousand, will end up, you know, being like \$5,000 or something, \$10,000.

MS. STORMOGIPSON: Yeah. No --

MS. KEASLING: Kenna --

MS. STORMOGIPSON: -- I see what you're saying.

MS. KEASLING: -- I don't remember...I don't remember your slide, Kenna, that showed how much Oprah paid on her...on her condo in...in...in Chicago compared to her condo on Maui.

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MS. STORMOGIPSON: Yeah. And...and...

MS. KEASLING: But I think it was something three or four times as much in Chicago as she paid in Maui.

MS. STORMOGIPSON: Yeah. And it's also true for like California. So like San Francisco also has very high property values. You know, I think their average home price is actually above 1.4 million maybe. So like...

COUNCILMEMBER RAWLINS-FERNANDEZ: Is it...is it in the plan? Is that information in like the exhibits in the plan?

MS. STORMOGIPSON: I didn't include that information. I...I can pull that research, yeah. Uh-huh. So...

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. Great. Well, and I don't know how much . . . *(timer sounds)* . . . Okay. I don't have any time left. All right. Mahalo.

MS. STORMOGIPSON: Yeah, sorry. Sorry I misunderstood that. I will follow up.

COUNCILMEMBER RAWLINS-FERNANDEZ: That's okay.

MS. STORMOGIPSON: Yeah.

MR. NAZZARO: Can...can I just add? At one point in my career, I was the housing manager for the town of Vail, Colorado. And they have 10, 15, and \$20 million homes, and their tax rate is much higher than Maui's. So it...there's a lot of places where the tax rate is higher, and the valuations are a lot higher as well.

MR. GILBREATH: Okay. Thank you. Let's move on to Councilmember Sinenci, followed by Councilmember Sugimura.

COUNCILMEMBER SINENCI: Mahalo, Chair. And I was just looking at implementation number four, and I know Jeff was talking about training internship opportunities in housing, particularly I think in Appendix Q, there was some tiny homes in...in Moloka'i. But...and...and I'm...I was planning on meeting with UH Chancellor Lui Hokoana, just to look at some of their trades programs that they currently have and seeing how we can expand those for...for this. But it looks like Alan had something about university engineering in the chat, and if he could quickly speak to that. Property assessments.

MR. GILBREATH: That I think part of the capacity...you know, part of the capacity could be utilizing university students in different...different departments, focusing on different professional fields, and...and have a partnership whereby they can get some of their...their experience, their kind of the one-the-job experience done through those partnerships. But Alan, I don't know if you want to speak more to that.

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MR. NAZZARO: Yeah. I just wanted to give you an example. When I worked for FEMA, I helped the...some of the parishes down there after hurricanes and floods. And one parish needed some engineering work done to figure out the hydrology of flooding in their...in their county or...counties are parishes in Louisiana. And so we partnered with Louisiana State University and their professors, who are engineers, took their graduate students and did the study for, you know, a well reduced price versus what an engineering firm would have charged the county. So they got the product at a much reduced price. And that's the kind of partnership we're talking about.

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

CHAIR JOHNSON: Okay. Thank you. And now we have, finally, Councilmember Yuki Lei Sugimura.

COUNCILMEMBER SUGIMURA: Thank you. So one of the things in your presentation, Jeff, I wonder if you could explain this, is to bust down silos, you said, and that you would bring in people from other islands to help us do that. Did you say Big Island?

MR. GILBREATH: There's a willingness to...to create these learning hui, essentially that include public and...and private sector to be able to learn together about different affordable housing solutions. And in talking with the different counties, they're willing to be part of that learning hui, share the best practices that they have, and help troubleshoot. Essentially they all talked about the need for departments speaking with one another, knowing each other's language, and --

COUNCILMEMBER SUGIMURA: Okay.

MR. GILBREATH: -- everybody is kind of --

COUNCILMEMBER SUGIMURA: So I...I...

MR. GILBREATH: -- onboard to go together.

COUNCILMEMBER SUGIMURA: Yeah. I mean, that's great. But I...I think what it tells me is that we...if we want to build a team to implement this, I think it has to be with our Maui County team, and not necessarily bringing in others to tell us how the department should do it. That's just an observation. And also --

MR. GILBREATH: But to share best practices on how they did it in comparison to what's happening in the . . . *(timer sounds)* . . . is critical.

COUNCILMEMBER SUGIMURA: Okay. And I just wanted you to know, you're talking about MAPPS, or one of you were talking about the MAPPS program. And in October, in my Infrastructure Transportation Committee, I met with Administration and they're ready to present the MAPPS program. So we are going to hear about it as a Council, and the departments have been working hard on it, and...and they'll be...you know, I know you said you would try to encourage them to do it, but they are...they're going to rock and

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roll.

MR. GILBREATH: Love it.

COUNCILMEMBER SUGIMURA: Hopefully October is when I told them, let me know for sure, but the MAPPS program will be announced, I guess...or to us, and that's good.

MR. GILBREATH: Yeah, absolutely.

COUNCILMEMBER SUGIMURA: And...well, I look forward to seeing, you know, what the Chair of this Committee wants to do with this, since I'm the last Councilmember, and to take us...what the next steps are and your future plans. Thank you very much.

CHAIR JOHNSON: Thank you, Councilmember Sugimura. Okay. Members, we did our round. I want to thank Jeff Gilbreath and all of his team for all of their hard work. I...I know it's...it's a heavy load. I want to thank you for your...putting...to put this...developing this report, and especially the extensive community outreach efforts that you guys have been doing. It's clear that the recommendations and overall direction you've presented are based on locally grounded experience and collaboration. I believe this plan provides a solid framework for addressing our longstanding and growing housing crisis. There's many components to work with, either as individual steps or actions that can be taken collectively or in phases. My Staff and I have had a little while to read and reread and dissect this plan and become accustomed with some of the fundamental changes it's asking us to make. The plan is really asking us to do things, fundamental things, differently, and I hope we all can rise to the challenge. For my part, I've put in...I've identified five priority areas and measures, the five bricks, you might say, you can find it in Granicus, that will lay the foundation of the rest of our work. They are fundamental changes in policy and practices that will effect immediate change, and mean that any projects currently coming down the pipe for approval will better meet Maui resident's needs. Once you address that first tier or the foundation, we can move in the next level of changes, and so on. No one of these solutions will solve the housing crisis, but each solution building on the ones before it will collectively start to turn the tide. We look at each other's solution, and then let's look how the...how it fits with the others, and we evaluate its effects from there. We have to get comfortable with the idea that regulations working to...in synergy with support. I'll say it again, regulations working in synergy with support. These are both going to be vital to the success of this plan. You've received a three-page handout to help you put the pieces together. They're all of the policy recommendations in the Council's wheelhouse from the plan in one place. The budget-specific items and recommendations and Administration actions I've organized on a different matrix for future discussion and reference as necessary. For the purpose of this discussion, today's discussion, let's stick with what's on the handout. The first page quotes...take directly from the plan word for word that summarize how the plan recommends we approach change. And particularly, please note the following. This quotes, "Under the current affordable housing system, a scarcity of resources have limited the capacity of County, Councilmembers, community members, and other key stakeholders to contribute solutions to meet the demand for housing among local residents. Scarcity of resources have resulted in divisions within every part of the

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affordable housing system from public agencies to for-profit developers to community development nonprofits.” “Extremely low property taxes [sic] have left the County with [sic] little or [sic] no resources to fill the gap, leaving the [sic] County departments with a lack of staffing and resources to create affordable opportunities for County residents who are most in-need. The entire system operates on the [sic] assumption of scarcity of resources and [sic] creates competition among various interests, dictates short-term Council policy making, and [sic] leads to developer uncertainty, and keeps the County from taking the lead on planning healthy, vibrant and affordable housings [sic].” The plan is asking us to rapidly increase the resources we have so that we can heavily subsidize housing for our residents. Quickly grow an inventory of affordable homes for our workforce, and not just by building, but by buying down existing units. That’s a really important part. It’s not just building, it’s about buying down. It asks us to remember that “subsidies, either to renters or local homebuyers, should be viewed not as a ‘give away’, but as an investment in making homes affordable for our local people and future generations.” As I see it, I get the same questions from people all the time, I’m sure you folks do too. How much is it...how much is really affordable? How do we prioritize our locals? We can’t build our way out of this. Where are we going to get the water from? Why doesn’t this process work for me? The public knows what the problems are, they’ve been tricked enough times that they...they are asking the right questions, and this plan gets to the root of a lot of it. The first tier of the handout is a foundation of our work, and gets right to those core issues. Establish stronger residency requirements for affordable housing and eligible preferences. Reformulate the sales price guidelines to better serve our residents’ needs. Remove the Apartment District short-term rental home exemption. Establish housing as a human right. I love that point. It’s a human right. Enforce fair lending laws, and disallow mortgage steering. When I learned about mortgage steering, it totally offended me. I can’t believe they get away with doing that. That’s illegal to begin with. Members, are there...are there any questions or points for discussion on these top tier priority members [sic]? This...it’s in your Granicus, I hope you guys took a look at it. We also have...the folks who wrote it are on the call, so we can ask them about any of those things. I’ll leave it up to you guys right now, but that’s all I had to say about that. Go ahead, Councilmember Kelly King.

COUNCILMEMBER KING: Okay. Thank you. So when you’re talking about the handout, are you talking about the three-page communication from yourself? Okay. So that’s the...

CHAIR JOHNSON: Yes, that’s one.

COUNCILMEMBER KING: The last item on Granicus.

CHAIR JOHNSON: It’s got a big old housing is a human right, right in the center of it.

COUNCILMEMBER KING: Yeah, I...I see that. That’s great. So what is your plan as far as moving forward on...I mean, are you...are you looking for...are you going to give us some time to digest it and then make suggestions for amendments, and then try to get to a point where we actually approve the plan and get it into ordinance?

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CHAIR JOHNSON: Right. If you want, we can recess this item, and we can come back to it. But I'm kind of just...you know, these are the priorities that I came up with, but if we want to have a long discussion, we can recess and come back. It's really up to the body.

COUNCILMEMBER KING: So...but your...your...your priorities on this handbook...I mean, this handout don't necessarily amend the plan, they're pulling parts of the plan out and prioritizing them. Is that what I'm seeing?

CHAIR JOHNSON: Yes, pulling out and prioritizing, yes.

COUNCILMEMBER KING: Okay. Okay. Yeah, I just wondered what the process was going to be going forward as far as...you know, I'd like to see...I mean to me, one of the most important amendments we can make is to make sure that affordable...the affordable housing gets built either before or concurrently with the market if we're going to approve that 20 percent. So if there's going to be an opportunity to make those kind of amendments and then have Jeff back here so he can tell us if that...if that will make significant changes in delaying the...the goal of the 5,000 units in five years, that would be helpful.

CHAIR JOHNSON: Well, I was thinking about recessing this until Tuesday, July 27th at 1:30 p.m. if the Members are okay with it. But we can, you know, continue on. And I know Councilmember Molina had his hand up. But that was my thinking, is we'll recess...

COUNCILMEMBER KING: Yeah, yeah, no, that's fine. I think that's a good idea because that gives us time to digest it, and...and look at the things that we've been talking about, and see if we want to make amendments. So I...I would be in favor of recessing. Thank you.

CHAIR JOHNSON: Okay. Yeah. Let's move on to Councilmember Molina, followed by Councilmember Shane Sinenci.

VICE-CHAIR MOLINA: Yeah. Thank you very much, Mr. Chair. Yeah, appreciate your...your...you know, how you want to proceed with this. And I...I...I wanted to hear from Administration. So I guess at that point, at the next recessed meeting, we'll hear...we'll get feedback from the Department, and I guess the Mayor or Managing Director on the plan. So that's what I was looking forward to, to see what their thoughts was. So okay. Thank you.

CHAIR JOHNSON: I agree with that, Councilmember Molina. Let's move on to Councilmember Shane Sinenci, followed by Councilmember Paltin.

COUNCILMEMBER SINENCI: Mahalo, Chair. And yeah, just for clarification, I mean, so this document that we put out to have this report back to the...the County, do we as Councilmembers change...I mean, it's...it's information that's been presented to us. So before we go ahead and approve it, do we make like changes to it that...that'll suit us? Is that the process?

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CHAIR JOHNSON: Let...I...yes, but I also figure we'll let Jeff Gilbreath explain that. Jeff, you want to speak on that?

MR. GILBREATH: I mean, I think, folks, that we've put forward to you a pretty comprehensive plan, and where this goes next is really depending on the political will of this body and the agreement with the Mayor when...and implement...in implementing. I...I think we've put forward the best foot we could, hopefully it's enough information to help in that discussion, but it's really...the ball is in your court, as far as I can tell.

COUNCILMEMBER SINENCI: Right. Thanks...thanks, Jeff. I...that's...I kind of figured that. It's like okay, you guys have given us these tools to move forward, and then it's up...I guess up to us to go ahead and...and initiate it and implement it, yeah, I guess. Okay.

CHAIR JOHNSON: Yeah.

COUNCILMEMBER SINENCI: All right. Thank you.

CHAIR JOHNSON: That's...that's true. Okay. Let's move to Councilmember Paltin, and I thought, Councilmember Sugimura, you had your hand up? Okay.

COUNCILMEMBER PALTIN: Sorry, I had one more question. For your first box on Council action items, which aligns with policy priority eight, I was wondering, you know, that...I really like that, and it makes a lot of sense to me that, you know, it doesn't include taxes, insurance, HOA fees, mortgage insurance, and all that. But I...I believe Kenna said that that wouldn't apply for LIHTC or Federally-funded projects. I was wondering, I mean, is that only a problem in Hawai'i about the mortgage insurance, the HOA fees, and the taxes, or is that a Federal problem? And why would we not try to lobby the Federal government to include that as well? Because it makes a good sense to me that...you know, that's why the things aren't working.

MR. GILBREATH: This...these are mortgage sales guidelines that are developed by the County of Maui. And so what we've simply done was conform the sales guidelines that we put in the plan with FHA mortgages, which represent about 50 percent of the first-time homebuyer mortgages for low-income buyers in the nation. And so we were just saying that look, if you just say 28 percent of a household's income can go toward principal and interest, that's not real in the mortgage world. The mortgage world has specific standards and guidelines, and we've conformed the proposed guidelines that way. The current ones you have do not conform to the mainstream mortgage world. And frankly, I'm kind of surprised that...that folks are able to secure mortgages. They're likely securing conventional mortgages or non-conforming mortgages, which don't have the kind of low down payment of zero to 3 percent that...which is what you need with a...with low-income homebuyers. So it's...it's...it's interesting to me, but that's definitely one you folks got to change, definitely.

COUNCILMEMBER PALTIN: Wait. So just to clarify, you're saying this...this way that you're proposing is the way it is in the United States, generally speaking?

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MR. GILBREATH: The way the mortgage world works, right. So if someone is going to get a mortgage, they're going to have to hit those...those updated sales price guidelines that we provided if they're an *(audio interference)* --

COUNCILMEMBER PALTIN: And...

MR. GILBREATH: -- borrower.

MR. KEASLING: Whoever...whoever...

COUNCILMEMBER PALTIN: Only in Hawai'i that we don't...sorry, what?

MR. KEASLING: I'm sorry. All I was going to say is whoever wrote the existing guideline was basically making it easier for the sellers to find...to...to...to meet the requirements of making a certain percentage of their homes affordable. They weren't truly affordable, but they were by definition under the plan.

COUNCILMEMBER PALTIN: Okay. And...and this a problem specific to the State or this specific County?

MR. KEASLING: Specific to the County. The County.

MR. GILBREATH: Specific to you folks. It might be this way elsewhere, it'll be very interesting to see if that is the case. Yeah. But definitely in the County.

COUNCILMEMBER PALTIN: And then...

CHAIR JOHNSON: Go ahead, Kenna.

COUNCILMEMBER PALTIN: Yeah, Kenna. What you were saying.

MS. STORMOGIPSON: Well, I just wanted to say that, you know, the LIHTC program only does rentals, so they don't have any guidelines on sale prices. And...

COUNCILMEMBER PALTIN: Okay.

MS. STORMOGIPSON: Yeah, and other counties all across the country are...are working with these pricing guidelines and developing their own that make sense to their location. So every county can be a little different.

COUNCILMEMBER PALTIN: Wow, that's heavy. Okay. Cool. Thanks.

CHAIR JOHNSON: Okay. Any other questions from the Members? Go ahead, Councilmember Yuki Lei Sugimura.

COUNCILMEMBER SUGIMURA: So the other...I know that you said your next meeting that you're going to have Administration, is that right, to comment on this plan?

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CHAIR JOHNSON: They're totally invited. I would love to have them come.

COUNCILMEMBER SUGIMURA: Oh, okay. So the other thing that I always think is important is whatever it is that we're going to be approving, I would like to know Corp. Counsel's also. And what you're going to end up with, whether it's going to be this 100-something page comprehensive plan...well, I guess it's going to be the whole thing. Whatever...you're going to end up showing us or presenting to us a document that we work from?

CHAIR JOHNSON: Yeah, that's been...

COUNCILMEMBER SUGIMURA: That's my request.

CHAIR JOHNSON: Okay.

COUNCILMEMBER SUGIMURA: That's my request.

CHAIR JOHNSON: Totally, request accepted. Yeah, it's good.

COUNCILMEMBER SUGIMURA: Okay.

CHAIR JOHNSON: We got the --

COUNCILMEMBER SUGIMURA: Yeah.

CHAIR JOHNSON: -- three-page...

COUNCILMEMBER SUGIMURA: Because...

CHAIR JOHNSON: Yeah.

COUNCILMEMBER SUGIMURA: Yeah. Because this is the plan, and somehow we have to get to something else that we know is going to be a document that's relevant to us. And your opening statement, Chair, was the first page of this? Is that what you were reading from? Your...your document you...you sent to us on Granicus; is that correct?

CHAIR JOHNSON: The one I sent you on Granicus? *(audio interference)*

COUNCILMEMBER SUGIMURA: I mean, just...just now.

CHAIR JOHNSON: Yeah.

COUNCILMEMBER SUGIMURA: Yeah.

CHAIR JOHNSON: Okay. What was your question about it?

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COUNCILMEMBER SUGIMURA: So you were reading from this document that you just gave us, right? I just want to make sure I got what you're trying...

CHAIR JOHNSON: No, I...I was talking about it, but I hope that, you know, the...I just give it to you guys this time, so I would hope that you would read it, and then we'll recess, and then we'll come back, and we'll...we'll have that to move forward from there.

COUNCILMEMBER SUGIMURA: Okay. Okay. Thank you. And I would like to request to have Corp. Counsel give us their perspective on this because I think it's important. Thank you.

CHAIR JOHNSON: Yes. Go ahead, Councilmember Paltin.

COUNCILMEMBER PALTIN: Sorry. This question is for you, the other question was for the resources. I just was wondering if you already made this document into a PAF or what...or like how does that work? Like are we doing the legislation, or are...are you creating...turning this into a PAF?

CHAIR JOHNSON: No, I think...well, before we get into the weeds, I...I just wanted to like do this collaboratively, of course. You know, we're all going to do this together. So these are like...basically the...the...the Granicus document I put out was...was like kind of the tiers or the most important things that I thought. Now, if you guys have agreements or disagreements, hey, then we can talk about that...you know, that. So I didn't want to just end it on this. Like here's a big old document, and we're done. I wanted us to kind of...you know, this is like a study session, so we'll just...we'll...we'll read it and then we'll come back for the next round, and we can come up with our priorities and how...then it'll turn into legislation as we get down. I mean, this is not a one...one shot only, of course. So there's a lot on our plate here, so I figure we'll just kind of do this section, and then we'll do the recess and come back. That's my take on it.

COUNCILMEMBER PALTIN: Okay. Got it. Thanks.

CHAIR JOHNSON: Go ahead, Councilmember Sugimura.

COUNCILMEMBER SUGIMURA: One...one last thing. I forgot to ask this, and I apologize, Jeff, if it's in the plan. The County of Maui owns, I want to say, 50 units in Maui Lani. So I wonder if it's here in this document, and what your plans were for that, and it could be another discussion. I'm sorry, I...I completely missed it in your presentation.

CHAIR JOHNSON: Okay.

MR. GILBREATH: Your...

CHAIR JOHNSON: Let me just clarify. This is not a document we're going to amend, the one I put on Granicus, so I don't want to confuse the Members. This is not...okay, this is just a quick study guide. Okay. That's all I wanted to add to that, Sugimura. Go ahead.

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COUNCILMEMBER SUGIMURA: Okay.

MR. GILBREATH: Yeah, no, we...we did our best to collect as many lots and projects that we were aware of, Councilmember, based on what we had heard from all...in all these discussions. We moved that project, I think, to a Tier 3 or a delayed --

COUNCILMEMBER SUGIMURA: Okay.

MR. GILBREATH: -- and stalled project so it can be...you folks can spend time to assess it more, to figure out what are the ways you can move forward with it. The ones in Tier 1 and Tier 2 we thought were kind of the lowest hanging fruit you folks could move on. But there is going to be --

COUNCILMEMBER SUGIMURA: Okay.

MR. GILBREATH: -- hard work of coming to agreement on what to do with those other...other lots. And --

COUNCILMEMBER SUGIMURA: Okay.

MR. GILBREATH: -- that is one of the Tier 3 or delayed and stalled.

COUNCILMEMBER SUGIMURA: Okay. I missed it. Thank you. Thank you very much, Jeff, for your hard work.

CHAIR JOHNSON: Okay.

COUNCILMEMBER SUGIMURA: I'm done.

CHAIR JOHNSON: All right. So you know, I just...I hope it's not muddy. I just want to make...you know, I just pulled out some priorities that I thought we could work on. And if you guys bring your priorities, hey, you know, it's all collaborations. But these are my priorities, to be clear. Okay. All right. That being said, Members, any other questions before we recess? Go ahead, Councilmember Keani Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Okay. So we're recessing to August 2nd?

CHAIR JOHNSON: No, I'm...I have it down here as July 27th, Tuesday, 1:30 p.m. Will that work for the Members?

COUNCILMEMBER RAWLINS-FERNANDEZ: So we developed a rule that we would only have recessed meetings if there was deadlines with date certain.

CHAIR JOHNSON: Well, unfortunately, I have Hokuao coming on...that is a deadline, you know, that's a 201H project, so that kind of put me where I...I have a deadline, it's Hokuao, and it's on my agenda, so...

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COUNCILMEMBER RAWLINS-FERNANDEZ: Right. But this doesn't have a deadline.

CHAIR JOHNSON: This is not...this is not...you're right, this does not have one, but I have no place to put it on because Hokuao is a 201H project, which does have a deadline.

COUNCILMEMBER RAWLINS-FERNANDEZ: Right. Yeah. So we...yeah. Okay. Go ahead, Chair Lee.

CHAIR JOHNSON: Go ahead, Chair Lee.

COUNCILMEMBER LEE: Chair and Vice-Chair, I just wanted to say that I did approve Member Johnson's request, and he seemed to feel that it was time sensitive in this case. But in the future, I will be stricter and abide by the rules.

CHAIR JOHNSON: Your point is taken, and I apologize to the Members.

COUNCILMEMBER LEE: In fact...in fact, I...if you don't mind, I'll appoint you, Vice-Chair Rawlins-Fernandez, to handle those requests. How's that? Okay?

COUNCILMEMBER RAWLINS-FERNANDEZ: Sounds fine.

COUNCILMEMBER LEE: So everybody, when you need to...to use a Tuesday, please check with Vice-Chair Rawlins-Fernandez.

CHAIR JOHNSON: Okay. All right. Any clarification? No, I think that's pretty clear. Yeah. We go through Councilmember Keani Rawlins-Fernandez for that one.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. And so we have...do we have an APT meeting that day?

CHAIR JOHNSON: In the morning, yes.

COUNCILMEMBER RAWLINS-FERNANDEZ: Oh, it was changed to the morning. Okay. Okay. So that's going to be a full day during our non-committee meeting week.

CHAIR JOHNSON: Yes, that's correct.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. I just want to make sure the Members are all aware of that, and that it's going against our rules. Okay.

CHAIR JOHNSON: Councilmember Molina?

VICE-CHAIR MOLINA: Yeah. Thank you, Chair. Just letting you know for that Tuesday, your recessed, your intent is just to go to 4:30? The only reason I bring it up because I do have some commitments after 4:30.

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CHAIR JOHNSON: Most definitely, yes.

VICE-CHAIR MOLINA: Okay.

CHAIR JOHNSON: I will not hold you guys any longer than I...I need to. 4:30 most definitely.

VICE-CHAIR MOLINA: Okay. Thank you.

COUNCILMEMBER KING: Chair?

CHAIR JOHNSON: Go ahead, Councilmember Kelly King.

COUNCILMEMBER KING: Just wanted to let you know I...I...I have two meetings already scheduled for the afternoon, and I think I can move one to another day, the other one I might have to...I might be a little bit late on that day.

CHAIR JOHNSON: Okay. If you'd like, you can send in your comments, what...whatever we can do to help.

COUNCILMEMBER KING: Okay. Yeah, I just...I didn't hear about the 27th and I already had some things scheduled in the afternoon, but I'll see what I can move around.

CHAIR JOHNSON: Mahalo for that. Okay. Members...oh, go ahead, Councilmembers Keani Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. So what is the plan for that day?

CHAIR JOHNSON: We're going to go through the three-page document that's on Granicus, and those are the priorities. And I would hope that you guys would also bring in some priorities, and we can start going from there.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. So at that meeting, you want us to develop a list of priorities together?

CHAIR JOHNSON: I...I'd like for you to comment on the priorities that I have and add...add to it if you'd like.

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

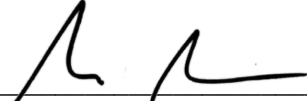
CHAIR JOHNSON: Okay. Members, before I recess this meeting, I just want to thank all of the folks Jeff Gilbreath brought to the table. Once again, thank you, guys. I know you're on a...you might be on a different time zone, but I'm glad that you guys came all out here and did all of this stuff. I mean, this is a long time coming, I tell you. So thank you once again. And thank you, Members, for staying late today. I'm going to recess this meeting. So the Affordable Housing Committee meeting is in recess until 1:30 p.m. Tuesday, July 27th. . . .(gavel). . .

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RECESS: 6:13 p.m.

APPROVED BY:



GABE JOHNSON, Chair
Affordable Housing Committee

ah:min:210719:ds

Transcribed by: Daniel Schoenbeck

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CERTIFICATION

I, Daniel Schoenbeck, hereby certify that pages 1 through 90 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 12th day of August 2021, in Kula, Hawai'i

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

Daniel Schoenbeck