

AFFORDABLE HOUSING COMMITTEE

Council of the County of Maui

M I N U T E S

July 27, 2021

Online via BlueJeans Link

RECONVENE: 1:31 p.m.

PRESENT: VOTING MEMBERS:

Councilmember Gabe Johnson, Chair
Councilmember Michael J. Molina, Vice-Chair
Councilmember Alice L. Lee (out 2:44 p.m., in 3:10 p.m.)
Councilmember Tamara Paltin
Councilmember Kelly Takaya King
Councilmember Keani N.W. Rawlins-Fernandez (in 2:31 p.m., out
2:44 p.m., in 3:08 p.m.)
Councilmember Shane M. Sinenci
Councilmember Yuki Lei K. Sugimura

EXCUSED: Councilmember Tasha Kama

STAFF: David Raatz, Supervising Legislative Attorney
James Forrest, Legislative Attorney
Alison Stewart, Legislative Analyst
Laksmi Abraham, Legislative Analyst
Rayna Yap, Committee Secretary

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
Axel Beers, Executive Assistant for Councilmember Kelly Takaya
King
Ellen McKinley, Executive Assistant for Councilmember Kelly
Takaya King
Kate Griffiths, 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
Jordan Helle, Executive Assistant for Councilmember Yuki Lei
Sugimura

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ADMIN.: Josiah Nishita, Deputy, Managing Director
Saumalu Mataafa, Executive Assistant, Office of the Mayor
Michele McLean, Planning Director, Department of Planning
Eric Nakagawa, Director, Department of Environmental Management
Shayne Agawa, Deputy Director, Department of Environmental Management
Linda Munsell, Deputy Director, Department of Housing and Human Concerns
Rowena Dagdag-Andaya, Director, Department of Public Works
Scott Teruya, Director, Department of Finance
Richelle Thomson, First Deputy Corporation Counsel, Department of the Corporation Counsel
Daniel Kunkel, Deputy Corporation Counsel, Department of the Corporation Counsel

OTHERS: Jeff Gilbreath, Executive Director, Hawaiian Community Assets, Inc.
Blossom Feiteira, Contractor
Stanley Keasling, Principal, Stanley Keasling Consulting
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 19, 2021 please reconvene. It's July 27th and the time is now 1:31. I'm Gabe Johnson, your Committee Chair, and thank you all for joining us today. If you would please take this time to silence your cell phones and other devices, we can get started. Please also note that the information on online connectivity and related procedures can be found in the last page of the agenda. All right. So Members, today joining us are Committee Vice-Chair Mike Molina, bonjour.

VICE-CHAIR MOLINA: Aloha and bonjour, quoi de neuf to you, Mr. Chair, my colleagues, and everyone else joining us here for this wonderful Affordable Housing meeting for Tuesday.

CHAIR JOHNSON: Okay. Wonderful, bonjour. So Councilmember Tasha Kama is excused today. And next we have Councilmember Kelly Takaya King. Bonjour, Councilmember.

COUNCILMEMBER KING: Bonjour, quoi de neuf, and hope everybody had a nice lunch.

CHAIR JOHNSON: Yeah, I sure did. Thank you for that. Okay. Next we have Council Chair...

COUNCILMEMBER KING: I can't wait to see how Member Paltin is speaking French when she gets back.

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CHAIR JOHNSON: Oh, I know, she's going to be totally fluent. Next we have Council Chair Alice Lee. Bonjour, Chair.

COUNCILMEMBER LEE: Bonjour, quoi de neuf, Mr. Chair.

CHAIR JOHNSON: Quoi de neuf. I'm not even going to attempt that one. All right. Next we have Councilmember Tamara Paltin, our native French speaker. Bonjour, Tamara Paltin.

COUNCILMEMBER PALTIN: Bonjour, quoi de neuf, monsieur.

CHAIR JOHNSON: Oh, wow, you got it down. We have Councilmember Keani Rawlins-Fernandez. She's going to be joining us a little later. Next we have Councilmember Shane Sinenci. Bonjour, Councilmember Shane.

COUNCILMEMBER SINENCI: Bonjour, Mr. Johnson. Comment allez-vous, quoi de neuf.

CHAIR JOHNSON: Wow, you guys got it. Bonjour. Okay, next we have Councilmember Yuki Lei Sugimura.

COUNCILMEMBER SUGIMURA: Bonjour, everybody. Good afternoon. Looking forward to the meeting.

CHAIR JOHNSON: Thank you so much. Okay. Next, from the Department of Housing and Human Concerns we have Director Lori Tzuhako, Deputy Director Linda Munsell, Housing Administrator Buddy Almeida. We also have with us today Deputy Corporation Counsel David [sic] Kunkel. Other departments requested to attend or monitoring possible available as a resource person if needed are Rowena Dagdag-Andaya, the Director of Public Works; from Management, we have Saumalu Mataafa; from Environmental Management, we have Eric Nakagawa, the Director; and we have our Finance Director Scott Teruya. Thank you all for joining us today. If...Planning Department is monitoring, but they couldn't make it today. So if the body has any questions, we can email them, and they'll get back to us shortly. Our Committee Staff is Legislative Analyst Alison Stewart, Committee Secretary Rayna Yap, Attorney James Forrest, Analyst Laks Abraham, and Assistant Clerks Kristeena Locke and Lei Dineen.

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

CHAIR JOHNSON: Okay. Today we are continuing our discussion on the big one, AH-14, the Comprehensive Affordable Housing Plan submitted by the Hawaiian Community Assets, Incorporated. Now Members, I just want to remind, oral testimony has closed, but written testimony can be sent at any time via the eComments. We have with us today Jeff Gilbreath of Hawaiian Community Assets with us as a resource person again, and the Committee had a fruitful discussion and came up with some great questions last

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week on the final report that Mr. Gilbreath and his team have submitted. I didn't get a chance to say then, but for the second half of the meeting, I want to reveal that there's a method to my madness, that I would like for us to follow the year one action steps, specifically the ones detailed for the first 30 days, which you can find on page 61 of the Affordable Housing Plan...it's in Granicus, page 61. And within the first month of the plan coming out, it recommends that we, first off, meet to review the Comprehensive Affordable Housing Plan, and identify areas of consensus; come to an agreement on recommendations and policy priorities to move forward towards implementation; and number three, announce agreement to the public, and begin drafting and enabling legislation. I want to reiterate that the plan itself is a guidebook. Today I would like to develop a blueprint on how we will roll out our policy and legislative proposals recommended in the plan. If you look at Granicus, you will find a three-page document, a matrix if you will, that contains all of the policy recommendations from the plan. You will notice that these are only the policy and legislative items from the plan. The budget specific stuff and the administration tasks are not on here. For now, I'd like to focus on what we can do as a Council, as a body, to do over the next few months. Think of this as building a syllabus. Today I'd like to keep the discussion more conceptual for each item, and focus on what we think our legislative priorities should be. I want you to feel free to ask Jeff Gilbreath and his team, or the Administration, any questions you may have, and leave here today with each Member having some insight into what kind of legislation will be coming through this Committee. When each of these policy items come up as a legislation in Committee, we will have the chance to talk about the nuts and bolts of the item, implementation, and of course, you'll have a chance to support or not support. If you look at the document, you'll see that the items that I've prioritized and like to tackle first, that's in the matrix on your Granicus. It's the one that says...has on page 2, Housing is a Human Right. I believe that these tackle the issues at the root, and will have an immediate impact on creating housing that truly serves our communities' needs. So I'm going to bring...I'm going to just go through these five points, and if Staff can bring up the matrix that has the Housing is a Human Right there, we can follow along as I just read through them real quick. It'll only take a moment. So establish stronger residency requirements for housing eligibility and preferences--and you can see Recommended Action number 6 on page 29 in Appendix G--and reformulate the sales price guidelines to better serve our residents' needs, and that's Recommended Action number 8 on page 30 and 31, and it goes in depth in Appendix H as well. And remove the apartment district short-term rental home exemption, that's on page 29 in the Recommended Action number 1, the second bullet point states, "To phase out apartment district properties allowed to be used for short-term occupancy at resale, and permit and tax them as short-term vacation rentals, with revenue dedicated to the Affordable Housing Fund." And the next point is establish housing is a human right. So how do we tackle this one? I propose to create a resolution to guide the actions of the County of Maui's Legislative and the Administration branches to encourage that the principle, that housing is a human right, is behind every housing and homeless decision that we make. And the last thing is, enforce Federal Fair Housing and Fair Lending Laws against mortgage steering. First off, that's illegal, and I think we could really move on that. So that's Recommended Action number 7 on page 29 and 30 of the Affordable Housing Plan. So at this time, I'm looking at taking up each one of these five priorities...of each one of these five items a separate piece of legislation, where

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the nuts and bolts, legalities, and pros and cons can be discussed and voted out at a later Committee meeting, but I'm also open to creating like an omnibus bill as well, that we can just lump a bunch of bills together and we can make an omnibus bill. Today, for the Members and for the public's knowledge, I'd like to reserve this meeting's discussion for consensus building around priority items the Committee will take up and hopefully forward to the Council for their first and second reading. Members, I'd like to hear your feedback on my top five priorities. Is there information that you need that will help you make a better decision when the time comes? How can we commit, as a Committee, start to move down to the page to the next rows of action items? I'll give each Member three minutes to share their perspective, and after this round, I'd like to hear from each of you what you think other top priorities are from this document. What are your legislative priorities? So basically, we're going to go through the five that I've suggested and then we'll let you talk about that, but then as the second round, we'll let you speak to your five or your...however many you have. If there's only one or if all, and we'll talk about that. So is there information that you need that will help you make a better decision when the time comes? How can we, as a Committee, start to move down the page to the next rows of the action items? I'll give each Member three minutes to share their perspective, and after this round I'd like to hear from each of you what you think other top priorities are from this document. What are your legislative priorities? If we are to schedule action items, what order do you think we should prioritize them in? We're creating building blocks to affordable housing, rebuilding a system that is currently failing our residents and adding to the crisis. So if anyone understands what I'm trying to accomplish, and there are no questions for myself, we can start the first round with Councilmember Mike Molina.

VICE-CHAIR MOLINA: Okay. Thank you, Chairman. Well, with that said, I have no questions, I'll yield to the next Member...no, I'm just kidding. No, thanks for this. At this point, Mr. Chairman, I just have more questions about that you had on your July 19th letter. And first, it mentions that the phasing out Apartment District properties allowed to be used for short-term occupancy at resale. Can I get a comment from Corp. Counsel on that, as to whether Council can set a final phase-out date for the short-term rental use in apartments? And if so, the short-term rental use, could it be eliminated at the time of resale and by a future date, like 2025? So if I could just get comments from Corp. Counsel on that.

CHAIR JOHNSON: Thank you. Mr. Kunkel.

MR. KUNKEL: I'm sorry, that would take a research project for me. I would need to get back to you on that, and I can do that.

VICE-CHAIR MOLINA: Okay. If we could get that in writing.

MR. KUNKEL: Sure.

VICE-CHAIR MOLINA: Okay. Then I guess I still have some left for another question. According to the Planning Department's short-term rental occupancy list, just under 7,000 apartment units can currently be used as a short-term rental, and can potentially

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be phased into long-term use only. So can we request the Department of Planning transmit their short-term rental occupancy list into the record and...because I presume this is a plan to build 5,000 units, meaning about 12,000 units for long term residency would be available if both were completed. So I'm trying to get that information from the Planning Department as well in writing, Mr. Chairman.

CHAIR JOHNSON: Yes. So Planning is not here, so we can get them to get that in writing for you.

VICE-CHAIR MOLINA: Okay. And if I have still time left for, I guess, one more request, unless if it can be answered on the floor, updating the County rent and sales price guidelines to include homeowner association fees might be difficult because since the HOA fees may stay low at the time of sale, but then jump up quickly. So with that said, can conditions of zoning be placed on a project to require market rate units pay a higher percent of the HOA fee than the other units? I guess that would be a question for Corp. Counsel again.

CHAIR JOHNSON: Mr. Kunkel.

VICE-CHAIR MOLINA: If you can answer that now, or if I could get that...if we could get that in writing.

MR. KUNKEL: Sure, yeah. Could you...I'm sorry, could you please repeat what the question is for that?

VICE-CHAIR MOLINA: Okay. Can conditions of zoning be placed on a project to require that the market rate units pay a higher percent of the HOA fee than the other units that are not market rate?

MR. KUNKEL: Okay. I'll get back to you on that in writing.

VICE-CHAIR MOLINA: Okay. All right. Thank you. Okay, Mr. Chairman, I think that's a good laundry list I've provided for you in my first round. Will you be giving us a second round on this, Mr. Chair?

CHAIR JOHNSON: Well, let's read the room, I mean, I know everyone's day is up, but if we have a lot of questions, we can go and do another round. Do you have any questions for Mr. Gilbreath?

VICE-CHAIR MOLINA: Not at this time.

CHAIR JOHNSON: Okay. We'll...if something comes up, we'll come back and see how many people have after. You know, sometimes our Members ask questions for us, right?

VICE-CHAIR MOLINA: Yeah, sometimes someone may ask a question then one Member says, hey you know what, that'll trigger something to ask more questions.

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CHAIR JOHNSON: Yeah. Okay.

VICE-CHAIR MOLINA: But, okay. Thank you, Chair.

CHAIR JOHNSON: Yeah. Thank you. Now, let's move on to Councilmember King, and then followed by Chair Lee.

COUNCILMEMBER KING: Okay. Thank you. All right. Well, that was some good questions that Mr. Molina had, and he even stumped Corp. Counsel. So just looking at your suggestions, Chair, I think they're really good, I'll just go through across the first part of the matrix, the five that you mentioned. I like the idea of updating the County rent and sales price guidelines, and I also think, just in reading your first page, it was dated 7/19...that I like the idea of, you know, just understanding what the subsidy is in an investment, but it's an investment by the County. And I think we need to look at...because we've been calling for perpetuity, and then there's that argument about equity, but I think if we're going to put that investment out there, that we should have some formula where if someone leaves the property, they pay back that investment, you know, before a certain time. And I've actually done that myself for a Federal affordable housing project, and I'm still in the house 35 years later. So, you know, the payback of the original subsidy, then you could have whatever equity is left after that, and then that way that money stays in the Affordable Housing Fund. So that would be my thought on that, the issue of subsidy, but I don't have a problem helping build affordable housing. I do think it's an instant lottery if you get to take that money with you when...you know, if you leave in ten years. So that's a concern I've had for a while. The phasing out of the Apartment Districts, we do tax them at a short-term rental rate if they're using it for that. I think we need to look at possibly higher taxes if we're really trying to discourage people from doing that and we want them to turn it into long-term. And I'd rather do that and have...phase it out by attrition than to just take it away from folks outright. But I do think they need to have permit numbers on them. So I think that's one of the things that will help us identify which ones are illegal, if you don't have a specific permit number, even if you're in the building with 300 units. And the other ones, enforce against mortgage steering, that's kind of a no brainer to me. Establish local residency requirement for for-sale programs. And, you know, this was...I didn't even understand until we started going through this plan that we can do that on for-sale. We can't necessarily do that on rentals if they're using HHFDC money, but if we have a for-sale project that is not using Federal funds, then we can do that, and we should do that, and I think the only point of discussion there is going to be is two years long enough? If requiring a two-year residency or two years' worth of work on Maui before you can, you know, benefit from this type subsidy, is that enough and, you know, I'm willing to engage in that. I'm not willing to say how many years I think it but, you know, I'd like to hear the discussion on that. I think it probably will end up being something a little bit longer than two years, but probably not...probably less than 20. And so those are my...I have a whole list of other things that I want to, you know . . . *(timer sounds)*. . . but I think you did a great job in summarizing those for us. So thank you.

CHAIR JOHNSON: Okay. Thank you, Councilmember Takaya King. So let's move on to Chair

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Lee, followed by Member Paltin.

COUNCILMEMBER LEE: Thank you, Chair. Yeah, I think you also did a great job. However, I have more questions than suggestions at this point. Because some of your basic premises, I would like to hear from Corp. Counsel...like housing is a basic human right. To what extent are you talking about? You know, do we give a house to every single person? I mean like, can you define and expound on that? And what...and I would like to hear from Corp. Counsel, you know, can we enforce or can we pass legislation to that extent? And secondly, no matter what we recommend, we need to work in concert with the Departments because they have to implement the policy. And so we need to know what their strengths and constraints are. So I'm eager to hear their reaction on your recommendations, but I also really would like to hear from Corp. Counsel on what's actually doable versus aspirational. Thank you.

CHAIR JOHNSON: Thank you, Chair Lee. That's a valid question. Mr. Kunkel, you want to address that? Here he comes.

MR. KUNKEL: In my opinion, it would be more aspirational than actual unless, you know, changes would be made to the Charter or the...you know. But you can legislate just about anything. So, you know, as long as you're willing to deal with the consequences of it, I think it's possible from a legal standpoint.

CHAIR JOHNSON: Okay, Mr. Kunkel. You know, that housing is a human right came directly from the plan, it wasn't my idea. It came...I pulled it out of there because it's so powerful, you know, it said...I think it was on page 19, it says, "Our collective responsibility to ensure affordable housing for all." You know, as a body, as a community, it's our kuleana to do that. But you're right, what does it mean when it comes to the law, right. I hear what you're saying and...but we're talking about a resolution that would be my suggestion. But we can...you know, we can get to that when we get to that, and I know Councilmember Paltin had her hand up. Oh, Mr. Kunkel, you had something to add?

MR. KUNKEL: No, I'm sorry. I'm still learning the etiquette here. I'm sorry.

CHAIR JOHNSON: Okay. Okay. Okay, so let's move on from Chair Lee to Member Paltin, followed by Councilmember Sinenci.

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Chair Lee. That was a great segue into the point that I wanted to bring up. You know, if it's just a resolution, it doesn't have the force and effect of law. But I think, you know, we can strengthen that housing is a human right is not only for Maui County, but I believe that's one of the standards for the United Nations. The right to adequate housing is a human right recognized in International Human Rights Law as part of the right to an adequate standard of living. And it's...one of the first references to it is in Article 25(1) of the Universal Declaration of Human Rights. So I think if we do craft a resolution, we should link it to the United Nations Universal Declaration of Human Rights and follow those standards, because it's bigger than just Maui County, you know, this is happening all over the place, the

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commodification of housing. And so we don't have to reinvent the wheel, we just, you know, get people with better lawyers and follow their lead, you know. So that would be my comment on housing is a human right, we just link up with this bigger organization with better lawyers that already forged that path ahead. As far as the phase-out Apartment Districts, I would be willing to take that on. I did submit a PAF on it, but I didn't get it back yet. But that would kind of, I think, a little bit fall under my subject matter jurisdiction Committee, so I'm okay to take that up. In terms of update the County rent and sale price guidelines, I think we did get a correction from the crew. But that's a huge one because, you know, obviously these are expenses that everybody is going to have to pay, but it's not calculated into the formula. So it's a big, big expense that everyone needs that's not being taken into account. So definitely, I think that would be a priority that hopefully we can move on quicker than the phase-out apartment ones. That one might take a while because, you know, we'll have to go through all the Commissions and all...whatnot, and then the phase-out period. On establish a local residency, to me, a corresponding important part of that is getting our local residency prepared like, you know, if there is...if we do create like a County waitlist or a County list of eligible pool, we got to...or a list of people, we got to make sure that they're eligible, they know their AMI, they know all their information and they're ready when these places come up, because you know, so many places, especially . . . *(timer sounds)*. . . Oh, my time's up.

CHAIR JOHNSON: Oh, okay. It's kind of a loud one. All right. I appreciate your time, and we'll come back if there's more things that we need to talk about. Let's move on to...so Member Rawlins-Fernandez is going to be a little bit late, so when she comes back we can give her some time, but let's move on to Councilmember Sinenci, followed by Member Sugimura.

COUNCILMEMBER SINENCI: Mahalo, Chair. And yes, I too appreciate your five priority items. I also like the establishing the local residency requirement. We heard a lot of loud and clear from our constituents that two years was just not enough. So dovetailing on Member Paltin's about, you know, making sure that we're addressing the needs of our local residents first, prior to opening the list to people...to nonresidents. So making that very clear, I think the numbers show specifically for Maui County numbers and not including in other nonresidents. I think my work where I want to be is from past experience. Meeting with Mister...the Chancellor of U.H., Mr. Hokoana on Thursday, just to check on increasing the industry, looking at his trades programs at U.H., what types of course work is being offered at U.H., if there's a design schools, and also, just generally building the workforce to meet the demand in the next five years. Our Committee put in some preapproved plans to streamline the process so there are...if the...you know, the Department already accepts preapproved plans, so we wanted to make sure that some of the plans that are coming now that is followed and...

CHAIR JOHNSON: Member Sinenci.

COUNCILMEMBER SINENCI: Oh, yes.

CHAIR JOHNSON: I'm sorry to interrupt you, I just kind of wanted to steer you on to the five

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points here...the five priorities. And then the next round, we'll get into like what you think we could add to it, right.

COUNCILMEMBER SINENCI: Oh, okay. And then...

CHAIR JOHNSON: So, that's all. Go ahead.

COUNCILMEMBER SINENCI: All right. And then for housing is a human right, I think, you know, to quickly address this, particularly in our houselessness population, Staff and I will be visiting some tiny home productions and prefabricated homes as an alternative to address housing is a human right. So again, just to quickly address those things. Okay. That's my thoughts. Thank you, Chair.

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

COUNCILMEMBER SUGIMURA: Thank you, Chair. So I wanted to start off, I remember...and I called you about this. At the end of your last meeting, you said you were anxious...this was a priority or time sensitive, that you wanted to get to this because of the Hokuau Project, which is...I think that's what you said, right, is coming up, which is next week, Monday, I think, on your agenda at 1:30. So can you tie the two together, or is that another question? That was the last statement you made.

CHAIR JOHNSON: Yeah, I think they are separate, it's just a scheduling thing. Like they're...you know, 201H projects, they fast track, so they're going to take some time. But this is such a big, you know, housing plan, so I figured, you know, PAFs take some time, if I can get some feedback from the Members, I'll submit some PAFs. So...but yeah, like I figured...

COUNCILMEMBER SUGIMURA: Oh, I see. Okay. You weren't necessarily tying the two together.

CHAIR JOHNSON: No.

COUNCILMEMBER SUGIMURA: You were just...

CHAIR JOHNSON: Just as far as scheduling is the only tie we have.

COUNCILMEMBER SUGIMURA: Oh, okay. So that was your time sensitive, because that was the reason. Okay. Question. So I had a question also about the local residency requirement, and I did hear...I think Jeff Gilbreath's research staff said that it was vetted through some state. And I wonder if Corp. Counsel has a statement about the residency requirement, the two year...for the last two years...employed full-time in Maui County for the last two years.

CHAIR JOHNSON: Mr. Kunkel.

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MR. KUNKEL: Yes. I think the report, you know, addresses it well on page 145, Appendix G. And you know, they acknowledge that whether owner...you know, whether this would pass muster, constitutional muster, is yet to be undecided actually, something like this with affordable housing. Certain pre-occupancy residency requirements have been struck down by the Supreme Court in the past. One of these cases was relying on the privileges and immunities clause in the Fourteenth Amendment. And so that...there is a big question about whether it would withstand court scrutiny. Also the Constitution...

COUNCILMEMBER SUGIMURA: I guess...Daniel, if you don't mind. So are you saying that, Corp. Counsel, if you can look into it, whether we can have that requirement? It sounds like it has not been tested, or...

MR. KUNKEL: That's right. And I think there's wisdom in this Exhibit G where they state the most conservative legal approach would be to require no specific length of time for residency, but simply that a person be a current Maui resident. It's interesting to me that I've not seen post-occupancy residency requirements get struck down. The requirements of staying in a house . . . *(timer sounds)*. . .

COUNCILMEMBER SUGIMURA: Okay.

CHAIR JOHNSON: Mr. Kunkel, you can finish your thought. Sorry.

MR. KUNKEL: Okay. Yeah, I...based on what I have read, I think there's a substantial danger that a provision like that could get struck down as being unconstitutional.

COUNCILMEMBER SUGIMURA: Thank you.

MR. KUNKEL: Based on . . . *(inaudible)*. . .

COUNCILMEMBER SUGIMURA: That's what I wanted to . . . *(inaudible)*. . . Thank you.

MR. KUNKEL: Yeah.

CHAIR JOHNSON: So there...I mean, Jeff Gilbreath is on the call, so we can have them say their stance as well. Because this seems to be not the first time we've been asked this question. And since we're at the end, I kind of want to call and hear the guys who wrote the plan. Mr. Gilbreath, if you're on, can you speak to this?

MR. GILBREATH: Yeah, I'd like to bring forward Kenna StormoGipson, who is our subject matter expert on that item. Kenna, are you on?

MS. STORMOGIPSON: Yeah. So from a core perspective . . . *(inaudible)*. . . so if you think a benefit can be taken out of state or not. So like in-state tuition, it's very common that you have to live in a state for at least a year before you can claim that benefit because it's considered portable, you can take it with you after you graduate. And there's other portable benefits where you can, for example, go into a state and then getting to use their divorce laws. A state can require that you live there for a certain amount of time

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before you take advantage of their divorce laws. So whether homeownership is considered a portable benefit, because you gain some equity and you could take that with you, that particular question hasn't gone to court. But San Diego felt strong enough that they impose that two-year requirement, I believe it was back in 2017. But again, it just hasn't gone to court. And the longer you make the time, the more likely it is to be challenged. So that's the difficulty with trying to do like a five-year requirement, is that would be more likely than, you know, something like a one-year or two-year requirement. But I also wanted to point out if people want to give a preference for people who've been on Maui longer, Washington D.C. does this method where people get picked out of a hat by lottery...well, not out of a hat but, you know, they get picked by lottery, and then they go in order of how long they've been on the list. So you can go in order and say, well, hey, you've been on this list for, you know, six years, so we give you priority, and that's another kind of roundabout way to give priority to people who have been residents longer, right. Yeah. I think there's a couple of questions.

CHAIR JOHNSON: Okay. So...I've noticed that the Members seem to want to do another round, so I know Councilmember Molina had a second question, as well as Councilmember Kelly King. So we'll do those two folks first, and then we'll move on to Alice Lee. We'll see if we have another round, but okay. We'll start. Go ahead, Councilmember Molina.

VICE-CHAIR MOLINA: Okay. Thank you, Mr. Chair. Just one more question or request from Corp. Counsel, if they can do it now or in writing. This relates to the Affordable Housing Fund to buy back credits from 2.96 and to take those credits off the market. So if we could get an opinion on that, whether the current Charter language is sufficient to allow for that, for the purchasing of these credits. So that would be another request. Thank you.

MR. KUNKEL: Yes. Okay, will do.

VICE-CHAIR MOLINA: Okay.

CHAIR JOHNSON: Okay. Councilmember Kelly King next, and then after that, Chair Lee.

COUNCILMEMBER KING: Okay. Thank you, Chair. Just we're staying on the first five, right? Okay, just to go back to that issue of residency. I see the San Diego one was enacted in 2017, and Kenna, do you know if that has been...had a legal challenge? It says its remained in place since then, but has it been...

MS. STORMOGIPSON: Yeah, you know, the woman who is in charge of that program . . . *(inaudible)*. . . she said, no, we haven't had a legal challenge. But I hope, you know, we don't get one. So yeah, but they have not had one and...

COUNCILMEMBER KING: Okay. And then the example you were giving about prioritizing people who have been on a waitlist for a long time, that presumes if you've been on a waitlist for six years and you've been living in that County for six years, correct?

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MS. STORMOGIPSON: Right.

COUNCILMEMBER KING: Okay.

MS. STORMOGIPSON: Yeah.

COUNCILMEMBER KING: So if you leave, but you leave your name on the waitlist and come back, then all bets are off. Okay.

MS. STORMOGIPSON: Yeah. Yeah.

COUNCILMEMBER KING: And another question I had, Chair, was for Daniel Kunkel. He started to say something about post-residency, which I don't understand what that is, and then you got interrupted by the bell. So what is post-residency?

MR. KUNKEL: Post-occupation residency, these requirements that the person live in the house for a certain duration.

COUNCILMEMBER KING: Oh, okay, after the purchase.

MR. KUNKEL: Yeah, yeah. That...you know, I haven't seen that been struck down.

COUNCILMEMBER KING: Well, I think that's basically similar to...and correct me if I'm wrong, but it's similar to what we're talking about when we talk about having it in affordability for a certain period or perpetuity, kind of same thing. Because if you leave in ten years, you can't...you have to sell it, and you have to sell it back for the same rate that it was purchased at, and you don't get to keep the benefits of it. So I guess that's the same thing as post-occupation.

MR. KUNKEL: Yeah, exactly. Exactly. And, you know, I haven't seen evidence of that being struck down by a court, you know, in contrast to the pre-occupation residency requirements.

COUNCILMEMBER KING: Okay. Yeah. No, I think that's pretty...I mean, I've lived through that and actually followed through on it. So I think that's a pretty much of a given, it's just the period of affordability can be...you know, it has been ten years, which hasn't been working. And we've asked for perpetuity in some instances, and in some instances we asked for 30 years.

MR. KUNKEL: Yeah.

COUNCILMEMBER KING: So maybe that...is that, Chair, in the...I didn't see anything in the plan about that, but is the plan proposing to--and maybe Jeff can answer this--is the plan proposing to standardize that, Chair, or will we still have different lengths of affordability for different types of housing?

CHAIR JOHNSON: Mr. Gilbreath.

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MR. GILBREATH: Can you ask me that question again, Councilmember?

COUNCILMEMBER KING: Well, you know, we put different conditions on different projects, and sometimes we ask for...the latest we've been asking for 20 years of affordability before they can sell it and recoup anything from it. And so in the plan, I didn't see if that was...if the plan was asking to standardize that across the board or, you know, would we still have different conditions for different types of projects?

MR. GILBREATH: I think for...I think for this, I'd like to pull Stan Keasling forward, but you know, just as a general point, I think the more standard you can be, the more certainty you will create. But I'll pull Stan forward to make sure that he can answer that question.

CHAIR JOHNSON: Mr. Keasling.

MR. KEASLING: Sure. What we proposed in our plan was a ten-year requirement, ten-year resident occupancy requirement to benefit from any of the appreciation and the market value of the property. After that, what we did is essentially incentivize people to stay in their homes longer, giving them a greater...giving them a percentage and an increasing percentage of the equity over time, so that at the end of 20 years, they would get 50 percent of the equity in their home. At the end of 30 years, they would actually get 100 percent of the equity, but they would have to stay in their home for 30 years, or the home would have to be like inherited by another family member and occupied by that family member.

COUNCILMEMBER KING: Okay.

MR. KEASLING: So that's...now, we're only making a recommendation...

COUNCILMEMBER KING: Okay, I don't want to get too far into the weeds on that one, Mr. Keasling, because I just realized that I'm kind of going off track from the original . . .*(inaudible)*. . . So sorry about that, Chair, but, you know, it was that idea of post-occupancy that I got kind of hung up on. But I'll get back to that, Mr. Keasling. Thank you.

MR. KEASLING: Okay.

CHAIR JOHNSON: Okay. Let's move on to Chair Lee, she had her hand up. Go ahead, Chair Lee.

COUNCILMEMBER LEE: Thank you. You know, I did like that idea of giving people a preference on the waitlist, because that might buy us more time in terms of three years, four years, five years, as opposed to one or two years right now. I know Dick Mayer came up with a suggestion, and ordinarily it would be okay, just when you advertise locally, you would think the local people would sign up quickly, but that's not how it works here. Not at all. Everybody takes their time. And that's why other people from visiting and they find out about the housing projects, that's how we start to lose out to

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other people who live elsewhere. But again, you know, I really need to get some kind of clear definition of what you mean by human rights, that people have a human right to housing. Because I know a lot of my constituents, and myself included, worked two jobs over a long period of time, sacrificed a lot to get a house. Does that mean other people don't have criteria...that they can just say, I want a house, without having to work for it? So you know, that's my concern, you know. We need to be specific about eligibility requirements with regard to our right to housing. Thank you. That's all I have.

CHAIR JOHNSON: Okay. I'll save my questions. Yeah, I'll address some of that, but let's move on to Councilmember Paltin, followed by Sugimura...Councilmember Sugimura.

COUNCILMEMBER PALTIN: Thanks, Chair. I emailed to the Committee the UN document and to our Chair. So there's that information. But I wanted to focus in on that establish a local residency requirement. I too like that list idea. And so I don't know if that's a part of that block, the second block, is to establish the list. I guess either Mr. Gilbreath, or for you, Mr. Chair.

CHAIR JOHNSON: Okay. Let's have Jeff Gilbreath answer that for now. Go ahead, Mr. Gilbreath.

MR. GILBREATH: Yeah, you know, we make a recommendation to create renter and homebuyer programs that would help create those lists. I think it's clear that, you know, folks would benefit from getting credit counseling, getting their financial qualifications in a place so they could move in. This would also help the developer streamline both the lease up and the sales timeline. And so we do believe that's a strong piece of this. You have committed funds to housing counseling in your current budget...

COUNCILMEMBER PALTIN: So just because I'm on a time frame, is the --

MR. GILBREATH: Sure.

COUNCILMEMBER PALTIN: -- establish a local residency connected to the list, yes or no?

MR. GILBREATH: It could be. HUD Housing counseling agencies, nonprofits can only service those in the State of Hawai'i, and for the ones that are here local, only those Maui County residents. So you could require those programs to have a residency requirement perhaps...I don't know. I'd have to talk...speak to Kenna on what that means in terms of the law, but that could be possible. We have done that in other programs.

COUNCILMEMBER PALTIN: Okay. So that would be my preference. And the reason is, you know, in my community, we have a couple of projects that were affordable housing, and the units flipped out of affordability. The 201H right by Safeway, plenty community members are outraged, you know, that was a 201H, the rents for a three bedroom, two bathroom in that place are going for six grand, \$6,500 right now. There's people like, you know, from the mainland that bought those affordable units, and it's just...you know, it makes the community kind of be all like, you see, this is what happens when

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you say affordable housing, you know. And so it's kind of like a big bait and switch. And I think that 2.96 Federal Fair Housing and Fair Lending Laws does play into it with the Pailolo, with that Kahoma Villages. If the developer funnels you into their mortgage broker, and you can't qualify through that person, then they have 90 days pass, and they can charge more, charge more, charge more because they're funneling people to their specific bank that...you know, they may or may not know you, they may or may not, like, approve of your thing. So I think that's a huge problem, and I'm getting a lot of community outrage, you know. There was a post recently with over 300 comments just on the Kahoma Village rents being 6,000, 6,500, and there were plenty of people that got disqualified, you know. Like there were mistakes made where they said that they qualified for a certain one, and then when it came time to pull, they said, oh, sorry you're in a higher bracket, and they couldn't afford that bracket. And so I think, you know, the County really needs to step in and regulate these things because while we're trying and we're doing all these things on the side, there's these small like sleight of hand that...you know, that doesn't come out until after the fact and, you know, we lost our opportunity. Like it's...it needs to be regulated, and it needs to be enforced, and very, very high fines for violators on that fair lending laws against mortgage steering, like the kind...we're not even going to do business with you anymore because that's just...I mean, you're breaking the law basically. And who's paying the price is the people that need this housing and, you know, get their chain jerked around, and...sorry. I don't know if that's three minutes, but that is what I had to say.

CHAIR JOHNSON: It's, you know, well said, Councilmember Paltin. The issues that you're hearing is what I'm hearing as well. So I guess what...on the matrix, that's in the second or third tier about having a County owned list. So if during that time, in that discussion, we can push that up to the first tier, if that's so your choice, right. So yeah, I agree with you.

COUNCILMEMBER PALTIN: Yeah. My choice would be to kind of combine it with that residency somehow into like the same block.

CHAIR JOHNSON: Right, right. Yeah.

COUNCILMEMBER PALTIN: I think it really goes hand in hand.

CHAIR JOHNSON: Yeah. That mortgage steering is...when I read about that, I was just shocked that that's happening. So...okay. For my time, I just want to add--because this seems to be a very important discussion about the residency--the one thing that really popped out to me when I was reading Appendix H...no, I beg your pardon, G, it's about the residency...Appendix G that gave a really good example there I thought was very creative that made it legally sound was the Washington D.C. example. So I'll explain a little bit, but I also want to have Jeff Gilbreath kind of explain it through his point of view. But basically, they get one house that's available for the market, and they create a list of ten people, and they go by...well, lottery of those ten people. And the highest person who's been living there the longest has the priority. So if...but if they don't make it, then they'll go down to the second person, so that way it does include someone who maybe have only been there for two years. But also, it would include

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those guys like Junya Nakoa, our testifier, who said, hey, 20 years, brah, you know. So this would be a solution that would allow a very wide range of people. So that's something I'd like to learn more about, and I want to call on Jeff Gilbreath if he can come up and speak to that Washington D.C. example, maybe someone on his team can speak to it, Kenna or whoever you guys recommend. Go ahead.

MR. GILBREATH: Kenna, go ahead.

MS. STORMOGIPSON: Yeah. So I think the lottery kind of, it is a way to comply with the law in the sense that even if you've only been there for two years, or if it's, you know, just recent, technically you could still qualify, but when they pull ten names out of the lottery, they go in order by who's been there the longest. So, you know, that's a way that technically you're not excluding newer folks, but you're still giving priority. Now in D.C., they give priority based on number of years you've been on the list, but I know that in Vail, Colorado, they do...it's a little bit different where if you've been there longer than five years, you get like extra lottery tickets. But the point is in Vail, it's not based on how long you've been on the list, it's how long you've been a resident of Vail. So it seems pretty legally doable to say, hey, we're going to pull names out of a hat, and then we'll go by how long you've been a resident of Maui, right, in terms of prioritizing. I don't know if that makes sense to folks. So in D.C. they do it by how long you've been on the list, not necessarily just a resident of D.C., but I like that they go in order. Whereas in Vail, it's either if you've been there longer than five years, you have extra lottery tickets, and less than five years you only get one ticket. So it doesn't slide. Councilmember King.

CHAIR JOHNSON: Go ahead, Councilmember King.

COUNCILMEMBER KING: Okay. Thank you. Our protocol is usually the Chair calls on us, but thanks, Kenna.

MS. STORMOGIPSON: Oh, sorry.

COUNCILMEMBER KING: That's okay. So if we do this, you know, we were talking about having a prequalified list for these projects, then we wouldn't really need a lottery, right, and we would essentially be doing what you are saying. The people who have been on the list longest would have priority. You would have this list of prequalified people, and hopefully we would get to the people who got, you know, onto that list the earliest. And so we wouldn't...basically really wouldn't even need to go to the lottery.

MS. STORMOGIPSON: Yes. That's true. I was just thinking that if you start a list like tomorrow, then everyone would be equal in the sense because the list hasn't been there for that long, so that's where I think if you were to prioritize that whole list by how long someone had lived in Maui, that legally might be trickier because it could be like, you know, folks who've been there less than 20 years would be so far on the list kind of thing, right.

COUNCILMEMBER KING: Yeah. I thought that might take some discussion to figure out how

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we're going to do that list, you know, the prequalified list.

MS. STORMOGIPSON: Yeah.

COUNCILMEMBER KING: I mean, I thought that was a good idea because I thought it would get rid of that lottery, but maybe it needs to be done...if we get 200 people to sign up on the first day, then maybe we need to take those 200 people and put them in a lottery for a project that has 26 homes, let's say.

MS. STORMOGIPSON: Yeah.

COUNCILMEMBER KING: But if they're prequalified, they have a better chance of actually being able to...I mean, I was...I sat through the lottery on the Kaiwahine Village, which is a rental. And a lot of those people, even though their name got picked, they didn't make...they still didn't make it because of something or other that, you know, disqualified them. So if we had a prequalified list that we knew that everybody on that list was going to make it, then we wouldn't have...at least we wouldn't have that back and forth thing. So that's my . . .(inaudible). . .

MS. STORMOGIPSON: Yeah. I was just going to say, one thing I did look at too is Kaua'i has a leasehold program, a County program, and they have about 400 people on their prequalified list.

COUNCILMEMBER KING: Okay. And the other thing that we did for rentals was we said that you had to pick up your application in person, and deliver it back in person. And that kept people from calling in from the mainland telling...asking their cousin to go pick up an application for them and then send it to them. So you had to basically be a resident because you had to walk in and pick up your application. And I actually sat there and kept reminding folks, you know, the people handing them out, saying, you know, don't give out four applications to one person. So that was another way of ensuring that, as much as we could, the people were local. All right. Thank you, Chair.

CHAIR JOHNSON: All right. So was there anyone else who'd like talk who hadn't done a second round. And then I think I can just go on. Okay. We got one last burning question from...oh, wait, we got Yuki Lei Sugimura. Go ahead, Councilmember Yuki Lei Sugimura.

COUNCILMEMBER SUGIMURA: Thank you. So it's kind of a general question tied to your five points is I would like to know if Housing or somebody from Administration, their thoughts on your priorities.

CHAIR JOHNSON: Very valid question, Councilmember Sugimura. How about...did you...which Department would you like to hear from?

COUNCILMEMBER SUGIMURA: I guess Housing. But...

CHAIR JOHNSON: Housing. Is Linda Munsell or Director...

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COUNCILMEMBER SUGIMURA: Lori Tsuhako.

CHAIR JOHNSON: Lori Tsuhako, is she on? Let see here. Okay.

COUNCILMEMBER SUGIMURA: Or Buddy.

CHAIR JOHNSON: Deputy Munsell.

MS. MUNSELL: Hi. Yes, thank you for the question. Actually, I would defer that question to Saumalu Mataafa, who is here with the Administration. So I'll defer to him.

COUNCILMEMBER SUGIMURA: Okay.

CHAIR JOHNSON: Okay.

COUNCILMEMBER SUGIMURA: Thank you.

CHAIR JOHNSON: Mr. Mataafu [sic].

MR. MATAAFA: Mataafa. Well, I'll just first off say thank you, Committee Chair Johnson, Vice-Committee Chair Molina, and Members of the Committee. So through our online process, which is the Administration's Attainable Housing for Maui Nui Working Group, we have started looking at the goals, policy parties, and strategies by representing the plan. Our main objective with this is to determine the soundness of the goals and parties, and also the feasibility of implementing the strategies as they are presented. So the goals what we're really looking for is whether they are reasonable or unreasonable. And if so, whether they can be accomplished with existing County systems and resources, or they required sources that were outlined in the plan. And with that, we also reviewed the policy parties in the plan to determine, you know, will they really accomplish the outcome of the goals in producing more affordable housing and rentals for the County. And then basically last year, in our first preliminary meeting that we've had with AHMN, you know, we began testing the strategies that were presented and trying to determined how the impact will be in accomplishing the objectives that we set out. So for now, because this proposal is initiated by Council, the Administration would like you do a courtesy and allow you guys to review the proposal, but withhold any substantial comment until you guys conclude your full review, make the determination whether the plan is feasible and can produce the desired outcomes. So we do have that comment there, we just would like to see how you guys develop your plan, and then we'll work with you as you develop that in future. So no specific comments to the five priorities that you've outlined so far, but we are on the backend looking at those comments and reviewing the plan concurrently while you guys work on a more cohesive plan moving forward. So those are general comments. If you have anything specific...I think we do have most of the Departments here, so you can ask them anything about their current policies. But right now we kind of just want to withhold and let you guys go through your process, but we are on the backend doing our review, and then maybe we can come to some sort of meeting point when you guys finish your review. Okay, I'll

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leave it at that. And if anybody has any comments or questions, feel free.

COUNCILMEMBER SUGIMURA: Okay. So in summary then, I guess you're saying like you're listening to what the discussion is amongst the Councilmembers, and that the Administration is...I mean, at your...you're dissecting the plan and looking at it to see how it could be implemented with the existing Charter, as well as County Code. You're trying to see how it fits in?

MR. MATAAFA: Well, so we've had one meeting so far. We have a couple meetings scheduled where our online group can meet and discuss the plans, so we don't want to tamper with the process you guys are doing currently. So we'll let you guys come to your conclusion, and then we'll have our conclusion that we can elaborate and collaborate on when we get to that point.

COUNCILMEMBER SUGIMURA: Okay.

MR. MATAAFA: But right now it's a little too preliminary to kind of mess with your plan, but we have our review process that we're currently undergoing right now.

COUNCILMEMBER SUGIMURA: Okay. Thank you very much, Saumalu.

CHAIR JOHNSON: Okay. Since we got you on the call, Mr. Mataafa, I have some Councilmembers who have some questions for you. It looks like Councilmember Kelly King, followed by Councilmember Molina.

COUNCILMEMBER KING: Actually, my question was just going to be I thought we were asking Linda Munsell a question, and then now we're hearing from Saumalu that we...I thought you said we could ask the Departments any questions, but it sounds like you're making them defer to you.

MR. MATAAFA: No. So you can ask the Departments any questions relating to their current processes, how they process things. As far as, you know, the comments where you're asking our opinion on something on a policy, we would just respectfully ask that you go through your process first and determine what the best policy plans are for you guys moving forward. And we'll do the same, and we'll maybe collaborate maybe at a future meeting if that's okay with you all.

COUNCILMEMBER KING: Well, we're trying to formulate our own opinions based on what the Department can tell us about what they're able to do and not do. But now you're telling us they're not going to say anything about that. So how can we make decisions or, you know, deliberate on what will work if we don't know what will work because you won't let us talk to your Departments about that.

MR. MATAAFA: Well, I'm not saying you can't talk with them. You can ask them any question you want. Going back to Yuki Lei...Councilmember Yuki Lei's question, that's just what we're getting at now, is we're going through the process, we're reviewing it internally, so give you or promise you that this will work or this won't work is a little premature right

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now. So you can ask any question, but for us to really get...

COUNCILMEMBER KING: Well, you're telling us right now we can't ask any questions.

MR. MATAAFA: You can ask them any question you want, but I'm just saying that for right now, if you want to ask them a question, we're not going to give you an opinion whether we think the direction moving on is good or not. We still are in our internal review process with the Administration, and we just ask that you respect that process. Just like you guys haven't come to a formal decision on which policies are important for you, we still debate in a debating process of Councilmember Johnson's policies right now. So I would just ask for that respect. And you can ask...if you have a specific question for...

COUNCILMEMBER KING: Well, what you're asking us to do is to make a decision in a vacuum without knowing the Department's position on certain things. So I guess we can do that, but then don't come back to us later on and tell us you didn't even ask us about that, because you're not telling...

MR. MATAAFA: So what I would ask then if you could ask those questions in writing then so that it can be cleared through the Department and we can get you the answer that you're looking for.

CHAIR JOHNSON: Okay.

COUNCILMEMBER KING: All right. I'm going to give up on this, Chair.

CHAIR JOHNSON: Yeah. Okay. I appreciate your time. But, you know, I often say if your hair's on fire, you'd best act like it. And I want us to work together, not in like a silo, and that's what I'm feeling, that...I don't want a silo with the Administration, I want us to work together. So I mean, I'm growing some gumption, I'm going out on a limb saying these are my priorities, I'd like some gumption in return. But okay, I hear where you come from. You've made your point. We have some hands up. Councilmember Molina...oh, Mataafa, did you want to say something. I don't want to cut you off. Go ahead.

MR. MATAAFA: Yeah, no. Just in respect, you know, we still are developing and understanding this plan and trying to review it as best as we can, because we got it the same time you got it. And so we just ask for that respect, to be able to review it in conjunction with...as you guys are doing, and have a separate process, but also come together at some point and to collaborate on it. So that's all I'm asking.

CHAIR JOHNSON: Okay. Well, I heard collaboration, and that's what I like. We just got Councilmember Keani Rawlins-Fernandez on the call, so I'd like to welcome her. But I also know that...oh, hey there. Oh, bonjour.

COUNCILMEMBER RAWLINS-FERNANDEZ: Bonjour.

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CHAIR JOHNSON: Okay. We had a hand up from Councilmember Molina. Go ahead, Mike.

VICE-CHAIR MOLINA: Yeah. Thank you, Mr. Chairman. If I could ask just one question. I know I didn't use up all my time, but this was directed to Mr. Gilbreath or Director Munsell, or Mr. Mataafa, if they'd like to chime in. Last year I proposed bifurcating the Department of Housing and Human Concerns and creating a Department dedicated specifically to Housing, but there was push back from the Mayor and the Department, and we didn't generate the necessary six votes to put it on the ballot. Because we do have some history of bifurcating our Departments. Namely, when I was on the Council years ago, we bifurcated the Department of Public Works, which at that time was doing the responsibilities of the Department we know today as Environmental Management. It had just simply gotten too big. So now, with the demands now for Housing, as well as Human Services, that was a rationale for my proposal to bifurcate that Department. But with that being said, maybe Mr. Gilbreath or whoever wants to chime in on this proposal that...what about a separate Housing CIP Coordinator, somebody with engineering background that could deal with the RFP matters that could be dedicated exclusively to that to help expedite the Housing process. Mr. Gilbreath, was that an idea looked into as part of your proposal with the Housing Plan?

MR. GILBREATH: Yeah. I mean, we do believe there should be an individual who has that ability, Councilmember, and our recommendation was to place that individual in the Mayor's cabinet to make sure that they could move between Departments and make sure to move projects forward. We just thought the bifurcation of Housing and Human Concerns in a five-year window was not...that was not realistic to get this thing moving. But exactly to your point, we thought the value was get a coordinator in there who can start an RFP on these things and get things moving.

VICE-CHAIR MOLINA: Okay, great. Yeah, thank you for that answer. I think that's maybe a less expensive way to achieve the objective, yeah. And somebody with engineering background because I think this was one of the few Departments that does not have a CIP coordinator dedicated specifically. You know, like other Departments, you have a CIP coordinator for Department of Water and also Public Works. So anyway...but yeah, I throw that thought out for consideration, but thank you for that response, Mr. Gilbreath. Thank you, Mr. Chairman.

CHAIR JOHNSON: Okay. I think Linda Munsell turned her camera on and that means that she might...oh, no. She turned it off. Okay. I saw that Councilmember Paltin had her hand up, and I'd like to see if Councilmember Keani Rawlins-Fernandez has any questions after her. Go ahead, Ms. Paltin.

COUNCILMEMBER PALTIN: I just had a couple quick questions for Mr. Mataafa based on what he was saying about the AHMN. If he's still available.

MR. MATAAFA: I'm here.

COUNCILMEMBER PALTIN: Oh. So I guess the question was when does the AHMN meet, how frequently, and is it open to the public...like not us Councilmembers, but like...

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MR. MATAAFA: So the AHMN Group meets...there's basically two functions that the AHMN serves as. The first is to meet with developers, perspective developers who will be going through the County process and to guide them along that process when they're going through either Council review or Department review. Determine, you know, are you guys meeting with the community, are you guys doing the things that you need to do so that you are prepared when you get to that point . . . *(inaudible)*. . . meeting with you guys so that, you know, you don't kind of...you know, not to say that it's bad, but false . . . *(inaudible)*. . . on the plate is when it comes to you guys. So that's the first discussion. And on the second point that we do bring up are things like this, like the Affordable Housing Plan. The more of the theoretical, you know, what is the role of the County when it comes to, you know, affordable housing. How do we approach it? What are the things that we have now in place, systems and resources? And where do we need to go and take it in order to really get to our goals. And one of the thing at this time that it does set goals, and we're really trying to evaluate that and review that to see how it fits with the County. So as far as your other question or how often we meet? We've been meeting about twice every month. Twice every month we've been having developers come in, and sometimes they're able to do a quick turnaround where they are able to get all their ducks in a row, and then meet with you guys and go through the Council process. Other times, you know, they really do come at the conceptual phase where a lot of it is kind of . . . *(inaudible)*. . . of all the process that they have to go through, so it does take them some time before they can develop their project and then meet before you guys. So it ranges by the time...like they start with us and then get to you guys, but we meet about maybe once or twice every month with the AHMN Group. And it consists of members from all the Departments, or most of the Departments...Infrastructure Department...or Planning Department, Housing, and sometimes Finance to determine, you know, based off of the developer's needs, what type of resources they need to move their project along.

COUNCILMEMBER PALTIN: Okay. Thank you so much for your response. It was a lot of information. Thank you.

MR. MATAAFA: Yeah.

CHAIR JOHNSON: Okay. Next we'll move to Councilmember Keani Rawlins-Fernandez. I think this discussion has been going pretty well, so I've kind of...I've let people speak a little longer than three minutes. So Councilmember Keani Rawlins-Fernandez, you can feel free to ask whatever you like.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. My network has still been unreliable. Please let me know if you can't hear me...and I feel like I might be frozen.

CHAIR JOHNSON: We got you loud and clear on this end.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. Okay, great, great. Okay. I was trying to catch up and I'm worried that I may waste everyone's time by asking questions that have already been asked. I think perhaps there was a discussion on the prequal list.

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So I guess the one. . .*(inaudible)*. . . asking to be repeated is how we would be able to...in the Department of Housing and Human Concerns, I guess this question would be for Deputy Director Munsell, my apologies if you've already answered this question. What would it take for the County to start building that list that we're talking about?

CHAIR JOHNSON: Deputy Director Munsell.

MS. MUNSELL: Thank you for the question. So you're asking about the prequalification list that has been proposed in this. We don't know yet. I mean...so one of the things that...and again, to kind of build off of what Mr. Mataafa was saying, we still are looking for some direction from the Council to say what it is that you actually want. Obviously he had proposed a number of options for establishing residency and things like that. And so what we're looking for is, okay, what direction are you going to go, and then let's go and take a look and see whether those things are feasible. I mean obviously, we've got some concerns about prequal lists, and not having them turn out to be like the Upcountry water list, and so how would those thing work. So we're looking...again, not trying to be uncooperative or, you know, not assist you, but we do need to have a little more direction from you to see what it is you're looking at. We have looked at other models out there, there are models that we can look at, and so we are looking at those things and beginning to do our research. But again, it's much too early at this point to actually say we can do this, because we don't know yet. I hope that helps.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo for your response, Deputy Director. I don't...I think the Upcountry water meter list and a potential prequal list would totally be apples and oranges, because we do a lottery, an opportunity to be in that lottery, whereas the Upcountry water meter list is based on first come, first serve whoever is on that list, right. And so I understand that it's what, like 1,400 names long. And so even if it was that length...the prequal list was that length, everyone would still have that same opportunity because it would be a lottery. And so I think, you know, if our Department managed that list and conducted the lottery, then it would be perceived to be more . . .*(inaudible)*. . . So yeah. But I understand, your Department is waiting on the Council to indicate a better direction. My question, because when we do take up this question, will be, what kind of resources and staff would be necessary to do this, to undertake this.

MS. MUNSELL: Yeah. Thank you. Because they would depend on what the model looks like. I mean, we've had lists, the County has maintained lists previously. It was an absolute nightmare. But we're...that there are other models. And so just depending on kind of where we go with this will depend upon us being able to come back to you and say, okay, here's what it will actually take. Obviously it's not going to be a paper list, that will make this much more smooth; but again, we don't know until we get further into it and have an opportunity to do more research. So thank you.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Deputy Director. Mahalo, Chair.

CHAIR JOHNSON: Okay. Thank you, Councilmember Keani Rawlins-Fernandez. So what we were doing is we're just...I had on our matrix that is in Granicus that has right in the

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center of it, it says, housing is a human right. There's basically five priorities that I thought was really important that I proposed to the body to say, these are the things...and of course, some of them had a bit of an overlap. Like now, all of a sudden there's...on a lower tier is the list, right, that we're talking about. So maybe, according to what I'm hearing, the Members want to push that...make that a higher priority. And so those things, like we're going to do the next round after we take our little break, and the next round is going to be about what you think we can add to it. But I figured...you know, because Councilmember Keani Rawlins-Fernandez came in a little bit late, I figured if you want to speak of any those five priorities that I had on the matrix, you're more than welcome to add to the conversation if you'd like.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. I'll make this quick since I'm standing in the way of us having our afternoon break. I primarily just would like to add onto the list as you asked us to do for homework. . . .*(inaudible)*. . . additions...

CHAIR JOHNSON: I'm sorry, you're frozen there. You're frozen, I think...oh, no, there you go. You're giving a thumbs up.

COUNCILMEMBER LEE: You are breaking up.

COUNCILMEMBER KING: We didn't hear what you just said.

COUNCILMEMBER LEE: Yeah. And now you're frozen.

CHAIR JOHNSON: Okay. She typed in the chat that she has nothing to add...no comments. Okay. It's 2:45...oh, she has items to add. I beg your pardon. At the next round, right? This was the first...okay. So in the second round, we'll go...sorry, you know, technology, yeah. But second round, we'll go around and we'll all have...we'll talk about this, but I was hoping we'll take a ten-minute break right now, and then we'll do another round and we can all add to some of the priorities. So it is now 2:45. A ten-minute break for Affordable Housing Committee. It's 2:45, we will come back at 2:55. The Affordable Housing is now in recess. . . .*(gavel)*. . .

RECESS: 2:45 p.m.

RECONVENE: 2:56 p.m.

CHAIR JOHNSON: . . .*(gavel)*. . . Will the Affordable Housing Committee reconvene. It is now 2:56 p.m., and let's get started. So before we move on to our second phase, I figured...I didn't get to ask many questions. I got one last question for the Department, Linda Munsell, Deputy Director, if you're on the call. I just want to ask you in regards to the top five priorities that I put out, what is the Department's stand...what's your opinion on them, can you speak to them?

MS. MUNSELL: Thank you for the question. You know, as Mr. Mataafa expressed, we are really early in the process of taking a look at the plan, and your priorities and things. But I can make a couple of comments here. So I mean, the first thing that you're talking

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about is updating our sales guidelines. One of the things in the plan, and also noted in your priorities, is that somehow the County appears to be limiting the amount of income that a homebuyer can actually use to pay their mortgage, and that's not actually true. So there's some disconnect between us and Mr. Gilbreath's team. And we've reached out to him to talk about that a little bit, and he's forwarded a copy of his Excel file. So we know what you're trying to achieve. We're not sure that we understand, you know, where this idea came from, but we are willing to look at that and to open that dialogue. So we think that that's an interesting thing, an interesting proposal, and we'll be working with Mr. Gilbreath and his team to try and resolve our questions on that. As far as the local residency requirements, you've heard the questions, you know, how do you accomplish that? Is that a legal thing to do? And so we would be very interested in hearing where that conversation goes and what you can do legally. I mean obviously, one of the things that we don't want to end up doing is building all of these homes and having people move here from the mainland. So, you know, how do you keep that from happening, and do it legally, and do it fairly. So, you know, we are very interested in that conversation, and we're very interested in that in the Administration, so we'll be taking a look at that. As far as phasing out the Apartment District properties, that's a Planning thing, I'll leave that to the Planning folks to make a comment. And then enforcing 2.96 and the Federal Fair Housing and Lending Laws against mortgage steering, obviously we're going to enforce the 2.96 and we're going to be looking at the comments that were made in the plan and discussion where their feeling like they're being steered, because obviously, that would concern us too. As far as enforcement though, it's going to be a legal question, what the County can or cannot do. I mean, so HUD and Hawai'i Civil Rights are generally the people that you would go to if you've got Fair Housing or a question like that. And then I'm not sure that it's exactly the County's position to be levying fines and things like that. But that's a question for Corp. Counsel. So pretty much on all of those priorities that you've put out there is, it's an interesting conversation that we're going to be having, and we like, you know, the fact that you're opening this up for discussion. And, you know, as Mr. Mataafa, you know, expressed, this is a conversation we're having internally. And as we listen to you move forward, you know, obviously we're not going to let you go someplace that's insane...all due respect. If we cannot do it, we will absolutely tell you. But so far, what we've got is this overall arching plan, and no yet firm direction that we've heard that you want to go. And so we're listening with open ears, and very much want to work with you, helping and working through this. So I appreciate and thank you for the question.

CHAIR JOHNSON: Okay. Thank you, Deputy Director Munsell. I appreciate your words. I like the straightforward talk. That's what I'm here for. All right. Okay. So Members, we're going to do next round, and this is your opportunity to share your top priorities and recommendations from the matrix, play a little Tetris with these bricks as we begin the process of implementing the goals and strategies from the Maui County...or Maui County Comprehensive Affordable Housing Plan. So I would ask Staff, if you can bring up the matrix as we discuss this. And I'm just going to do a reverse order of Councilmembers, and if there's something you want to add, bring up, pull down, let us know. Let's start with Councilmember Sugimura, followed by Chair Lee.

COUNCILMEMBER SUGIMURA: Thank you. So you're saying, Chair, for clarification, you

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want us to talk about the second row of blocks; is that right?

CHAIR JOHNSON: Well, I...these are...I showed you the five priorities that I had. Now, is there any blocks that you said, hey, this is really important, let's push that up or let's...anything on there. These are all from the plan, you know, these are all taken directly from the plan, so if there's anything in here that you would find of major importance, like we were talking about the idea of having a Housing Director or Housing Tsar or whatever the term is, that's in there. You know, there's things that maybe you want in that are not at the top of the list, so this list is malleable for you.

COUNCILMEMBER SUGIMURA: I just have a...I mean, this goes back to Administration. And as you know, yesterday our bond rating, there was a press release about that. And in your second group, or third group of blocks, amend Ordinance 3.35 to allow for use of Affordable Housing Fund monies, Affordable Housing Plan initiative, including and enable bond sales. And I'm really interested to hear what the Administration has to say regarding that, because they are the ones, I think...and from my experience, from what I've seen over the years that I've been on Council, they are the ones that enact the legislation for the bond, and not a...yeah. I think from what I hear from this plan, it would be a community group that would approve the plan, and then approve the bond, I think. Maybe that's a question for Mr. Gilbreath, if I misunderstood. But I think the bond thing is kind a biggie for me.

CHAIR JOHNSON: Okay. Councilmember Sugimura, would you like to speak with Mr. Gilbreath to talk to that, or would you like to hear from Scott Teruya, somebody from...

COUNCILMEMBER SUGIMURA: Probably both.

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

MR. GILBREATH: Yes. So this...our recommendation is to make sure that you have enabling legislation for those bond sales. That would be the County's responsibility, no community group would be responsible for that.

COUNCILMEMBER SUGIMURA: Thank you. So the community group then...oh, okay. What does the community group then do? They approve the projects, but they don't make recommendations of the infrastructure portion.

MR. GILBREATH: The community oversight board is really meant to monitor the investments and to track the progress, so to make sure that it's reaching goals that are laid out in the plan, and making sure that this is being reported to you folks, the County, more generally.

COUNCILMEMBER SUGIMURA: So the projects don't go before them. And maybe you can explain then, to me. I thought the projects would go before this community group and they prioritize it, approve it, and then send it forward. No?

MR. GILBREATH: Proposals to the Affordable Housing Fund would be reviewed by this group.

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We recommend that there's representation of public, private and community members, and so...yeah. So when proposals would come through the Affordable Housing Fund, you would essentially have this public process for reviewing those applications and recommending for funding.

COUNCILMEMBER SUGIMURA: Okay. So they don't do anything with the bond. They don't make recommendations for infrastructure and bonds, enable bond sales.

MR. GILBREATH: Correct.

COUNCILMEMBER SUGIMURA: Okay. And they wouldn't make recommendations on the \$358 million of how to build infrastructure then?

MR. GILBREATH: I would assume...I would assume that would be within the Administration and Affordable Housing Coordinator to be coordinating those planning efforts with the County. But I see Stan opened up his camera. Stan, anything that you want to add on this bond piece?

MR. KEASLING: No. That's exactly right, Jeff. What we're suggesting is that the Committee basically provide you with a public process for people to know what kinds of...what projects are being recommended for funding, and that essentially the housing projects that come forward would then come to the Council for approval and authorization.

COUNCILMEMBER SUGIMURA: Thank you.

CHAIR JOHNSON: Okay. Let's move on to Councilmember Chair Lee, followed by Member Sinenci. I don't see her on the camera. Okay. We'll come back to her. And let's go to Councilmember Sinenci.

COUNCILMEMBER SINENCI: Mahalo, Chair. And yeah, it looks like some of the lower ones has also listed some of the things that I had talked about, expanding the industry to include ohana units, owner builder homes using preapproved plans, which my Committee has reached out to the Department already to streamline some of those. So I'm...my take, or my interest in this plan is trying to look how to streamline the process and to get as many housing as we can in the five years. So I'm definitely open to all of the suggestions that you have, or the plan has. For us...again, for East Maui, we're supportive of ohana units, preapproved plans, maybe expansion of the septic to include more of our housing...because those are some of the issues that we have in East Maui. I guess my question would be, you know, for...as Councilmembers and our involvement in this process, the plan does ask for over a billion dollars' worth of investments from the County to subsidize these projects. So does it come to us for the Council to go ahead and approve the bond...the bonds for these projects.

CHAIR JOHNSON: It would be in the budget, I assume.

COUNCILMEMBER SINENCI: It would be part of the budget.

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CHAIR JOHNSON: Yeah, that's correct.

COUNCILMEMBER SINENCI: All right. So seeing...we would control the purse strings, I guess. So to get these 5,000 homes in five years, we would have to...as a Council, would have to release . . . *(inaudible)*. . . approve it for these projects. So I think open...I like the requirements that's been given from the Hawai'i *[sic]* Community Assets. I know that we have to take it the next level. So I'm okay with accepting their plan, but it will need to be tweaked a little when we put some of these things into action and to adopt these policy changes. So those are my comments, Chair. Thank you.

CHAIR JOHNSON: Okay. Councilmember Sinenci, on this matrix if you scroll down...Staff, if you scroll down to the second page, in the top right-hand corner, it says, amend 2.97 to include preapproved ADUs, ohana units, and owner built homes using preapproved plans. There's that preapproved plans that you were talking about. Would that be like a priority that you would want to push up on the rank? Like say, that's a really important thing to me. Is that what I'm hearing you say?

COUNCILMEMBER SINENCI: Yeah. And we've already had discussion with some of the prefabricated companies that already have preapproved plans. However, they're saying the problems that they have when it comes to the...for permitting is the location, the site plans. So just because the plans are all the same, it significantly changes when we're talking about site location, those types of things. And so that's where they're running into problems where it's not really preapproved plans because each site is different for each project.

CHAIR JOHNSON: Yeah, I can see that.

COUNCILMEMBER SINENCI: So those are some of the things we want to iron out.

CHAIR JOHNSON: Okay. All right. We're going to move on, but that's a very valid point. We can push that up on the matrix to find out how that works. Because we want to make it...I mean, the whole point of having preapproved is, it's faster, right, but if they're jamming them up...but let's go on to Chair Lee, followed by...let's see, we did Sinenci...followed by Member King. Chair Lee.

COUNCILMEMBER LEE: Okay. Thank you, Chair. I just have one priority, and that one priority is to let's do a demonstration project tomorrow. I mean, right away. That would be something...because right now, before us we have a wheelbarrow full of information that we have to distill. And there's so many things we have to do with tweaking various chapters and ordinances and so forth, that to me, the better thing to do is to move forward with a demonstration project right now to see if the basic issues and the basic guidelines in this particular plan is going to work. So let's put something into action right away--on a small scale, not 1,000 units, you know, maybe 30, 25, 30--and if it works, then we'll just multiply that. That's my suggestion. Thank you.

CHAIR JOHNSON: Thank you, Chair. That's a valid suggestion, and I hope that the Administration hears us loud and clear on the importance of that. And maybe even

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working together, that would be the funnel we can work together, that we could really push it like ASAP, right --

COUNCILMEMBER LEE: Right.

CHAIR JOHNSON: -- with the Administration. That's really key, I think. Thank you, Chair. Let's move on to Councilmember King, followed by Member Keani Rawlins-Fernandez.

COUNCILMEMBER KING: Okay. Chair, it looks like someone is screen sharing. Let's stop...

CHAIR JOHNSON: Yeah, can we stop the share? Thank you so much for that.

COUNCILMEMBER KING: I don't know whose screen that was, but can you start my time over? Okay. So I have a list of a few priorities that were not on the top five. And one of them we've discussed is that list of...the prequalified list. I think that's a really good idea, and I'd like to see that happen. It doesn't sound like a too difficult idea. Another one is...that was discussed earlier and that Mr. Molina brought up, the Housing Tsar, the idea of having the Housing Tsar, and I think that's really important...or Housing authority, whoever...somebody to be in charge of this program and be able to move among the different departments and have...and maybe it could be someone who's semi-autonomous, I don't know. But, you know, it sounds like we need somebody strong who understands the plan, understands the components that we're talking about, and can help guide us through it too. And the other one is to...I think it's...the immediate need that we have is let's identify all the units that we have that are in the queue that are part of that 5,000. Because right now...I asked the question when we were reviewing the final...the final...can you still hear me? I saw something that said reconnecting.

CHAIR JOHNSON: No. I can hear you loud and clear.

COUNCILMEMBER KING: Okay. Thank you. So when I asked Jeff if the 5,000 units that we're aiming for includes the projects that are right now approved, he said yes. So we need an accounting of all of those and how likely they each are to come to fruition and when, and then figure out what we need in addition to those. I mean, we've got four or five projects in South Maui alone that have been approved in the last couple of years. So I'd like to see exact...we don't even know where we're at, you know, comparatively with all the ones that we've already approved. And the other one I was going to ask them to do, I think I've already asked them, is to update the Real Property Tax suggestions, because they were based on last year's real property tax, and they weren't based on what we just did with the property tax rates, and also the discount that the Mayor gave to the hotels on new evaluations. So those are my top priorities.

CHAIR JOHNSON: Okay. I wrote them down. I'm sure the Staff wrote them down there in the record. We got prequalifiers, Housing Tsar, the Tiers 1, 2...the tier, you know, there's a Tier 1 and a Tier 2 for the Housing units, and updating the real property taxes to like this year. Okay.

COUNCILMEMBER KING: Yeah. The units...the Affordable Housing units that we've already

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approved, you know. So we need to see that list and see where we're at.

CHAIR JOHNSON: Right. Yeah. I agree with that. Okay. Thank you, Councilmember Kelly King.

COUNCILMEMBER KING: Thank you.

CHAIR JOHNSON: Let's move on to Councilmember Keani Rawlins-Fernandez, followed by Councilmember Paltin.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Can you hear me okay?

CHAIR JOHNSON: Loud and clear.

COUNCILMEMBER RAWLINS-FERNANDEZ: Oh, great. Okay. I better spit it out quickly while I have good network. Okay. So the first block, good...okay. In the second block...okay. I guess I just have a few questions. [music sounds] Oh...

CHAIR JOHNSON: I don't know what that is, but can we silence our...thank you.

COUNCILMEMBER RAWLINS-FERNANDEZ: I think that's *Akakū*. *Akakū*...the music is playing accidentally. Okay. I guess this question would go to...on your block two, Chair. Deferred payment mortgages for target affordability for local residents. Oh, is he on?

CHAIR JOHNSON: Okay. I heard that, and it's in the second tier. So I wanted to ask...let's have Jeff Gilbreath speak to that then, yeah. So Mr. Gilbreath, are you on the call?

MR. GILBREATH: Yeah. And just so I'm clear, the question about...do you want me to explain the concept, or are there specific questions about it?

COUNCILMEMBER RAWLINS-FERNANDEZ: Briefly, and then the proposal on how to do that.

MR. GILBREATH: Yeah. So the deferred payment mortgages are essentially mortgages that...it'd be like a second mortgage on the property that wouldn't have to be paid by the buyer, right. They would only be paid at resale or refinance if it's not sold to a low income buyer, so a buyer that's the same income. How those work is essentially you would write a mortgage note, and it would sit as a lien on the property. And we're saying between \$150,000 to \$200,000, depending on the need of the family and their income.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. Mahalo, Mr. Gilbreath. Okay. And then so we're doing...oh, I'm sorry. Are you still speaking? Did I interrupt you?

MR. GILBREATH: No, no. No, no, you're good.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay, okay. Sorry. And then Chair, just to...because it's kind of going in and out, we're talking about all the blocks that you have on your...

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CHAIR JOHNSON: Yes.

COUNCILMEMBER RAWLINS-FERNANDEZ: So there's six blocks, yeah.

CHAIR JOHNSON: Yes. So basically this is a chance for you as a Member to say, oh, the deferred payment mortgages is really important to me, I'd like to push that, you know, higher up on the priority or, you know, something lower or higher. It's malleable, so whatever you think that like, hey, this is a matter...this is a very important matter, then we can, you know, put that in. I'll put it on the calendar, and we'll start...we'll get a PAF and start making legislation on things that the people...that the body cares most about. So this is for you guys to say, oh, this is really important to me and let's...I want to have this discussion, and we'll put it in the agenda.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. And is that based on the six blocks here, and then later we'll add to the six blocks, or if...

CHAIR JOHNSON: Okay. The six blocks that I have at the top row are kind of...or beg your pardon, there are five blocks. Those are my important ones. I think these are the ones that are like the big...if we could do this, then we could really start on the road. But you might say, hey, there's another one that's really important, then yeah, we can bring that up too. So...but all of these blocks are taken directly out of the Affordable Housing Plan. This is like a roadmap on how we proceed from here, right. What's the top pressing need.

COUNCILMEMBER RAWLINS-FERNANDEZ: Um-hum. Mahalo for that clarification. Okay. And then do you want me to do it all now, or do a few and then yield the floor and then other Councilmembers give . . . *(inaudible)*. . .

CHAIR JOHNSON: Yeah, I was going to just do one round, and do you have one that's a burning one, or two that's a burning one, we can go into that. And then as we're done with everyone, we can go back around if we so need it.

COUNCILMEMBER RAWLINS-FERNANDEZ: I'm sorry, did you say one? We would add one thing right now?

CHAIR JOHNSON: One or two if you have a second one.

COUNCILMEMBER RAWLINS-FERNANDEZ: Oh, okay. And then do you want me to give you feedback on where on the priority list my recommendation would be?

CHAIR JOHNSON: Yes, of course. I would love that. I would love to hear your recommendation.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay, great. Okay. So my one for now is for the prequal list, as we were speaking about before the recess, be higher up on the priority, priority one or two. But one or two.

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CHAIR JOHNSON: Okay, yeah. I've been hearing that a lot. The prequalification list is really important among many Members, so I agree with you, we should it bring it up to number one. So just like that, we'll bring it up to a higher level and then we can, you know, we'll get a PAF, we'll get all the lawyers involved, and everything will happen that route. So do you have another?

COUNCILMEMBER RAWLINS-FERNANDEZ: I have a few more, so...but I can yield the floor now that I understand the process that you would like us to follow.

CHAIR JOHNSON: Okay. All right.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair.

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

COUNCILMEMBER PALTIN: Thank you, Chair. Can you hear me okay?

CHAIR JOHNSON: Loud and clear.

COUNCILMEMBER PALTIN: Okay. I had some priorities, but...that were different, but they aren't within our purview. So I mean, I just wanted to mention those that I think they're important, and hopefully the people that...whose purview it is under can just take a note.

CHAIR JOHNSON: Yeah. I would hope that we would focus on policies and things that we can do in our wheelhouse. There are some things that we...you know, we got to kind of hope to bear, as they say, to get other people on board, but for us guys, we can do what, you know, this body can do. So I'd like to stick to the policies that we can make as a body.

COUNCILMEMBER PALTIN: Okay. Then switching gears on that, I guess for me, that amend 2.96 to set the marketing period for for-sale homes at a maximum of 180 days rises to the top. Because I think I introduced that once before, and folks said, hey, let's wait until this plan comes out. So I kind of feel like that legislation is ready to go and we discussed it, and now the plan has come out. So maybe we can move that up because we already had that discussion and now it's on the plan. And I'll just dust off that legislation and we can say like, hey, you guys wanted us to wait for the plan, now the plan came out. Especially too, you know, given what's happened with Kahoma Villages in Lāhainā and possibly Pailolo place and these other places where it flips out of affordability and it really just pisses local people off. But other than that, I agree with what the things that the other Members have been saying like, you know, establish local residency in concurrence with this list. And to get a little bit more specific on the list, I guess some of my questions would be, would the list be like district or area-specific? Like that's the only way I really see it working. Because like say you're on this list and a house comes up in Central, but you really want to live in West Maui, and then so what happens when you turn it down, do you still stay up at the top of the list versus like,

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you know, some people are like, I don't care where I live, I just want to buy a house, or I just want to rent a house. So those are some of the details I think that we would need to hammer out, but I do agree that establishing local residency and developing these lists are really important. Because in the same vein of the for-sale homes or even rental homes for...I guess just for sale homes at 180 days, the fear is we're doing these 201H projects, we're doing these affordable housing projects that maybe you wouldn't regularly approve, but because housing is such a crisis and we're acting like our hair is on fire, and then next thing you know, someone from the mainland is living in that 201H and like, you know, you got disqualified or your time ran out or whatever. So I think those would be like my top things. Moving up that waitlist and tying it to local residency and specifying, you know, if you want to live in one area or all areas, and then set...is setting the marketing period for for-sale homes at a maximum of 180 days. I would tie that in to enforcing 2.96 Federal Fair Housing and Fair Lending Laws against mortgage steering. Because I think many times, when that 90 days runs out, it's because of mortgage steering, and those are the folks that have done it. People who are saying like, your 90 days is up, they did the mortgage steering. So those would be my things. It's kind of like pairing, I guess...pairing the various ideas so that they work well together. And, you know, amending 2.97 to include preapproved ADUs and maybe even, you know, finding a way that if those aren't going to be for your ohana, that the rent on those would also be affordable as well. Thank you.

CHAIR JOHNSON: Oh, okay. Yeah. I thought...there's an ongoing theme I hear from Members. There are some things that we can agree, we don't really like the way it's working, but okay. The Staff has taken note of your priorities and things we could maybe combine on, and I'm all ears for that. So let's move on to Councilmember...Committee Vice-Chair Member Molina.

VICE-CHAIR MOLINA: Yeah. Thank you, Mr. Chairman. You know, I don't have anything else to add other than that suggestion of establishing a Housing CIP coordinator or Housing Tsar, whatever you want to call it. But just maybe we continue to stay focused on the theme of...you mentioned themes...of government and the private sector of all continuing to provide attainable housing opportunities for our residents, especially those in the lower income levels. And with this list that we have here, you know, as Member Paltin has said on occasion, you know, provide as many tools in the toolbox, and only time will tell how many of these tools we'll be able to use. And something else to keep in mind down the road, I was mentioning that we have what's considered low real property tax rates. So that's, I guess, a philosophical issue that we'll have to deal with this, and future Council's will have to deal with this if we want to raise property tax rates on our residents to help subsidize housing for those in need. So it's something to consider, but it's...you know, we're at a crisis point. Because look at...the longer we wait, as long as supply is low and demand is high, the median price of a house here in Maui County will continue to escalate. And as I see it, part of the frustration residents are having with visitors is because they now don't have an opportunity to stay here. Long time kamaainas feel like they're being forced out because of the escalating housing prices. So this is why we have this draft plan that we're working off of. And I want to thank you and my fellow colleagues for, you know, initiating the appropriations to have this plan, Mr. Gilbreath, and everyone else involved. And we again, shouldn't be afraid

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to think outside of the box, walk on the wild side, if you will. This Council has historically shown the bravery or gumption to get out there and try different things. Where others may be wary, this Council is not. And so we should still continue to stay focused and look at cutting edge legislation because you have to try. If you don't try, and just maintain the status quo, then what, we'll still be stuck in a rut, yeah. And thank you, Mr. Chair for your leadership on this issue with this Committee. And thank you for all your wonderful adjectives that you use. I'm trying to steal some of those, you know, weeds, and ruts, and gumptions, and all of that. And so...but keep up the good work, Chair. Thank you.

CHAIR JOHNSON: Oh, that's funny. Staff, can you stop sharing screen for a moment. Okay. Members, we all did one round. I think we'll probably have some more people who would like to add. And I just figure if you guys have anything to add, you can raise your hand, I'll call on you, and then that's where I want to move forward. If there is anything that anybody else wants to add, I'm willing to work with the body, you know, and hopefully we can get the best for our people. This is all about the communities that we serve. So I thought Councilmember Keani Rawlins-Fernandez had...oh, she may have left the call because the network. Let me see. Yeah, that's part of the thing with off island, you know, outer island folks, our internet service is not so good. So I'm going to...I'm just going to talk a little bit, and if she comes on, we'll let her add some stuff if she wishes to. But my office will start issuing PAFs to get this legislation action started. I plan to use available future Affordable Housing meetings to take up on our prioritize Affordable Housing legislation in between time sensitive 201H projects and Affordable Housing Project reviews. I also plan to draw up recommended budget items, reviewing the planned Affordable Housing projects in Tiers 1 and Tiers 2, including County-owned land projects, and discuss the plan's recommendations for the Administration before the year is through. I just want to thank everybody who has been involved in this process. You know, Jeff Gilbreath and all of his crew, and the Administration, and all of our Staff, you know, there's a lot of people here who care about this issue. So I just want to thank everybody who is involved in it. I'm looking forward to continuing to work with all of you to start putting this plan in action and turning our housing crisis into a housing opportunity for our residents. So I wanted to see...let me check real quick if she's back on. She doesn't look like she's back on. Go ahead, Councilmember Paltin.

COUNCILMEMBER PALTIN: Thank you, Chair. I just noticed one in my list that was the list of what other people could do, and it was sandwiched in there, but it could be a County one. And it was County-owned land trust. I think one of the resources had talked about that's what Kaua'i is doing. And, you know, for Lāhainā now, with the addition of that Dickenson Street parcel, there's quite a bit of parcels, you know, that are just one, one, one, one here and there, and if we could establish some sort of County land trust where, you know, somebody take the land value out of the equation, and people can like, you know, build their house there and live there as long as they want, but the equity is only in the house, and the land always belongs to the County, and there's not going to be any like jacking up the rent to somebody else or like, you know, it's not a middle man money making scheme, but more of these are parcels the County owns for Affordable Housing. You can build your house, you can have the money of the house if you leave, but the next person that lives in there, it will be for affordable housing in perpetuity

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kind of thing. Thank you for letting me add that back on and I think Member Rawlins-Fernandez might have joined the call.

CHAIR JOHNSON: Yeah. I'll speak to that real quick. I'm a big fan of land trusts, Councilmember Paltin. Right now we have non-profits running them. I'd be interested to seeing, again, thinking outside the box, how County run land trust would go. And if Kaua'i is doing it, we could maybe...you know, I'll call them up and bring them in and maybe they'll give us presentation. You know, I'm all up for doing things like that, you know. So let's see if Councilmember Keani Rawlins-Fernandez has anything to add. Are you on the call?

COUNCILMEMBER RAWLINS-FERNANDEZ: Can you see me?

CHAIR JOHNSON: We see you. Yeah, and we hear you.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. All right. Where am I? Mahalo, Chair. Okay. I'm so sorry about our network issues.

CHAIR JOHNSON: No, I understand. I live on Lāna'i and the...I don't want to get started. I understand.

COUNCILMEMBER RAWLINS-FERNANDEZ: Digital equity.

CHAIR JOHNSON: Amen to that.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. Okay. So to add to the blocks that you sent to us...

CHAIR JOHNSON: Councilmember, would you like the Staff to share the screen, or are you good?

COUNCILMEMBER RAWLINS-FERNANDEZ: No need, Chair.

CHAIR JOHNSON: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Okay. I'm trying to figure out a way to like present it to you quickly. There's kind of a lot. But perhaps I can send it to Committee. So developers often claim difficulty prequalifying buyers, and so then I have a proposal to address some of the challenges.

CHAIR JOHNSON: Yeah. We take...sure. Send it to Committee, that would be great.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. I'll just do that. Mahalo, Chair.

CHAIR JOHNSON: Okay. Okay, Members, I appreciate your time...oh. We have one from Councilmember Yuki Lei Sugimura. Feel free.

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COUNCILMEMBER SUGIMURA: So this is an important plan, as all of us have said. And I wonder if we have Scott Teruya on the line, who could talk about financing this plan. If we're talking about a \$1.1 billion, I think it was in *The Maui News*. It's on, you know, kind of top of mind, how do you pay for this. So I wonder if we have Scott Teruya on the phone who can kind of talk to us. If it's okay.

CHAIR JOHNSON: Of course. Director Teruya, are you on the call?

MR. TERUYA: Good afternoon, Chair and Members. Yes. To be honest, I've never reviewed the...what was submitted by your consultant. So I guess I would have several questions. Just at the top of my mind is, would your consultant be able to explain what kind of bond they're recommending, of floating? And the reason why I ask is because I thought I also heard from Member Keani Rawlins-Fernandez about a mortgage deferral program. So if there is a deferral program, what will be paying off the annual debt service of the bond? So just try to understand, I'm not saying anything, I'm just trying to find out what is going to be floating this, how are we paying for things, et cetera, so I can get an understanding.

CHAIR JOHNSON: Okay. Mr. Gilbreath, can you respond to that?

MR. GILBREATH: Yeah. I'd like to pull forward, Stan Keasling, he was our subject matter expert working on the bond piece. Stan, are you on?

MR. KEASLING: Sure. So our recommendation actually is to sell general obligation bonds and to finance the repayment of the bonds by raising taxes specifically on short-term rentals and non-owner occupied housing. So that allows you to make the deferred payment loans that we recommend, and basically still pay off the bonds with other revenues.

CHAIR JOHNSON: Director Teruya.

MR. TERUYA: Thank you. If I may follow up, Chair.

CHAIR JOHNSON: Sure.

MR. TERUYA: Sure. Okay. Thank you. I guess then therefore, my question is, are you recommending that the County be in charge of this project, and we wouldn't be having a developer develop? Because as you know, on a GO bond float, that we would have to own the improvements. So we would own the homes?

MR. KEASLING: So you would own the loans, and you would basically...so you would own the mortgages on the houses or on the rental housing properties, but you wouldn't actually own the properties.

MR. TERUYA: Then how do you do a GO...how do you do a general obligation float on a credit if we don't own the property? I don't understand that. You would have to own the improvements for a general obligation float.

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MR. KEASLING: So is that Hawai'i State law?

MR. TERUYA: I believe so.

MR. KEASLING: I am not familiar with that state law, frankly, and I'm certainly not...

MR. TERUYA: I mean, are there ways...it seems like you're talking more about a multi-family or private municipality, like a...I would say more like a housing bond. Because then you would need to use a housing bond through a developer where the developer would collect rents, and then it would be secured by the bond.

MR. KEASLING: Again, I don't know.

MR. TERUYA: But on a GO bond float, all of the improvements that I understand it has to be County owned. But I can see the infrastructure because we would own the infrastructure, but we wouldn't own the home. So unless we're going to be managers of these properties, that's the only way we can do a GO float.

MR. KEASLING: Hmm. Okay.

CHAIR JOHNSON: Okay. That's a valid concern. Mr. Keasling, can you speak on it?

MR. KEASLING: We'll do more research.

CHAIR JOHNSON: Okay.

MR. KEASLING: We'll do more research, but it's not our understanding, certainly in all of the folks that we've talked to previously.

MR. GILBREATH: But we can get some research done, Chair.

CHAIR JOHNSON: I think...yeah, that would really help if you guys sent a correspondence to Director Teruya about those concerns. That's legitimate, so...go ahead, Director Teruya.

MR. TERUYA: Chair, and if you can send it to me, then I'll send it to our bond counsel, and then they can confirm. Thank you, Chair.

CHAIR JOHNSON: Okay. All right. Thank you, gentlemen. Councilmember Yuki Lei Sugimura, does that answer your questions?

COUNCILMEMBER SUGIMURA: Yeah. I appreciate that discussion.

CHAIR JOHNSON: Okay.

COUNCILMEMBER SUGIMURA: I think it's a very important point for the study in general. So thank you.

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CHAIR JOHNSON: Okay. Also, gentlemen, if you could send it to the Affordable Housing Committee as well, I'd like to learn more about that as well. Councilmember Keani Rawlins-Fernandez, you had your hand up?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Yeah. I wanted to just ask a quick question of HCA, if they consulted with our Finance...anyone in our Finance Department in producing the plan?

MR. GILBREATH: No, no one in the Finance Department. We did talk to a few...quite a few other Departments, but Finance was not one of them.

COUNCILMEMBER RAWLINS-FERNANDEZ: Oh, okay. Mahalo, Mr. Gilbreath. Okay. And so in your recommendations and the priorities of the 58 million and then over 1 billion in bonds, how did you propose like the annual amount that we would be borrowing?

MR. GILBREATH: I can pull Stan forward, but it's...essentially, we proposed the annual source of funds that would get you to the total amount, the total cost, right, if you sold bonds against that annual allocation. But Stan, do you want more to speak to that?

CHAIR JOHNSON: Mr. Keasling.

MR. KEASLING: No. All I...what I would say is that the \$58 million was the calculation that we made about the revenue that would be necessary to support a GO bond sale by the County based on your recent bond sales and your experience in terms of the interest rates and terms that you've been getting. You know, definitely, Councilmember, the total amount of the money is not needed immediately, right. So there are opportunities to phase in the sale if you really wanted to do it that way, and to do it over time, and to do successive sales.

MR. GILBREATH: And I would just add that a metro bond that was done by Portland and other jurisdictions have...are exactly in that situation. They committed so much in annual funds thinking they could go as high as say 1 billion, but they are...but they have found that they haven't had to sell as many bonds as they initially anticipated.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Mr. Gilbreath. Okay. And then just a last follow-up question with our Department of Finance, Director Teruya.

MR. TERUYA: Go ahead, Chair.

COUNCILMEMBER RAWLINS-FERNANDEZ: Aloha, Director. So my question is regarding the amount of money we would be borrowing, so...and then how that would affect our bond rating. So if we were to carry a billion dollars in debt, what would be the potential impact to our bond rating?

MR. TERUYA: Oh boy, Chair. Thank you for that question. But I'm assuming that we're not borrowing a billion dollars in year one or in any particular year, and I'm guessing that we would be doing this in multiple phases where the issuance wouldn't be so high that

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the billion dollars initially, even though we may be able to do it, financially it wouldn't be very favorable to our bond rating, that's for sure. I can get confirmation from our bond counsel and our financial advisor, but it would have to be in a phased approach. I think your pristine credit that you have right now would not be so pristine if we were to go out and borrow that large amount. But I think if we can understand...several things. First of all, if it is a GO float or if it's more of a building type of something on the developer where they're collecting the lease rents and they're paying it off, then it's not really backed by the GO, the general obligation, you know, the general fund. That would be significant...definitely better than us trying to do it on our credit. I mean, even though we have good credit, that's not really what it's for. I can see for infrastructure, but for the housing component, we would...my understanding, Chair, we would have to own the improvements if we're going to be bonding on this housing. And I think you know, when it's public housing, there's nothing wrong, it might be just a stigma, but I know in Honolulu, Chair, public housing is more of a sinking fund right now, than it is very attractive for the County. I think for sure, we'd probably prefer to have a developer developing it and a management company managing it versus the County being the manager. So like I said, I think...first of all, if it is that...the way it is, I'm hoping that it will be in phases, it wouldn't be large tranches that will potentially affect our rating. So that's all I can say for now, Chair, without knowing a little bit more of the specifics, but I would make sure that we could communicate that together and bring our experts on the line to hear it from them directly. Thank you, Chair.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Director. A quick follow up on that, Chair.

CHAIR JOHNSON: Sure.

COUNCILMEMBER RAWLINS-FERNANDEZ: Director, so you said large tranches, is there an amount that you try to stay within in bonding each year?

MR. TERUYA: Well, Chair, I think you know the way it works is you're paying off your expenses annually. You're borrowing from the General Fund, and then we go out and bond and repay it. So I think if that spending plan is outlined so we know what the annual costs would be in advance, and we can make it...make the payments comfortably, I think we can work together to identify what would be comfortable for the County so that we are within that range of not getting out of hand and making sure that we can always handle our debt service. As you know, County Government and the expenses, I've never seen it really go down. So even though you're adding taxes from a particular group, and you need additional money on top of that, you know, you just got to make sure there's a well in there to pay it off. So that's my only concern. So making sure that I think that we do it responsibly would be to first and foremost for our part. Thank you, Chair.

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

CHAIR JOHNSON: Thank you. Okay. Members, we had a...I think we had a really good discussion with some really knowledgeable folks. And of course, I could see our Members' passions coming up and seeing what they are...find very important. So we're

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all going to take this and we're going to come back around. This discussion will be ongoing for quite some time. So I just want to say thank you for this. And my inclination is to end the meeting now unless anyone else has any other questions. I'd like to let you guys get out of here. Oh, go ahead, Councilmember Kelly King.

COUNCILMEMBER KING: Yeah. Chair, is it possible to put in a request to the Housing Department for an update on what projects we have in the queue, how many units there are as far as for sale and for rent, and what the projected timeline is for them? We've gotten this in the past a long time ago. I haven't seen one in the recent three years, I think, but...

CHAIR JOHNSON: Yeah. Deputy Director is on...Linda Munsell is on the call, I would hope she could send it to the Affordable Housing Committee, and all the Councilmembers, and we can get an update on that.

COUNCILMEMBER KING: Chair, I don't...oh, there she is.

MS. MUNSELL: So you're looking for an update of all the projects that are in the queue. Are you...

COUNCILMEMBER KING: All the Affordable, yeah, Affordable Housing projects, because you've done that for us before, but if we could get a specific...you know, which ones are projected to finish in which years, and how many units there are, and then the for-sale ones versus the rentals.

MS. MUNSELL: Yeah. If you could send it in writing so that we make sure that we get all of the elements that you're looking for. Because normally, we would send a project list of all the projects that have got Affordable Housing or Workforce Housing Agreements signed and executed with the Housing Division. If you're looking for other projects more than that, we would want to know if that's the case. I mean otherwise, we simply update that one spreadsheet twice a year, and you should have that probably in the next week or so. But if you're looking for more information than is usually on that sheet, just send us a little...real quick letter, and we'll make sure that we get all those components.

COUNCILMEMBER KING: Okay. Thank you. I appreciate it, Linda.

MS. MUNSELL: You're welcome.

COUNCILMEMBER KING: Chair, do you want me to send that to you, or are you...do you want to just send it directly. You want me to write it up? Does that make any sense?

CHAIR JOHNSON: Yeah. If you'd like to, that's fine as well. Just to let you know, there is, in the plan, Tier 1 and Tier 2 has a long list of them, but let's hear it from them as well. So...

COUNCILMEMBER KING: Yeah, they need to know. Is like one of the requests I'm making is, you know, when you look at a project there's...a lot of them have a portion of it that's

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affordable and a portion of it is not.

CHAIR JOHNSON: Right. Yeah.

COUNCILMEMBER KING: So I'm going to ask for them to just...you know, to delineate for us how many units are affordable so we can see how close we are actually to achieving the...some of those 5,000 units within the five-year time frame already.

CHAIR JOHNSON: Yeah. Okay, send it on to me and then...

MS. STEWART: Chair.

CHAIR JOHNSON: Yeah, go ahead.

MS. STEWART: Chair, this is Alison.

CHAIR JOHNSON: Go ahead, Alison.

MS. STEWART: Staff will prepare the letter.

CHAIR JOHNSON: Oh, okay.

COUNCILMEMBER KING: Okay. You understand what I'm looking for then, Alison?

MS. STEWART: Yes. Yes, Member King.

COUNCILMEMBER KING: Thank you so much.

CHAIR JOHNSON: Okay, Members. I just want once again to thank Jeff Gilbreath and all of his team for helping us out with this plan. It's bold, to say the least. I mean, I had some...I read it. I had to read it a couple of times and say wow, that's got some...there's some guts in that plan. So I want to thank them all for all their hard work, and I want to thank the Members once again for coming out on your day off. And I'm thinking we're going to end the meeting. So Members, it is 3:53. Affordable Housing Committee, if there is no objections, I would like to defer this item.

COUNCILMEMBERS VOICED NO OBJECTIONS. (Excused: TK)

ACTION: DEFER.

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CHAIR JOHNSON: Okay. At 3:53 the Affordable Housing Committee is now adjourned on 7/27. . . .(gavel). . .

ADJOURN: 3:53 p.m.

APPROVED BY:

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

GABE JOHNSON, Chair
Affordable Housing Committee

ah:min:210727:

Transcribed by: Terianne Arreola

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CERTIFICATION

I, Terianne Arreola, hereby certify that pages 1 through 44 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 18th day of August 2021, in Wailuku, Hawai'i

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

Terianne Arreola