

AFFORDABLE HOUSING COMMITTEE

Council of the County of Maui

MINUTES

September 2, 2021

Online via BlueJeans Link

CONVENE: 9:02 a.m.

PRESENT: VOTING MEMBERS:

Councilmember Gabe Johnson, Chair
Councilmember Michael J. Molina, Vice-Chair (out 11:45 a.m.)
Councilmember Kelly Takaya King
Councilmember Alice L. Lee
Councilmember Tamara Paltin
Councilmember Keani N.W. Rawlins-Fernandez
Councilmember Shane M. Sinenci
Councilmember Yuki Lei K. Sugimura (in 9:11 a.m.)

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
Lenora Dineen, OCS Assistant Clerk

Axel Beers, Executive Assistant for Councilmember Kelly Takaya King

Ellen McKinley, Executive Assistant for Councilmember Kelly Takaya King

Evan Dust, Executive Assistant for Councilmember Tasha Kama

Davideane Sickels, Executive Assistant for Councilmember Tasha Kama

Kate Griffiths, Executive Assistant for Councilmember Gabe Johnson

Lois Whitney, Executive Assistant for Councilmember Tasha Kama

Ana Lillis, Executive Assistant for Michael J. Molina

Jordan Helle, Executive Assistant for Councilmember Yuki Lei Sugimura

Stacey Moniz, Executive Assistant for Councilmember Gabe Johnson

Dawn Lono, Executive Assistant for Councilmember Shane M. Sinenci

Sarah Freistat-Pajimola, Executive Assistant for Councilmember Keani N.W. Rawlins-Fernandez

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ADMIN.: Lori Tsuhako, Director, Department of Housing and Human Concerns
Linda Munsell, Deputy Director, Department of Housing and Human Concerns
Clyde (Buddy) Almeida, Housing Administrator, Department of Housing and Human Concerns
Jessica Crouse, Assistant Housing Administrator, Department of Housing and Human Concerns
Sananda Baz, Managing Director, Department of Management (AH-14(3), AH-14(2))
Mimi DesJardins, Deputy Corporation Counsel, Department of the Corporation Counsel

OTHERS: Gene Bulmash, Inclusionary Zoning Program Manager, Department of Housing and Community Development, Washington, DC (AH-14(3))
Adam Roversi, Housing Director, County of Kauai Housing Agency (AH-14(3))
Jeff Gilbreath, Executive Director, Hawaiian Community Assets, Inc. (AH-14(3))
Kenna StormoGipson, Hawaii Budget and Policy Center (AH-14(3))
Lisa Darcy, Share Your Mana
Dick Mayer
Mary Trotto
Faith Chase
Others (3)

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

CHAIR JOHNSON: . . .*(gavel)*. . . Time is 9:01 a.m. Thank you all for joining us today, I'm Gabe Johnson, Committee Chair *(audio interference)*. Sorry, hold on a sec. Is somebody open? Let's see, that's in...here it is.

COUNCILMEMBER KING: Maybe that's coming from France.

CHAIR JOHNSON: Okay, I think we took care of that. All right. Beg your pardon. Let's see here. All right. Thank you all for joining us today, I'm Gabe Johnson, the Committee Chair. Present with me in the room today is Autumn Rae Ness, Stacey Moniz, and Kate Griffiths. As required by the Governor's most recent proclamation, Members as *[sic]* nonpublic locations should state who, if anyone, is present with them. And Members, joining us today, our Committee Vice-Chair Mike Molina. Oh, wait. Do we have a greeting today? See, we got to... we don't have a greeting.

COUNCILMEMBER LEE: Bonjour, mon ami.

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CHAIR JOHNSON: Bonjour, mon ami. Okay, Vice-Chair Mike Molina, bonjour.

VICE-CHAIR MOLINA: Hey, bonjour, mon ami, Mr. Chairman, and my colleagues. And...and for the record, I'm broadcasting in my residence, home alone today. Thank you, Chair.

CHAIR JOHNSON: Okay. Good morning, and bonjour, mon ami. Next, we have Councilmember Kelly Takaya King.

COUNCILMEMBER KING: Okay, bonjour, mes amis. I just going to use the plural, since we have...we are all friends here. And good morning, aloha kakahiaka. I hope everything's going well there on the ground in France for Member Paltin. You seem to be bright and cheery, with no visible jet lag, so that's pretty good. I am in my...the spare bedroom of my house, and my husband is in a different room doing his meeting, so I'm alone in this room.

CHAIR JOHNSON: Okay. Next, we have Council Chair Alice Lee. Bonjour, Council Chair.

COUNCILMEMBER LEE: Mr. Chair, bonjour, mes amis, and I am home alone. Behind me, you see the coconut tree of my neighbor, who is Kapono'ai Molitau, who does a lot of our ceremonial, you know, blessings. Aloha everyone, and a special aloha to our friend over in the other continent, Member Paltin.

CHAIR JOHNSON: Wonderful, bonjour. All right. Next, we have Councilmember Tamara Paltin, coming in from France. Bonjour.

COUNCILMEMBER PALTIN: Bonjour, or bonsoir where I'm at, mes amis. I'm staying at an apartment in Marseille on the Rue de la Republique. And staying with me at this apartment, I have Kai Nishiki, Taylor Kealoha, Scotty Garlow, Noe Lee, and Saul Kaho'ohalahala.

CHAIR JOHNSON: Oh, and tell them all that we said aloha...or bonjour, I should say. All right. Next, we have Council Vice-Chair Keani Rawlins-Fernandez. Bonjour.

COUNCILMEMBER RAWLINS-FERNANDEZ: Aloha kakahiaka, Chair, mai Moloka'i nui a Hina. Bonjour, mes amis. I am alone here in the Moloka'i District Office. And pursuant to the recommendation of my daughter, Ka'ikena, I'm wearing my purple kapa earrings and my purple scarf, in honor of our Mo'i's birthday today. Hau'oli Lā Hānau, Queen Lili'uokalani.

CHAIR JOHNSON: Wow, beautiful words. Okay. Good morning. Next, we'll move on to Councilmember Shane Sinenci. Bonjour.

COUNCILMEMBER SINENCI: Eh, bonjour, mes amis, Chair. Voyage a souhaite agreeable to our Maui County contingent up in France. Aloha kakahiaka mai Maui Hikina, where I'm here with my EA, Dawn Lono. Aloha.

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CHAIR JOHNSON: Okay, wonderful. Now, my understanding is Councilmember Yuki Lei Sugimura is going to be a few minutes late, and Councilmember Tasha Kama is excused. Okay, so scheduled to join us today from the Administration, our Housing and Human Concerns Deputy Director Linda Munsell, Housing Administrator Buddy Almeida, Assistant Housing Administrator Jessica Crouse, Deputy Corporation Counsel Mimi DesJardin, and Managing Director was invited, so hopefully he shows up. Our Committee Staff is Legislative Analyst Alison Stewart, Committee Secretary Rayna Yap, Legislative Attorney James Forrest, Legislative Analyst Laks Abraham, and Assistant Clerk Lei Dineen. The Chair will also state for the record that today's meeting will be broadcast on *Akakū* Channel 54 on cable TV, and channel 53 online. So Members, let's move on to testimony. So today's agenda items are AH-14(3) Effectively Promoting The Availability Of Affordable Housing For Maui County Residents, AH-14(2) Comprehensive Affordable Housing Plan, The Right To Housing, and AH-14(1) Comprehensive Affordable Housing Plan, The Right To Shelter. Let's begin with public testimony. Testifiers can join BlueJeans meeting using the information on the agenda. Oral testimony is limited to three minutes per item. While we wait...while waiting for your turn to testify, please turn off your microphone and video. When you're called upon, please unmute yourself and state your full name for the record, and if you're testifying on behalf of an organization or if you're a lobbyist. If you join this meeting on BlueJeans, Staff will add your name to the testifiers list. The link to the list will be posted in the chat. The BlueJeans (*audio interference*) commentary or to engage in conversation during the meeting. If you do not wish to testify, or once testimony is closed, you'll be disconnected from BlueJeans, and you may continue to...you may continue to view the meeting on *Akakū*, Facebook Live, or the mauicounty.us website. Written testimony can be sent using the eComment link at mauicounty.us/agendas. Mahalo for your cooperation. Members, I would like to proceed with oral testimony. Any objections?

COUNCILMEMBERS: No objections.

COUNCILMEMBERS VOICED NO OBJECTIONS (Excused: TK)

CHAIR JOHNSON: Okay, seeing... thank you. Seeing no objections, Ms. Stewart, will you please call the...our first testifier?

. . . (BEGIN PUBLIC TESTIMONY) . . .

MS. STEWART: The first testifier is Lisa Darcy.

CHAIR JOHNSON: Good morning, Ms. Darcy. You have the floor.

MS. DARCY: Bonjour. It's really fun to know you're in Paris...or in France, so hello. My name is Lisa Darcy. I'm sorry, my greeting is even off. Everything is off, I'm so tired, and I apologize if this isn't the most concise testimony. I am a commissioner on the Healing Solutions for Homelessness, and I'm the founder of Share Your Mana. And this is such timely, important legislation. It comes as the...last evening was announced that the...the Kanahā community will be cleaned up. And I have been watching over the past

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two years the deterioration of people's lives. And I...I am exhausted. I am exhausted, many are exhausted. I want to speak first to AH(2) [sic] please, and...and cite The National Law Center on Poverty and Homelessness realizes that criminalizing homelessness and making it illegal for people to sit, sleep, and even eat in public places, despite the absence of housing or shelter and other basic resources, is harmful. These laws and policies violate constitutional rights, they create correct...arrest records, and fines, and fees that stand in the way of homeless people getting jobs and housing, and it makes it impossible to find work. The evidence is clear that homelessness is reduced in communities that focus on housing, and not on other means of making people disappear. Share Your Mana was created for these very reasons several years ago, and it recognizes that effective housing policies implement...in...with implemented cultural values and authentic partnerships end homelessness. I applaud this Council and this Committee for proposing 9.38.020, Right To Housing, and I hope that it will include the opportunity to implement culturally-relevant options using standard language. This is an important opportunity to restructure the way we approach housing, by identifying community-based solutions instead of traditional housing concepts. Houses with yards and driveway are a recent phenomenon in Hawai'i...in Hawaiian history, and many Kanaka are deeply connected to outdoor living and fishing practices. This is a great opportunity to reconnect to the cultural values that are shared by many of the 'ohanas that I serve. Reframing this issue around safety and protection is critical. Maui's benign climate allows for simple, inexpensive, culturally-aligned solutions, which meet the basic needs of access to clean water, bathrooms, showers, protection, and natural elements, and the ability to keep one's personal items safe while living with their pets. These are continued elements. Share Your Mana wishes to reframe the dialogue within our society, which measures wealth versus measuring people's quality of life. The hundreds and hundreds of people that I have met living unhoused do not measure their value by these standards, they are focused on being healthy and spending time with their 'ohanas. Health and safety are human rights, and access to sanitary life are the benchmarks. And I wish...and I'm glad that this Council champions and allows unique solutions. I'd like to transition into some comments for AH-14-1 [sic]. I have so many notes, I'm sorry. Okay. And I also want to point out, as our needs change as a community, our language needs to change and evolve to reflect the new circumstances. Bringing this forward as housing is a human right is a step in that direction. It's important to differentiate between housing and shelter, as it is an overdue discussion. And it often gets...it gets married and they get used interchangeably. And they don't belong interchangeably, they need to be separated. People who live unhoused and unsheltered have much higher rates of incarcerations, visits to the ER, and use enormous amounts of emergency services. So the Right To Shelter, 9.37.030, the purpose to A, ensure, I would like to recommend some language change. To ensure every person living unsheltered or unhoused in Maui County has continuous access to stable shelter that is safe and supportive, with the ultimate goal of unhoused residents accessing supported and permanent housing. I...I recommend some of that language change. Item B, I recommend replacing allow with provide unsheltered residents with services they need to recover, recognizing mental health, addiction treatment, advocacy, and other services as foundational to obtain permanent housing. These are critical for people to move forward, and it's really important that that's acknowledged. 9.37.050, Permanent Housing, the Council intends that the right to shelter will be in tandem with

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prioritizing permanent housing for people who are unhoused or unsheltered. Permanent housing is the goal and priority. Safety replacing shelter is critically important. 9.37.070, to add Chapter provisions and is responsible to make regular reports on progress and impediments on these rights. There's also a couple of other pieces under . . . *(timer sounds)*. . . 9.37.040, letter B, has the right...the shelter must include a list of things. I would like to include the right to have a pet or a service animal. Most of the people that I work with, I believe the reason they are alive is because of their pet, and this is not to be seen as a frivolous piece of something in their life. It...it is a life sustaining, unconditional, loving relationship that they have, that when their health and mental health deteriorates, it is perhaps even more important than food and water. This is such an important conversation. I am grateful that it has been brought forward. I am grateful for this opportunity to testify. I have more, and I apologize that I am exhausted and concerned that our...our Administration is not going to handle people with the dignity that they deserve, that they have been begging for, and it is very difficult to come here to be cheery. And I thank you for this opportunity.

CHAIR JOHNSON: You're welcome, Ms. Darcy. Members, do we have any questions for Ms. Darcy on her testimony? We do have one from...oh, I...I'd also want to recognize Councilmember Yuki Sugimura. Welcome. Welcome to the meeting. And --

COUNCILMEMBER SUGIMURA: Thank you.

CHAIR JOHNSON: -- she had a hand up for a question for you, so...

COUNCILMEMBER SUGIMURA: Yeah, I do. So Lisa, thank you very much for... did...did you submit your testimony? I don't see it.

MS. DARCY: Oh, I finished it at about 3:00 this morning, and it's a mess. So I did my best.

COUNCILMEMBER SUGIMURA: Okay, because...well, I thought maybe you might have submitted because you have some word...word changes for the documents, so...I mean for the --

MS. DARCY: I...yeah, I did not. I...I need at least two weeks to really make a concerted contribution. The...life is chaos right now, it's utter chaos. I...I...I...I didn't have enough time, I'm sorry.

COUNCILMEMBER SUGIMURA: You read the 9.37.030, you had a change, I think, that you were recommending. I...I was trying to see if you submitted written testimony.

MS. DARCY: No, I did not. I...I can rewrite this, and submit it. 9.37.030?

COUNCILMEMBER SUGIMURA: Yes.

MS. DARCY: Ensures...I have A and B, and the B...both of them have language recommendations.

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COUNCILMEMBER SUGIMURA: Okay, at your convenience. Thank you.

CHAIR JOHNSON: Okay. Thank you, Councilmember Sugimura. We did have some more questions for...for you, Ms. Darcy, so when you do send us the...your...your written testimony, if you can send it to the Affordable Housing Committee. Councilmember Paltin, followed by Councilmember King.

COUNCILMEMBER PALTIN: Oh, thank you, Chair Johnson. Member Sugimura asked my question.

CHAIR JOHNSON: Okay. Councilmember Kelly King.

COUNCILMEMBER KING: Thank you, Chair. Aloha, Lisa. I feel your pain. I...I feel like I'm existing on just a few hours of sleep every night as well. But thank you for continually...you know, your continued efforts in this arena, because they're so important. What I wanted to ask you is, have you had a chance to bring up either of these issues, The Right To Housing or Right To Shelter, with the Commission or Healing Solutions for the Homeless?

MS. DARCY: Not in this language. We...it...it is...I don't know how to say this politically or politely. We really have not made any...we just formed committees. We started in February, and we just formed committees to even discuss issues.

COUNCILMEMBER KING: Oh.

MS. DARCY: Yeah, and I...it's...it's...yeah. No, and I...yeah, no, it...it hasn't happened.

COUNCILMEMBER KING: Chair, just because of...you know, we all recognize Ms. Darcy for her work in this arena, and then also the Commission, would it be possible, if there are no objections, to ask her to be a resource person when we get to these two items? Would you be willing to do that, Lisa? Can you...we know you're tired, but would you be willing to be a resource person when we get to the discussion?

MS. DARCY: Yeah, if you think...thank you for... you all are so chipper, and I...I...I'm always tired, so thank you. I'll...I'll do my best. You'll...you'll chipper me up, I'm sure.

COUNCILMEMBER KING: Well, thank you for thinking of that...thinking that, because I don't always feel chipper. But, you know, I know it's your...your...your work is also very physically draining.

COUNCILMEMBERS: No objections.

COUNCILMEMBERS VOICED NO OBJECTIONS (Excused: TK)

CHAIR JOHNSON: Okay, we were going to ask Ms. Darcy to be a resource person for the...these topics, but I have a feeling we have a pretty busy agenda, and we might recess and go redo these at...in a later two weeks. So that will give Ms. Darcy to, like

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she was saying, come up with her written wording. So...

COUNCILMEMBER KING: Okay.

CHAIR JOHNSON: Okay? All right. And I saw Councilmember Shane Sinenci, followed by Councilmember Keani Rawlins-Fernandez had their hand up. Go ahead, Councilmember Shane Sinenci.

COUNCILMEMBER SINENCI: Mahalo, Chair. And aloha, Lisa, nice to see you here this morning. You had mentioned about cultural methods of housing. Can you expound on that comment?

MS. DARCY: That comment comes out of years of sitting with individuals living unsheltered and unhoused. And their vision of safe living many times has nothing to do with a house. It has...it has everything to do with access to resources. I've sat for probably six or seven years with people, and I said design the...the most supportive way that you would need housing or resources that you could work, you could do...you could do what you needed to do, you could be...you recover your life. And almost everybody speaks of very, very small needs. You know, I said tiny houses, containers, yurts, shared...you know, 'ohana housing. The...the community who is...we are...we are serving, their vision isn't to go into a house necessarily. That's...that...that...that's not the majority of comments that I have ever experienced. So I'm really grateful for this conversation today to reframe it as access to these...these safe living needs, you know, like water or bathroom, laundry --

COUNCILMEMBER SINENCI: So not...not necessarily like the conventional housing, or maybe more community...community...like, communal living.

MS. DARCY: It...definitely that, and...and many people, and certainly the 'ohana that I speak with that are, you know, born and raised on Maui, they have the...everyone that I speak with has this real clear connection to the ocean, and to access to being in nature in a very different way than mainland HUD envisions people living. And...and I...I think this is a crossroads for this Council to be able to really reflect on that, and identify and listen to what individuals who are in these circumstances. And I'm not speaking for everyone. I'm saying that I have noticed a significant trend over the years of people requiring very little to recover their life. And we are...as providers, are trying to smush them into this narrow path, and it's it's...it's...it's not working. It's not working, and it won't work for them. And...and then they become defiant.

COUNCILMEMBER SINENCI: Okay. Thank you, and mahalo for that clarification. Thank you.

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

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Mahalo for your testimony, Ms. Darcy. I wanted to preface my question first with don't ever feel like you have to

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apologize for however you come to us with your testimony. You know, come unapologetic, and that is for everyone out there. This Council welcomes everyone as they are, in that moment, and I hope that never stops anyone from coming to testify before us, no matter what their mental state and...and...and condition is. I hope that never stops anyone. Mahalo for you having the strength to come before us this morning and share your mana'o. So I...I wanted...my question is just a follow up on Member Sinenci's, and the response that you provided Member Sinenci. So in defining shelter and...and housing, which are two different things, are you saying that you include that connection to...to 'āina as...as part of...of that basic need?

MS. DARCY: Absolutely. People want to also grow their food and have an opportunity to do that. Yeah, there's...there's a clear connection to being closer to nature, less walls, being with 'ohana. I watched over the years as families have been broken up because one family member will get housing, and then they don't want to leave the others behind, and they won't leave them behind. And that's considered a black...it's a red flag on their...there's, you know, oh, that person didn't want housing. No, they...everybody wanted housing, but they...they won't leave their family behind. And...and then they get labeled as being, oh, they don't want housing, we offered. And it's...and it's...it's not...it's not...it's not serving anyone to...to only acknowledge part of a person, and not the whole. And if the whole includes their 'ohana, and their 'ohana also needs this, then it's really incumbent upon service providers to recognize that that's part of their package. And that's really important, and family is a really important part of...of this culture. And we're not...not necessarily in my...where I grew up, but in...in this, everything I see, it's really...it's the difference between whether people will make it or break it. And that, I think, should be championed, and not seen as...as, you know, being held back. Or, you know, if you don't want to leave your...your mother sleeping on the street, but you got an...like, that...it's...it's...I really would like to see that change.

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

CHAIR JOHNSON: Okay, thank you. Members, any other questions for Mr. Darcy? Seeing none, thank you for your testimony. Really appreciate it.

MS. DARCY: Thank you. Have a good day.

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

MS. STEWART: The next testifier is Dick Mayer, to be followed by Dr. Mary Trott [sic].

MR. MAYER: Thank you. Good morning. Can you hear me?

CHAIR JOHNSON: Loud and clear, Dick.

MR. MAYER: Thank you. I am so pleased that you are taking up this measure...the item. We're setting up a list, because I have really feared, with all the effort being put into building affordable housing on Maui, we're not making sure that local residents get priority, and get those houses. If we just build affordable housing, I'm afraid that people

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from Idaho, or Canada, or...or Louisiana with low incomes, let's say they're living on Social Security, and some of...will move here, and take up those houses. We need some protection for our residents who've been waiting for a long time, and I hope this list will establish that priority for them. I do have some suggestions. I mailed a list to you, I hope you got it. Yes. My granddaughter just wanted to walk in. Okay. Let me go through them very quickly, and if you have questions on any of these. Some of these items may be taken up elsewhere in the Workforce Housing Ordinance, but I didn't go through it all, and I want to make sure that we cover. Is there a time limit, how long a person must live in an affordable house, or rent an affordable house to be able to utilize this process? Do you want time...times frame put on that? Otherwise, people may abuse the...the privilege. Also, you ask people to sign up for geographic regions. Do you mean the Community Plan districts, are you talking about County...County Council residency districts, are you talking about some other configuration, just general areas on Maui? I think you need to define what you mean by geography. I would recommend the Community Plan districts because those...those are clearly defined and in ordinance already. Third thing, you mention a lottery in there that takes place quite a way down the road after people have signed up, and you wait for projects to start coming along to hold the lottery. I would urge you to hold the lottery when you get the names. In other words, let's say you get 3,000 names, as an example, early on. I would hold the lottery at that point, so people know there's no chance I'm ever going to get this, and they can begin leaving [sic] their life, or they can say, yes, I'm in the top 200 or 500, I'll probably over the next year or two years be coming up, and I can plan my finances, I can plan things. So I think establishing a lottery list early...lottery earlier, rather than later. The second thing is, how do you, if you do that, how do you take people who later on want to add their name to that list? And so I would urge you to set up a process where every two years or so you open it up again, let people sign up, and then they can be placed on the list after the people who initially were on it. But at least they know that they're on the list down the road to...to get a place. Fourth item, when you talk about family income, that could become confusing, because many people live in households where there are more than just the nuclear family. There may be an aunty, there may be a grandmother, there may be adult children there. A very common thing that might be used, and might be a better definition is household income. That's something that you...you may want to consider, because with...with our 'ohanas here on Maui, that would be a little bit more inclusive, doing it. Who can sign up on the list? Let's say you have a family of four . . . *(timer sounds)*. . . I'm not sure if you're going to give me any time to do it, but these are...these are --

CHAIR JOHNSON: Yeah, you can finish up.

MR. MAYER: Okay. There...who could sign up? Just the family leader, the one member of the family? Or can the husband, the wife, maybe there's already an adult child in the family, can all three of them sign up and get on the list and take their chances that one of us might get to the top? That's something that you at least should...should define, who is eligible to sign up. You mention various documents that need to be submitted at the very end of the ordinance, the other two ordinances. What are the...what's the purpose of those documents? Will they be reviewed? Will they be...what are the penalties if people don't submit them? What happens if a family is on the list, gets told

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you're now one of the...this project year, but then they finish up all the units at that income level? Does that person then just not get a house, or can they be placed on the next project list at a higher level of first priority because they went through the process already once? We want to make it smooth and easy. To do all those things, I would urge you to put a provision in there that allows the Housing Department to set up the rules, to implement the list, and make that a provision that they...and those rules should be set up by them. The rules then should be sent to you, then you can look them over, make sure it's in conformance with what you want, and with what the Corp. Counsel says is legal. But I think that will give some flexibility, so you do not have to do every single I dotted and T crossed, so that you can set it up. I've got three more --

CHAIR JOHNSON: *(audio interference)*. You have one more? Okay.

MR. MAYER: Three more...three...very quick. The affordable housing list should apply to all affordable housing, not just, let's say, County builds or 201H, but for example, Atherton's project in Waikapu has affordable housing in it. Does this workforce housing apply to that project, which is a private thing, or Catholic Charities? Number...number...next one, very quickly. How do you determine how long a person has lived on Maui? By when they register, when they get...they are set to vote, et cetera, and file income taxes? Define that. And lastly, and I think most importantly, post the list itself. When people sign up and get a list, post it on the web so there's no nepotism that can take place, people...it's behind the scenes, people know where they are. People can see that they were higher than somebody else or lower. And I think that's important. Thank you very much for giving me the time.

CHAIR JOHNSON: Oh, you're welcome, Dick. We have some questions for you. We got Councilmember Kelly King. Go ahead.

COUNCILMEMBER KING: Hi, Dick. Thanks for that long list of suggestions. I hope you put it in writing and sent it to the Committee.

MR. MAYER: I did already.

COUNCILMEMBER KING: But I have a question for you about...you know, because I have been talking to Doug Bigley about doing the...the list for the new Central Kihei project, which is very similar to Kaiwahine Village, and...and their...they want to do it earlier than...than later...than waiting. But there...the...there's a period...I just wanted to get your take on this, because there...there should be a period where we know it's a done deal, and we don't put people on a list when...for a project that may or may not happen. And we've seen that in the past, where we've gone through all these permits, and the conditions and everything, and then a project just didn't happen. In fact, that's what happened with the first iteration of Kaiwahine Village. So similar to not...to letting someone know that they don't have a chance, we wouldn't want to put somebody on a list where they thought, okay, I...I know I...I'm up at the top and I'm going to get this home, and then the project never happens, and they never applied for anything else. So, you know, if you have any suggestions that...you know, for...or just, you know, do you agree that we need to have a point in time where we know that the project is actually

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happening before we do that list? And...and it doesn't have to be going vertically, but a significant amount of work being done, just so we don't put people in a precarious position of thinking they have a unit that's, you know, going to be coming up, and then...and then, you know, dropping all other possibilities.

MR. MAYER: There's no...but let's...let's say somebody is number 23 on a list, and they know they're going to be coming up very soon. And let's say that they...they're put down for X project, and that project fails. That doesn't move them off the list, they're still number 23 for the next project. That's why I want the priority list set up earlier, rather than waiting down the road. Now --

COUNCILMEMBER KING: Right.

MR. MAYER: -- nothing's --

COUNCILMEMBER KING: That...so you're not talking about a list per project, you're just talking about a...a...a basic list. That's what...I think that's what was suggested in the Affordable Housing...the Comprehensive Affordable Housing Plan, is just to have a list that --

MR. MAYER: Yeah, have a master list, now --

COUNCILMEMBER KING: *(Audio interference)*

MR. MAYER: Right.

COUNCILMEMBER KING: So okay.

MR. MAYER: Now, there...there are other...then let's say there's a project coming up with 100 units in it, and according to the bill right now, you'd...you'd...you'd ask the first 400 people, four times the number, to be on there, and then a lottery was . . . *(inaudible)*. . . I would...I would just let everybody on that...let's say you have 400 people selected. I would make sure each of them knew I'm number 283 on that list. Probably I won't get it, but if the first 281 people --

COUNCILMEMBER KING: Okay. Yeah, no, I understand. I just wanted to differentiate between making a list per project, and then just having a perpetual list.

MR. MAYER: No, I think a --

CHAIR JOHNSON: . . . *(inaudible)*. . . Mr. Mayer, I don't want to...I...I beg your pardon. There's a couple of things that as we get through the meeting, we will explain a lot of that. So a lot of your concerns we...we have addressed, and there's some things that are just not...you know, not...not going to fit into what you're...like, it's going to be all explained in the next...in the...in the next presentations in the way we...as the meeting goes on.

MR. MAYER: Excellent.

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CHAIR JOHNSON: So we'll...we'll get...I...I just wanted to...I don't want to get us too far down the road before we're talking about...we're talking about apples, and we'll do...we're going to go into oranges.

MR. MAYER: Okay.

CHAIR JOHNSON: Okay. All right. Now, we do have a...oh, I'm sorry. Go ahead, Councilmember Kelly King. You weren't finished?

COUNCILMEMBER KING: No, I just said, thank you. I appreciate the opportunity, and, you know, happy to move along. Thank you, Dick.

CHAIR JOHNSON: Okay, we do have some more questions for you, Dick. We've got one from Councilmember Sugimura, followed by Vice-Committee-Chair [sic] Molina.

COUNCILMEMBER SUGIMURA: Thank you. Thank you, Mr. Mayer. So I...this is really about your background. Where is it, it's so beautiful?

MR. MAYER: . . .(inaudible). . . --

COUNCILMEMBER SUGIMURA: Whenever you come on, it's...it's nice and green, and looks like it's, ag in Upcountry. But where is that?

MR. MAYER: That...that's at the top of Copp Road. It's a cabbage field. I took a...I took a lot of...I talked a lot...when I was with the Maui Island Plan, and the Countywide Policy Plan, I took a lot of pictures, about 30 or 40 of the pictures that you see in those plans are ones I took, and I think this is one of them that's in there. It's just a...a nice green setting. It...it makes me look, you know, like...I stand out against the --

COUNCILMEMBER SUGIMURA: Like you're a farmer.

MR. MAYER: -- black...back of the field.

COUNCILMEMBER SUGIMURA: I think that...I think that's no longer there though, right? It's when you're driving up that straight portion?

MR. MAYER: Yeah.

COUNCILMEMBER SUGIMURA: Like, it used to be there.

MR. MAYER: Correct.

COUNCILMEMBER SUGIMURA: Ah. But when you were working on the...ah, when...when you were working on the...okay, long gone. Thank you. Nice.

MR. MAYER: Thank you for the...

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CHAIR JOHNSON: Okay. Thank you for that. Okay, Councilmember Molina.

VICE-CHAIR MOLINA: Thank you, Mr. Chairman. And good morning, Mr. Mayer. Thank you for this list. I think it's very helpful as we move forward on...in considering this legislation. Could you also add...along the way, I know on maybe one or two of them, you added a...you know, a suggestion as far as a potential solution or answer. I'm...I'm just wondering if on the others, you could also throw in a few of your suggestions as well, along with bringing up the concern. I think that that'll help us...give us a starting point, so...

MR. MAYER: Oh, goodness, I...I'd have to go back over it. I thought...I just really wanted to label the various things. I'm just looking at my list here.

VICE-CHAIR MOLINA: Yeah. Like...for example, like number 2, with geographic regions defined by Community --

MR. MAYER: I...that --

VICE-CHAIR MOLINA: -- Plan Districts, we get ----

MR. MAYER: -- yeah, that...that...that one, I think the Community Plan Districts would be probably the easiest, and that would include the entire County. That way you get...people can sign up. Now, there are issues. For example, somebody who lives on Moloka'i, who may want to move to Maui, this would give them the opportunity then to say, I'm...I commuted by ferry, let's say...or from Lāna'i, I commute by ferry to West Maui, so I would like to...be happy with a place either in West Maui or Lāna'i. And that way you can help people define it. Of course, one of the other problems is, it may take four years or five years, or longer even, to get to the top of the list. And people, during that interim, their job changes, they get married, they get divorced, a situation's changed. So you...you need to want to build in, I think the key would be flexibility. And that's why I think the rules that the Housing Department develops would hopefully allow people to go in even after they've been on the list, they put down this...just West Maui, and suddenly they get a job working for the County in Wailuku. They may say now I'm also open to a place in Central Maui, that they can...that they could...without get...they're not to change their priority, they just changed the geographic location. Those rules you don't have to worry about, but I think the Department can set those things up.

VICE-CHAIR MOLINA: Okay. Thank --

MR. MAYER: I think creating flexibility and --

CHAIR JOHNSON: Okay, Dick, I think this is going to be cleared up here shortly, the...your concern. So again, we're going...we're going to address those concerns that you were just speaking on. So...

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MR. MAYER: Okay. Very good.

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

MR. MAYER: Thank you.

CHAIR JOHNSON: Okay, but...thank you, Councilmember Molina. Any further questions for our testifier? Seeing none, once again, thank you again for coming in and testifying.

MR. MAYER: Thank you. Thank you so much for getting this list idea going.

CHAIR JOHNSON: Yeah, of course, it's...it's long overdue. Okay, Ms. Stewart, do we have any other testifiers?

MS. STEWART: Yes, Chair. The next testifier is Dr. Mary Trotto, to be followed by Faith Chase.

MS. TROTTO: Aloha.

CHAIR JOHNSON: Aloha, we can hear you.

MS. TROTTO: I...I'm...I'm just...I'm just...I'm on the Commission for the Healing Solutions for Homelessness, and I'm not sure I'm allowed to be speaking on this. So I'm just...I guess I'm going to say that I, as a personal resident of Maui, I support this...you know, new bills, and I hope you will define better the time frame for the shelter, because it's very ambiguous in the bill. And thank you for your time. Aloha.

CHAIR JOHNSON: Okay. Thank you, Dr. Mary. Members, do we have any questions for our testifier? Okay, thank you once again, for all that you do. Oh, okay, all right. Thank you so much. Aloha. Ms. Stewart, do we have any other testifiers?

MS. STEWART: The next testifier is Faith Chase, to be followed by the caller with the last four digits 3037.

CHAIR JOHNSON: Good morning, Faith.

MS. CHASE: Aloha, Chair Johnson. Aloha, Committee Members. For the record, that's...3037, I believe, is my backup, in case I get dropped here, so I can hang up and you can skip that. I'd like to testify on agenda item AF14(1) [sic] relating to the Right to Housing. I commend the efforts of this Committee to clarify this item for the current Mayoral Administration and the greater public. While I consider this to be common sense, I am pleased that the fundamental understanding is finally being made clear within this item. I have been baffled at the lack of attention this issue has been given for years, and more specifically during this COVID alarm. I have hours of recorded phone calls made to MEMA--Maui Emergency Management Agency--the Mayor's Office, his liaisons, Red Cross and MPD. While I do believe in direct action and positive steps moving forward, I must share my great disappointment with the current Mayor's

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Administration to attention the most vulnerable of our residents. I will waste no time in going down the long list of failures. Rather, I will say that the recent events surrounding the signage that criminalizes the houseless, specifically on Amala Street in Kanahā are atrocious. The signage needs to be removed immediately. If you look closely, you will see, in fact, that that 'āina that our residents have taken sanctuary on is not necessarily the County's to make authority on. These lands and many others are, in fact, lands for the people. Again, I will not go down the long list of areas that are also not the County's to lay claim, but will remind you that many land court award issues have already been settled in the United States Court. In the bill, Section 9.37.060, Budgeting, wherein the Council recognizes that the process to create a Countywide right to shelter is complicated, and will require significant dialogue and budgeting decisions, but the Council also (*audio interference*) include appropriations in the annual budget ordinance that make the right to shelter a reality. I would comment this; it is not complicated, and it will not require the suggested laborious dialogue and budgeting decisions. There is a very easy formula when everybody is in agreement that shelter is a human right, and nothing has been done to date. Just do it. Budget it, create a drop-in center, do not cater to the faith-based agency who had...agencies, who had years to work on and solve this piece. I suggest changing this section to read the following: The Council recognizes its responsibility to include appropriations in the annual budget ordinance that make the right to shelter a reality. Pass this bill, remove the signs, budget for a drop-in center, begin securing land for transitional housing. Let the stewards who have exhibited massive sweat equity in this humanitarian work have an opportunity to show what deliverables look like. In closing, I also support agenda item AF14(2) [*sic*]. This goes hand in hand with this bill. Thank you for taking direct action on this critical issue today.

CHAIR JOHNSON: Thank you, Faith, for your testimony. If you haven't submitted it in writing, I'd love for you to do that. Can you do that for us, to the Affordable Housing Committee?

MS. CHASE: I would. And I would just like to comment. I would...I...I saw...I heard a question to my fellow Commissioner Darcy regarding the commission work, and so if...if there are updates that need to be...if people are interested in updates, I would encourage...there's some good stuff going on. We have two subcommittees and two TIGs started. So I will try to encapsulate that, maybe, and provide that in my written testimony. It's slow to the roll, but somehow I'm excited about the steps that we have moving forward, and the timeline. Thank you.

CHAIR JOHNSON: Amen to that, Faith. Okay, Members, do we have any questions for our testifier? Seeing none, thank you once again for testimony...your testimony, Faith.

MS. CHASE: A hui hou.

CHAIR JOHNSON: A hui hou. Ms. Stewart will you call the next testifier, please?

MS. STEWART: Chair, there are no other individuals signed up to testify.

CHAIR JOHNSON: Okay, this is the last call for testifiers. If you wish to testify, please unmute

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your video and audio and identify yourself. Okay, seeing none. There are no...seeing that there are no more individuals wishing to testify, without objection I will now close oral testimony.

COUNCILMEMBERS: No objections.

COUNCILMEMBERS VOICED NO OBJECTIONS (Excused: TK)

. . .(END PUBLIC TESTIMONY). . .

CHAIR JOHNSON: Okay, so ordered. So Members, today we have three items on our agenda. AH-14(3) Effectively Promoting the Availability of Affordable Housing for Maui County Residents, AH-14(2)...oh, but we don't have...oh, yeah, without objection, would we allow the written testimony into the record?

COUNCILMEMBERS: No objections.

COUNCILMEMBERS VOICED NO OBJECTIONS (Excused: TK)

AH-14(3) EFFECTIVELY PROMOTING THE AVAILABILITY OF AFFORDABLE HOUSING FOR MAUI COUNTY RESIDENTS (MISC)

CHAIR JOHNSON: All right. Thank you for that, Councilmember Keani Rawlins-Fernandez, keeping me sharp. AH-14(2) Comprehensive Affordable Housing Plan: Right To Housing, and AH-14(1) Comprehensive Affordable Housing Plan: The [sic] Right To Shelter. Starting with the first item, I would like to call your attention to the proposed bill entitled, "A BILL FOR AN ORDINANCE AMENDING THE RESIDENTIAL WORKFORCE HOUSING POLICY RELATED TO SELECTION PRIORITY." The purpose of this bill is to establish a Countywide Affordable Housing Interest List for residents interested in residential workforce housings for sale and for rent, or...oh, for rent. In addition, the bill provides specific requirements for the following: Project waitlists for individual developments, new procedures for the lottery process to prioritize long-term residents, and three, extending the market period for available units from 90 to 180 days. We're fortunate to have resource persons here with us today to help us with our discussion. We have Gene Bulmash, Inclusionary Zoning Program Manager for the Department of Housing and Community Development in Washington, D.C.; Adam Roversi, Director of the County of Kaua'i Housing Agency; and Jessica Crouse, who manages the County's First-Time Home Buyers Down Payment Assistance Program, and who will walk us through the application selection process for the program. Members, without objection, I will designate...designate the mentioned individuals as resource persons under Council Rule 18(A).

COUNCILMEMBERS: No objections.

COUNCILMEMBERS VOICED NO OBJECTIONS (Excused: TK)

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CHAIR JOHNSON: I have no objections. Okay, thank you. I'd like to...thank you so much. I'd like to summarize the bill so our resource people can pinpoint their input to things that are relevant to the proposal in front of us. The bill does a few things, one of which is that it creates a centralized list of individuals who are interested in buying or renting an affordable housing unit, and puts the management of the list into the hands of the Department or...or its designee, such as an outside organization. It also gives preferences to the process to individuals who have lived in Maui County the longest to the extent allowed by law. The lottery system means that really everyone on the list has a chance to be drawn. Here's how it works. Let's use for sale units as an example. Individuals wanting to purchase a home sign up on a centralized Countywide Affordable Housing Interest List. Applicants designate what kind of unit they need. They can check the boxes for two bedrooms or three bedrooms, for example, or both if they can make it work. They also check all districts that they would be interested in; for example, South and Central Maui. While they're on that list, they will have the opportunity to work with HUD-certified credit counseling agencies to begin the home buying process, including credit score improvement, advice on how to better qualify for a mortgage, and even mortgage prequalification. When a project comes up for sale, there's a lottery. If there's 25 two-bedroom units available in South Maui, everyone who wants a two bedroom in South Maui goes into the lottery, and the names are drawn, at least four times the number of available units. We now have 100 names, and those names are then ranked in order of length of time lived in Maui County. That new list of these 100 people ranked in order of residency in Maui County now become the project waitlist, and the top people on that list get first chance at purchasing the unit. Some may not be able to, depending on their credit or current situation, so we move down the list until we have buyers for every unit. The same process happens for three-bedroom units in that project, et cetera. Everyone not selected for a unit at this time around stays on the centralized County Affordable Housing Interest List and goes in the lottery next time around. It may sound a bit complicated, but there are other...other municipalities that have done similar preference lists. If the Department doesn't have the capacity to implement this policy, we can contract out to an entity who does. Once we have the software in place to take the necessary information from people and to conduct the lottery in a digital or automated way, it could actually be quite simple. Individuals on the list are responsible for updating their contact and income information to keep it current. Before I open up the floor to the Members, I'd like to give our resource people the opportunity to give some input about their systems as it relates to the item in front of us. In the interest of time, please share with us information about your programs that you think would help us create efficient, affordable housing lists that would best serve our community. So because we're asking someone from...all the way from the East Coast, let's start with Mr. Gene Bulmash regarding Washington, D.C.'s Inclusionary Zoning implementation. Mr. Bulmash, welcome. Aloha.

MR. BULMASH: Aloha. Thank you very much. Happy to be there, although personally I'd rather be there in person, but I'll settle for virtual. Thank you very much for that invitation. It sounds like you're doing some great work, and I encourage it, and...and wish you luck on your...on the journey. As mentioned, my name is Gene Bulmash. I'm the Inclusionary Zoning Program Manager here in Washington, D.C., and I've been doing

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this work for about five years. And it sounds like your proposal...your proposal sounds very similar to our current procedures. If you will, I'll take about two minutes to summarize some of those procedures, and then I'd be happy to answer any questions, either now or after the meeting, if it...if it takes, you know, a little bit longer. Washington, D.C.'s Inclusionary Zoning Program was created about ten years ago, and generally requires most new construction developments of ten or more units to set aside about ten percent of the residential square footage as affordable. Anyone may register for the program, but we do give priority or preference to households with a current district residence first, and then secondly to households with a current member who works in the district. Each of those groups is then given further priority based on how long the individual household has been on our registration list. So again, it sounds very similar to the summary that was just provided. All Inclusionary Zone units in D.C. must go through at least one lottery, administered by us, the Department of Housing and Community Development, for initial occupancy, and that's when we do the prioritization. After that initial lottery, if the...if the property isn't sold or leased, the properties can either request a subsequent lottery, which we'll do, or they may find buyers or tenants outside of the lottery process, if we approve certain documents, so that we know what sort of marketing they'll be doing and how they'll handle interested applicants. Our current lottery process is quite time consuming and labor intensive, so as indicated, I certainly would encourage you to explore technology solutions. We are currently exploring that as well, and I'd love to learn what you guys decide on as...as to the best method to do that. Just for some context, we currently have a very large list of about 13,000 registered households, and so we do try to provide them with every opportunity for affordable housing. So even if properties are approved to market outside of the lottery process, we encourage them to let us know when they have available units so that we can provide that opportunity to our households. So instead of doing a full lottery, we'll just send an email to those registered households and say, these units are available, and put them directly in touch with the property. A couple last comments, one of your testifiers mentioned using the term household instead of family, which...which is what we do. We...we don't have strict requirements as to who the household is, and so we don't use the term family because it...it can be...there are a lot of very different definitions of family out there. And then almost lastly, in addition to our lottery registration process, we also have a website called d.c.housingsearch.org, which is intended as a centralized housing locator, and we require all affordable units to be listed on that website before we do the lottery so that individuals can find more information about the units. And then any affordable unit that's outside of the lottery process should also be listed there. And then lastly, before the meeting and talking to...to folks there, somebody asked if our priority or preference policy had been deemed illegal or legally challenged, and to the best of my knowledge, it has not. We've been doing it for about ten years, and as I mentioned earlier, in Washington, D.C., it's hard to turn around without hitting a lawyer. And so I have a feeling that if it were legally insufficient, it would have already been...a suit would...many suits would have been brought. So with that, I'll...I'll pause there. As I said, happy to answer any questions now, or if...if after the fact, you can reach out and email me. I think folks there have my contact information.

CHAIR JOHNSON: Okay. Thank you, Mr. Bulmash. What we're going to do, Members, is we'll

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just go round robin. We'll give everybody two minutes, and we'll...we'll just do it. It's a little efficient that way. I want to thank you once again, Mr. Bulmash, for coming and joining us to this meeting. You're...you're a very valuable resource, and big mahalo for that. So let's start with Member Molina, Committee Vice-Chair, followed by Member King.

VICE-CHAIR MOLINA: Thank you, Mr. Chairman. And...and good morning, Mr. Bulmash. At this point, I don't have any...any questions yet. I just like to, if you could direct me to, I guess, your...your...your website, so I can get more information about how your program has worked over the last ten years. Would be really helpful, I think, as we move forward on the...on the path with this legislation. So if we could get that kind of information from your...did you also submit something in writing to the Committee as well?

MR. BULMASH: I...I was going to go backwards. I did not submit anything in writing, I certainly could. I...I have some notes, I certainly could do that. But this was all kind of last minute. I was just notified of this meeting yesterday, my time, and with, you know, my 50 other things that are on my desk, I haven't had a whole lot of time to prepare. So I apologize for that. But...and I can also submit our website, because I can say the short part now, but it's a couple of links through. So I think I have contact information for somebody there, and I will forward my notes and our website.

VICE-CHAIR MOLINA: Great. Thank you very much, Mr. Bulmash. Thank you, Chair.

CHAIR JOHNSON: Okay, let's move on to Councilmember Kelly King, followed by Chair Lee. But I do want to notify that in...in the chat, the Staff has put up some of the stuff Mr. Bulmash was saying, the website and everything. So okay.

COUNCILMEMBER KING: Okay. Thank you, Chair. Thank you for being here, Mr. Bulmash. I really appreciate the interaction, and even the request for us to share anything we find with you. So I think we...we all...we're all in the same boat. But my...I just really have one question. You talked about being able to move. If...if the list was exhausted, and they still couldn't find buyers, they could go outside the list. Are they also...the developers also allowed to change the pricing structure, so they could...can they go to market price if they...if they have exhausted?

MR. BULMASH: No. So great question. In...in D.C., an Inclusionary Zone Unit is set to be an Inclusionary Zone Unit before...at the time of building permit, and it stays Affordable or Inclusionary Zoning for as long as the unit or building exists. So --

COUNCILMEMBER KING: Okay.

MR. BULMASH: -- the only difference is that...who they could find. But all tenants and buyers have to meet Inclusionary Zoning income and household restrictions.

COUNCILMEMBER KING: Okay. And then are they also required to...are they required to...to use any certain process on their own that, you know, was preventing, you know,

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nepotism or cronyism or any kind of favoritism?

MR. BULMASH: Yeah, so we do require...as I said, we require them to submit some documents. So we want to see where they're going to be marketing the units, and we...we require them to kind of explain, you know, whether they're going to manage a waiting list or, you know, what sort of process they're going to use. And our template, we call it a Household Selection Plan. Our template has issues or...or contingencies for conflict of interest type things like that. So, you know, we...we...we kind of trust them to be honest with us, but, you know, we...we have thought about that issue, and we...that's how we try to avoid it.

COUNCILMEMBER KING: Okay, great. Excellent. Thank you so much for answering those questions. Thank you, Chair.

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

COUNCILMEMBER LEE: Thank you, Mr. Chair. Let's see, Mr. Bulmash, how many people did you say you have on your waitlist?

MR. BULMASH: We...we call it a registration list because of the lottery process. We don't like the term waitlist because, you know, waitlist, you think if you're fourth, the ones one through three are addressed, it's your turn. So we call it a registration list, but we currently have about 13,000 households on the registration list.

COUNCILMEMBER LEE: And how many staff maintain that list?

MR. BULMASH: We have --

COUNCILMEMBER LEE: Manage and maintain that list.

MR. BULMASH: -- full time...sorry. We have a full time staff of seven that do all...all sorts of things. We work with the developers to record covenants in...in the land records to...to, you know, make sure the properties remain subject to Inclusionary Zoning. We then manage...maintain the waiting...the registration list. We do that random selection or lottery process. We then kind of review the income certification to make sure that the individuals meet the household and income size requirements, as well as kind of follow-up compliance to make sure that the units are maintained as Inclusionary Zoning for the life of the unit.

COUNCILMEMBER LEE: And what geographic area does that encompass?

MR. BULMASH: So that's for the entire District of Columbia, which is about 700,000 people. I don't know the geographic limit...five square miles, I want to say. And...and just for a little context, in...in 13,000 applicants on our registration list, over the past five years, we've produced about 200 new Inclusionary Zoning units a year. So that's kind of the...the...the scope.

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COUNCILMEMBER LEE: And your list remains at 14,000 or so people?

MR. BULMASH: Yeah, 13,000. Unfortunately, our list is growing faster than we can, you know, take people off and put them into homes.

COUNCILMEMBER LEE: Thank you. Thank you very much.

CHAIR JOHNSON: Okay, thank you.

MR. BULMASH: And sorry...sorry, one...just to add to that, Inclusionary Zoning is kind of one of the many tools in our toolbox. We...we do have other affordable housing programs and...and opportunities, so it's not just Inclusionary Zoning, but that's kind of all I know about.

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

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Mr. Bulmash, for your time and mana'o. My first question was, did you...do...do you find that the HUD requirements and income guideline fit the population that you're working with well?

MR. BULMASH: Yes. So we do follow the...the HUD Part 5 income certification process of using gross income for all household members. And yeah, so what we do is we have...the Inclusion Zoning program has three different income levels, and that's tied to the...the HUD median family income or area median income number. So HUD publishes 100 percent of median family income, and then the I.Z. units are set at either 50, 60, or 80 percent of that. And so unfortunately --

COUNCILMEMBER PALTIN: I...I do understand --

MR. BULMASH: -- most of our households . . . *(inaudible)* . . . at that lower level. Sorry?

COUNCILMEMBER PALTIN: I do understand how it works, it just...for us, the limits and the reality don't really jive most times because of the cost of living here. And...and so that is an added layer of problem that we're encountering, I guess, if it's not a...a situation where you're at. My other question is, you know, a lot of folks over here seem to want specific projects. And if they were to turn down an opportunity, what happens then? Like, maybe they're holding out for a different one or something like that.

MR. BULMASH: Yeah, so good question. It's kind of back to the last one. So that's why we set the program of...you know, at the different income levels, right? So HUD publishes 100 percent, and then, you know, I don't know how your...your program is set up, but you know, we then said, okay, 50 percent of median family income, 60 and 80 are...you know, are where we think the...the units should be set. But your other question, people remain on our registration list until one of three things happens. Either we know that they signed a lease for an Inclusionary Zoning unit and have moved in; two, they've asked us to be removed from their list; or three, two years after their orientation

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certificate. So in order to get on our list, individuals have to attend an orientation class, where we hope that they learn about all the requirements of the program. And then once they get a certificate of completion from that class, they register on our website. And so that certificate is valid for two years. . . . *(timer sounds)* . . . And so people...if people are interested in a specific property and they're not selected for that property, or even if they are selected and don't end up qualifying to rent the unit, they stay on our registration list and continue to get opportunities.

COUNCILMEMBER PALTIN: Thank you so much. My time is up, so I'm hoping somebody else ask the rest of my questions.

CHAIR JOHNSON: Okay, let's move on to Councilmember Keani Rawlins-Fernandez, followed by Member Sinenci.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Aloha, Mr. Bulmash. Mahalo for serving as a resource for our Committee. So I have...my first question is regarding the random selection process. Do you use a software, or how do you do the random selection?

MR. BULMASH: Unfortunately, it's...it's quite labor intensive. It's slightly better than, you know, putting names in a hat and pulling them out. We use a variety of database...database programs...Excel spreadsheets, and then we use a website called random.org. So we...we kind of reach out to households to see if they're interested, they respond. If we have 275 people who respond, we go to this website, random.org, and it randomly generates, you know, ten numbers for us, and then we pick the ten...you know, if those random numbers are one, three, five, seven, nine, we go to our list of respondents, and we pick the people who are in rows one, three, five, seven, nine. And so that's how we, you know, make them random. And then we kind of, you know, go back and forth between our Excel spreadsheet, which has the data, to a Word document, which is a letter we've created saying, you've been selected. So it's...it's...it's quite labor intensive, unfortunately. We're...we're definitely pursuing many options, and trying to standardize and automate that.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo for your response on that. So for the...the 13,000, or more than 13,000 people on the registration list, and you mentioned having seven staff, is that seven full-time staff, 40 hours --

MR. BULMASH: Yes.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- per week? Okay, do you...is...is that list managed on an Excel spreadsheet, or do you have some kind of a software that you use, but are looking for a better software?

MR. BULMASH: We have a database program called Quickbase that manages that. And then we use another program called Survey Gizmo, which is...which is kind of like how they...you know, where we ask the questions and they provide the answers, kind of that's how they register. And then that, we...we import that data into Quickbase, our

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database management software. But we're...we're definitely looking to upgrade that because right now, when people register, we maintain that list. And if somebody wants to change their information--so they get a job, or a raise, or their email address or phone number changes--they have to call or email us. We have to go into our database, make that change. And then if...for emails, we email them back, whereas we...we're looking for a system where people can manage their own information. So, you know, if you wanted to change your information five . . . *(timer sounds)*. . . times a day, you just have a log in, you log in, you make it, you change it, and then when we go to do the lottery, whatever information you have, you know, is...is what we use.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Mr. Bulmash. Yeah, I would think that there would be some kind of software by now that would enable us to do that.

MR. BULMASH: Yes.

COUNCILMEMBER RAWLINS-FERNANDEZ: Maybe a business opportunity for somewhere out there...someone out there watching. Mahalo, Chair.

CHAIR JOHNSON: Okay, thank you, Councilmember. Okay, let's move on to Member Sinenci, followed by Member Sugimura.

COUNCILMEMBER SINENCI: Mahalo, Chair. And mahalo, Mr. Bulmash, for being here today. Just dovetailing off of Member Paltin's line of questioning. Could you clarify...you mention about the ten percent of square footage and...and how do you require the market-rate units? How does that apply to the market-rate units?

MR. BULMASH: So we...we don't control the market-rate units. The I.Z. program says that roughly ten percent of the residential net square footage has to be set aside as Inclusionary Zoning units. So my colleagues in our...in our...we call it our Department of Consumer and Regulatory Affairs, they're the ones who issue the building permits and, you know, do all the plan reviews and things like that. They look at the gross square footage, and they say that if your building is 500,000 square feet, 50,000 roughly needs to be set aside as Inclusionary Zoning. And then the developer kind of designates specific units that meet that...that add up to that 50,000 square feet. And then we do have some requirements that the I.Z. units have to be somewhat proportional to the market-rate units. So for example, in D.C., a lot of our development is...you know, is mid-rise buildings, apartments, or condos. So the example I always use is you can't have market-rate units all being three bedrooms, and the I.Z. units being studios. So if, you know, the I.Z. units have to somewhat follow the bedroom size proportionality. And then our regulations also have kind of minimum square footage requirements. Does that answer your question?

COUNCILMEMBER SINENCI: Yes, thank you for that. And then for...you mentioned, you know, some of the units in D.C. Do you have issues with short-term rentals or Airbnb possibly taking up some of those units?

MR. BULMASH: We do. As a city, we just recently adopted a regulation to regulate, you know,

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how often people can Airbnb their units, and how many units people can...can have to do that. And then on the I.Z. Affordable Housing side, we prohibit rentals either through Airbnb or, you know, long term. We...we...we don't allow I.Z. unit owners or tenants to sublet any or all of their affordable units, because we consider it an affordable housing opportunity, not an income generating opportunity. . . .(timer sounds). . .

COUNCILMEMBER SINENCI: Got it. Okay, great. My time is up. Thank you. Thank you, Chair.

CHAIR JOHNSON: Perfect timing, Councilmember. Okay, let's move on to Councilmember Sugimura.

COUNCILMEMBER SUGIMURA: Thank you very much for being here. My son lived on MacArthur Boulevard in Washington, D.C. when he went to Georgetown. So your community is a little...I'm a little familiar with it. Beautiful place...places. So I...I got the website. Thank you very much, it was on our chat. So I got your...your information that I think I need to read before I can ask you questions. I am...I just have one, though. One of the things that we always ask developers is that we would like them to give preference to our residents over others in the whole nation. Do you run across that? D.C. is kind of unique because you're not really a city yet, right?

MR. BULMASH: Well, we're a city, we're not a state yet. We --

COUNCILMEMBER SUGIMURA: You're not a state.

MR. BULMASH: -- we're not pushing for that, and...and fingers crossed. But yeah, so we...we definitely do share that desire for...for priority. And so that...that's...that's how...why we...I think that's why we created our program the way we do. So we do give priority or preference to households that currently live in the district. And then secondarily, the...to households that may not live in the district, but work in the district, right? Because if they're working here, we want them to live here ideally.

COUNCILMEMBER SUGIMURA: Okay, so you're able to do that then, just through your process and the rules that you've established?

MR. BULMASH: Yes.

COUNCILMEMBER SUGIMURA: I guess we should look at what you've done. Thank you.

MR. BULMASH: Yeah, sure.

CHAIR JOHNSON: Okay, and so I'm last. So I have a couple of questions for you, Mr. Bulmash. First off, has the selection priority formula used in the lottery produced the desired results? For example, are long-term residents generally receiving first dibs?

MR. BULMASH: So that...that's a bit of a tough question to answer, but I would say in general, yes. It's not perfect by any means, but I...I do think that it does work towards the

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desired goal of...of giving, you know, longer-term residents some priority. It's...it's...again, it's a little bit nuanced in that it's...it's longer...it's residents who have been on our list longer as opposed to how long they've actually been residents. Because somebody might have lived here for 75 years, but if they just joined our list yesterday, then, you know their priority's based on when they register with us, as opposed to when they, you know, lived in the district.

CHAIR JOHNSON: Oh, okay, interesting. Next question for you is, are any aspects of the program contracted out? For example, online registration portal, or housing locator website, is that website you were talking about...was that contracted out or...

MR. BULMASH: Yes. So we maintain the registration website ourselves, although we're looking to...to possibly change that. But the website is contracted out, we work with a company called Mphasis Software. It originally started as a much smaller nonprofit, and so they manage that website for us.

COUNCILMEMBER SUGIMURA: No, that's okay.

CHAIR JOHNSON: Okay.

MR. BULMASH: And then...and then also we...we manage --

COUNCILMEMBER SUGIMURA: *(audio interference)*

MR. BULMASH: -- we fund what we call community-based organizations, which are nonprofits in the district. And so they do a lot of our kind of outreach.

CHAIR JOHNSON: Councilmember Sugimura, your mic's open. I'm sorry. Sorry, Mr. Bulmash.

MR. BULMASH: No problem. We have community-based organizations, which are nonprofits throughout the district that we partially fund, and they do a lot of our, kind of, outreach. So the orientation class that I mentioned, the community-based organizations hold those orientations on our behalf, so it allows us to reach a lot more residents, as well as the...the community-based organizations and the leasing staff at rental properties are tasked with doing the initial income certification for individuals.

CHAIR JOHNSON: Okay, great. . . .*(timer sounds)*. . . You know...all right. Thank you so much. So I...I figure we...we went one round with the Members, and I...I'll...I'll allow if anybody has any burning questions for Mr. Bulmash, I just want to thank him for his time. But if anybody else has a question for him, we're going to let him go. I know it was last minute, and you gave us some really great insight. So Members, any last burning questions for Mr. Bulmash? Seeing none, we'll thank you once again, I really appreciate it. You guys are doing great work over there. It's an amazing program, and I...I'd like to learn more about it, so mahalo.

MR. BULMASH: Well, great. As I...I appreciate it. Happy to follow up. So I...I don't think I

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need anything, but, you know, you guys have my information. Reach out if you...if you do have other questions or want to talk further.

CHAIR JOHNSON: Okay, we will. We'll see you soon.

MR. BULMASH: Good luck.

CHAIR JOHNSON: Okay, thank you so much. Aloha. Wow, Members. Okay. So now, moving forward, we have someone from Kaua'i. I'd like to hear from Director Adam Roversi from Kaua'i Housing Agency, and if he could offer any input from your perspective on how the system is working over there. Adam, welcome, aloha. The floor is yours.

MR. ROVERSI: Aloha, Chair Johnson, thanks for having me. So I'm...I'm Adam Roversi, I'm the Housing Director for the County of Kaua'i. We've had a homebuyers list in our housing policy since 2008, and it...it actually preexisted before that unofficially outside of...we didn't...we didn't have a housing policy then, but we still had a...a waiting list of sorts that was incorporated into our current list. So I'll...I'll just kind of quickly walk through how our list works or...or doesn't work, and I'm happy to answer any questions. So one...one distinction between what you folks are talking about and ours is our...our list, we...we call it our Resident Homebuyer list, so it's used for purchases only, not for our rental programs. So that's an important thing to keep in mind. So in order to get onto our list, you have to be a resident of Kaua'i, you have to be 18 years or older, you can't own any other residential real estate, and you have to, in advance, have completed a home...homeownership education course that's approved by the County. So you've got to have that certificate before you can register to be on the list in the first place. So assuming that you've satisfied all of those, you submit a paper application. We're old-fashioned, everything that we're doing in our program is Excel spreadsheets and paper documents. And then you're assigned a number, a homebuyer number, and that is your...essentially your priority number that you keep forever until you either voluntarily ask to be taken off the list, or you purchase a home, and that...then you will be removed. So...so that is...since it's been accumulating names since 2008, that prioritization scheme and the fact that you get a number that stays the same is a sort of a de facto duration of residency preference, although it's...it's measuring the amount of time you've been on the list, and not necessarily the amount of time you've been a resident on Kaua'i. We...we're...when we...when we...it's like what you're talking about doing, it's the...the homebuyer, the...the prospective homebuyer's obligation to keep us updated with all their contact information. If we have gone through sales programs or processes, and we send out physical mailers, because we don't have an email system set up to do this, and we repeatedly get returned mail from people who are not maintaining that information, then they're shifted onto a dormant...a parallel dormant homebuyers list. And we cease sending them information until they actively take action to contact us and...and reinstitute themselves on the list. The way our statute is written, we are supposed to--and this is...this is something to point out that has been problematic and we don't do--so we are supposed to maintain a subset of our homebuyer's list that is classified by the housing agency as mortgage ready. And the way it was written is, it...it contemplates that in order to remain mortgage ready, the people on the homebuyer list have to...have to regularly and routinely update us with their financial information so

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that we understand their current income limits and their credit scores and all of that. As a practical matter, that's...that's not manageable. So we've...we have effectively abandoned the idea of maintaining a subset of our homebuyer's list as a mortgage-ready list because it's simply not practical to have people on the list constantly sending us updated financial information. When...when someone goes to get a loan, a bank...banks are requiring three months of information, so to have people...or...or three months of recent information...to have...have people updating us every three months is just not feasible. As I mentioned, this is for-sale units only. So the way we utilize the list, and it...it is for either County projects or private development projects that we are requiring as part of our Inclusionary Zoning policy, we...we...what the County does, it...we physically send out a marketing flier and invitation to submit a letter of interest to everyone on the homebuyer list. Currently, we have 491 active people on the homebuyer list, we have 183 dormant, and we have 254 people who over time have either purchased a home, or have asked to be removed. So we have a...we have assigned homebuyer numbers around 930, 940. Those numbers never change. So we physically send out 490 mailers, stuffed envelopes, with a marketing flier for whatever project it is that we have for sale at the time, and we ask people to initially send us a letter of interest. That's the first step. An anecdotal example, we...we...we recently sold a single-family home in Lihue, which is our town seat, as part of our homebuyer program. So we sent out 490 some-odd marketing fliers, and we received back, I think, 18 letters of interest out of 491 people. So then with those 18 letters of interest, we...based on their homebuyer numbers, that establishes the priority for the 18 people. We go to the person that has the lowest number of the letters of interest we received, and we give them a certain period of time to present us with a prequalification letter because these people still have to seek financing in the private market. If they're able to get the prequal letter, we move into a purchase contract and go through the typical home purchase process with them. If they're unable to get a prequal letter, we move to the next person in priority on the list. And I think for our most recent--again, this is just anecdotal--but for the most recent Lihue purchase, I think we went through about eight people before we found someone who could get the initial loan qualification. Separate from...so...so that's our County Homebuyer Program. It's a relatively small program, we only sell between one and five homes a year, so that's not really eating through our list. Separately, we utilize this if we do...if we have imposed a affordability requirement on a private developer. So we would share the names from the list with them, and they would utilize this list with their approved tenant selection plan to select purchasers for their project. The last one we did was quite a while ago, because for better or worse, we've had not a lot of private development that's triggering Inclusionary Zoning on Kauai in the last ten years. So the last was our Ho'oluana Subdivision here in Lihue, that was, I...I think, back in 2016, 2017. And that was the last time that this list was used by a...by a large-scale private development to find a homebuyer. And they...they were able to successfully find buyers off of our list for all of the affordable units in that project. There is a...there is a...not in the homebuyer list itself, but in the housing policy, if we were to require a private developer to go off of this list to fill their units, there are certain time periods set up that if they are unable to find qualified...loan-qualified buyers from the list, then after a certain time period, then they can move outside of the list to just any Kauai resident not necessarily on the list that meet certain income requirements. After another time period, they can go to Kauai residents outside of income requirements,

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and then after another time period, it just reverts to market rate. We can't...I guess we've adopted the policy that we can't require them to keep a home empty forever if they can't find qualified buyers, as long as they've made a good faith effort to go through the steps at the required time periods. And we do our best to oversee that.

CHAIR JOHNSON: Okay, Mr. Roversi --

MR. ROVERSI: That's...that's...that's about it. So I'm happy to answer any questions.

CHAIR JOHNSON: Perfect timing. So we're going to go round...round robin again in reverse order, starting with Councilmember Sugimura. But after we do our first round of round robins, I'd like to take our...our morning break. So just...it's on the schedule for now. So, okay. Councilmember Sugimura, followed by Councilmember Sinenci.

COUNCILMEMBER SUGIMURA: Thank you. Interesting to hear what's happening on one of our neighbor...sister islands, or sister government islands. I wonder, so how long can a person stay on your 491 active homebuyer list? Or...so you just...you just keep them on? They don't have to update you, or...

MR. ROVERSI: They...they stay there effectively forever. If they...have...if we've...if we sent out mailers to them, for example, and we get it back as undeliverable, then we...then they've failed to maintain their contact information. They go on the dormant list, but they still maintain their homebuyer priority number. So if they were to contact us again and update their information, they would still have number 5, for example, if that's where they were on the list. So they would still maintain their priority. Otherwise they stay on the list forever, unless they purchase a home, or they voluntarily request to be removed.

COUNCILMEMBER SUGIMURA: I can see the value of you doing mail versus email because you don't have to be on Kaua'i, you can get your email, whereas your system then keeps them grounded on your island. That's kind of interesting technique. And...and you only do for-sale, you don't do any rentals. And I'm just wondering, what...we always hear the amount of housing that we need to build. What is your Kaua'i number? Do you have a number like that?

MR. ROVERSI: Too...too...too many. Far more than we're currently building. I don't...I don't have the exact number off the top of my...off the top of my.

COUNCILMEMBER SUGIMURA: Okay. Thank you very much. And on your website then, we can get more information about your system?

MR. ROVERSI: Yes, there is a...there is a tab about our homebuyer program and the homebuyer list, and it's also in our...in our County Code in Section 7A-5.1, which is also available online. So that lays out all of the details about how the list operates.

COUNCILMEMBER SUGIMURA: Okay. Thank you very much. . . .*(timer sounds)* . . .

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

COUNCILMEMBER SINENCI: Mahalo, Chair. And aloha, Mr. Roversi, for being here with us this morning. Do you guys have like, a...a...a district...any district restrictions? Or you guys are just sending out all of the letters to all...for all projects throughout Kaua'i County?

MR. ROVERSI: There is no geographic preference when we...we just maintain an islandwide list, and when we do a project, everyone on the island gets notification.

COUNCILMEMBER SINENCI: Okay, great. And then one of our testifiers today mentioned about what...you know, we have extended families, large families with, you know, multiple families, generational families. Do you guys...you know, like, who would be the head of the family if they're applying? Would it be the parent? Would it be just one member of the family applying for affordable housing?

MR. ROVERSI: I...I believe just one...one household member is required to take the affordable housing education course and get the certificate, and then that would qualify the household or the family to be a part of the program.

COUNCILMEMBER SINENCI: Oh, okay. So technically, you know, if we have multigenerational families, several...several, I guess, people in the family could technically apply...multiple housing, yeah?

MR. ROVERSI: Correct. Here's...here's...here's an example that might get to your question. If we...if we have a husband and wife, and only one of them takes the class and they're certified on the list, while they're married, they're both encompassed under that homebuyer number. If they were to get divorced and separated, the spouse who never took the class would have to go take the class themselves and re-register on the homebuyer list. That...that wouldn't carry with them as part of their family.

COUNCILMEMBER SINENCI: Ah, I see, okay. And then, just...this is just for 100 percent affordable housing projects? Or do you have for 201H...for us, we have...I mean, is there a percentage as far as maybe 201H projects?

MR. ROVERSI: So there's...there are no income requirements to get on the list of any sort, but different projects, when they come up for sale, depending on their funding sources or how they came to be, might have varying income requirements. So at the time of purchase, somebody from the list may have to meet income specifications and present documents, and the level of income would vary depending on the project. For example, sometimes our homebuyer program utilizes CDBG funds that imposes an 80 percent AMI income requirement. So someone from the homebuyer list would have to, at the time of purchase, meet those qualifications. But we also sometimes do home sales that can go up to 120 percent of area median income. So the requirements would be different for that kind of project. . . .(timer sounds). . .

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COUNCILMEMBER SINENCI: Thank you again. Time's up. Thank you, Chair.

CHAIR JOHNSON: Okay, let's move...thank you so much. Let's move on to Councilmember Rawlins-Fernandez, followed by Member Paltin.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Aloha, Mr. Roversi, nice to see you. Okay, so my...my first question is regarding affordable rentals. I...I heard you say earlier that having a list of affordable rentals would be too long, or it would be too big of a list? So --

MR. ROVERSI: No, it --

COUNCILMEMBER RAWLINS-FERNANDEZ: Oh, okay, go ahead. Go ahead.

MR. ROVERSI: Go ahead, go ahead. Sorry, I didn't...don't mean to interrupt.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. So my question is...was just going to be, is there anything that your department does as far as helping to...to connect Kaua'i residents with affordable rentals, and why don't you have a list for affordable rentals?

MR. ROVERSI: So I think that statutorily, back in 2008, this was established just for homebuyers, and I can't explain to you exactly why. But for our rental projects, and that's primarily what the County develops, we...we still utilize waitlist systems and lottery systems. Our rental projects are typically, but not always, utilizing an array of preferences based on employment in the area, residency in a specific geographic area. So that we're...we're generating per-project lists, and undertaking a lottery for each project, as opposed to using this islandwide list. And I don't know that it's necessarily been a conscious decision, that there is not a good reason to have a rental list, that's just not the way it was set up back in 2008 when it was established.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay, mahalo for your response. The...my second question, and probably my last is, so earlier in your opening comments, you talked about updating the list, having residents update it regularly or routinely, but it wasn't practicable, so you...it...to have them update it every three months. So what is the process now? Do you just have them update it when there's an upcoming project? . . . *(timer sounds)*. . .

MR. ROVERSI: So effectively, they're required to provide updated financial information at the time of...of a purchase. If they were to submit their letter of interest to purchase this Hardy Street home in Lihu'e, in order to move forward with that purchase, they would have to provide updated income information, and tax returns, and et cetera, to qualify for the *(audio interference)*.

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

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

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COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Mr. Roversi. I just was wondering, in addition to the classes, what...what else was the prequalification criteria? And if members of your community can't meet that qualification criteria, do you help them to get to that point?

MR. ROVERSI: Yeah, the...the other requirements are fairly simple, so I don't think...it's not really an issue for residents to qualify. So you have to be a resident, that's one. You have to be over 18, and you have to not own any other residential real estate, as this is intended for people's primary residence. So those are the only three requirements, other than taking the homeowner education class. There is no income requirement, there's no credit limit requirement, so it's fairly simple to qualify. The only real hurdle is to take the time to do the class.

COUNCILMEMBER PALTIN: Then I guess my question is, when...knowing that you have 400-something names on the list, then you sent out the flier, do you have ideas why only 18 responded?

MR. ROVERSI: At least part of it, I am aware, has to do with the geographic location of homes. Like I mentioned, we just have an islandwide list. So if we have a home for sale in Lihu'e, for example, a lot of people may prefer to live on the west side, or to stay on the east side. So they don't want...they don't want to seek a home in Lihu'e. And it...other than that, I can't really expound on why they're not responding.

COUNCILMEMBER PALTIN: And if they're interested in living in Lihu'e, but they don't qualify, then...then they just go to sale for market rate?

MR. ROVERSI: We've never had an affordable home go for sale for market rate. They've all...we've always been able to find a buyer. We...it may not be the first person that we talk to on the list, or even the fifth, but we've never not found a buyer. . . . *(timer sounds)*. . .

COUNCILMEMBER PALTIN: Thank you, that's my time.

CHAIR JOHNSON: Okay. That's...wow, that's fascinating. Let's move on to Chair Lee, followed by Member King.

COUNCILMEMBER LEE: Thank you, Mr. Chair. Hello, Mr. Roversi. You mentioned that your last project was around 2017 or so. Can you tell me what your top three impediments are to the provision of affordable housing?

MR. ROVERSI: On Kaua'i, I think our number one impediment is infrastructure. Water... water and wastewater are the two primary impediments. The project that I mentioned to you earlier, the Ho'oluana project, that was...I think it was 2017. It might have been a little later than that, but that was Phase I of that project, and it has multiple other phases that are planned, permitted and entitled. And they are held up by litigation about water...water access. So water...water is the primary impediment to that

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development. And we have few areas on Kaua'i that are served by municipal wastewater, so that makes large-scale housing development quite difficult.

COUNCILMEMBER LEE: Thank you. We should...we have the same problems. Do you actually build affordable housing...housing projects on Lāna'i...I mean, not Lāna'i, but Kaua'i? And are...are they just primarily rental housing units? You said you --

MR. ROVERSI: So in the...in the past, the County has primarily developed rental housing. We are involved in homes for sale through our homebuyer program, in which we... the County buys market-rate homes generally that need to be fixed up. We fix them up and resell them into a pool of affordable homes. We are just now doing our first ever large, single-family housing development of 38 units as part of our Lima Ola Affordable Housing Subdivision. So when completed, that's going to be about 600 homes, and it's the County's first ever venture into a County-developed project like that that contains single-family for-sale units.

COUNCILMEMBER LEE: Does this mean outsourcing the work, or do you actually have a division to...to handle construction and...and so...and the development of a project?

MR. ROVERSI: . . .*(timer sounds)*. . . We...we have internal...an internal project manager, sort of, to oversee the outside contracts on a relatively high level. But we are seeking private partners to actually build the units themselves. The County is not doing that.

COUNCILMEMBER LEE: Thank you. My time's up. Thank you very much.

CHAIR JOHNSON: Interesting model you guys are doing out there. Thank you, Chair, for the questions. Let's move on to Member King, followed by Member Molina.

COUNCILMEMBER KING: Thank you, Chair. Thank you for being here, Mr. Roversi. It's really interesting to hear what's happening on Kaua'i. A lot of my questions were answered, but I have a couple of other. I thought I heard you say that there were no other requirements, asset-wise or income-wise, except that they don't own another piece of property. So how...how does that square with somebody who may have like 10 million in assets with their business or something, but they just don't own residential property? That...they're still allowed to be on the list?

MR. ROVERSI: Yeah, so that's just to get on the list. The...they are scrutinized when it comes to the actual purchase of a home. So when it comes to purchasing, when we...we send our marketing flier, we get back to letters of interest, we go through the process of selecting the buyer. They're required to present us with tax returns and...and bank statements and financial documents. So a...a millionaire presumably would be weeded out at that point, and not meet the income requirements for the particular home.

COUNCILMEMBER KING: Okay, so they wouldn't...they wouldn't...there is...there is the income/asset requirement at a certain level for those...for the affordable homes. Okay, and then the other thing I wanted to ask you about was, you know, you said that they had to have completed the homeowner's class. Could they be, or have you ever

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considered allowing folks to get on the list if they're registered and maybe haven't completed it yet? Because, you know, maybe if we...especially if we have this master list, and we're looking at projects that are a year or two down the line from opening, that they could have completed it by the time...you know, to get on the list, and then they could have completed it by the time their name comes up.

MR. ROVERSI: That would certainly be a possibility. I think...I think one of the thoughts...again, I wasn't around when this was enacted, but I think one of the thoughts about requiring the class in advance is that it demonstrates a heightened level of commitment to...to...from the person who's placing themselves on the list, and a level of seriousness in actually proceeding with the home purchase, as opposed to simply being able to quickly fill out an online document and then you're on the list, and...and have...have more things to do later. So I...I'm not 100 percent convinced that our way is better than what you guys are contemplating. It's simply what...what we've been doing.

COUNCILMEMBER KING: Okay, because I think . . . *(timer sounds)*. . . that could be a big motivator too, for somebody to take the class if they're interested, if they're already on a list, you know, to...to get serious about the class. Okay, thank you. I think my time's up. Thank you so much for being here. Thank you, Chair.

CHAIR JOHNSON: Okay. Thank you, Councilmember Kelly King. Let's move on finally to Councilmember Molina.

VICE-CHAIR MOLINA: Thank you, Mr. Chair. And one of the problems when you go last, then a lot of your questions get asked. But thank you for being here, Mr. Roversi. And if at all possible, could you submit...I don't know if you have submitted anything in writing to us yet, but just basically a summary of what you went over in your opening remarks? It would be helpful. So that way, you know, we can use you for...once...as...as we proceed with this legislation, we...we can maybe possibly use your...your...your program and any of your comments as future reference to help us. And...and Mr. Chair, I don't know about the other Members, but, you know, I...I...I was not aware we were going to have these two very good outside resource personnel joining us today, Mr. Roversi and Mister...the gentleman from Washington, D.C. But if at all possible for future considerations, could you at least notify the Members in advance if you didn't already? And that way it'll help...well, I'll speak for myself, to help me formulate more well-thought-out questions? Because if we know in advance who's coming in, then we can do some research on our own on the individuals or their programs, and we can have more well-thought-out questions to ask them. So just a request for future meetings, Mr. Chair. Thank you.

CHAIR JOHNSON: Yes, certainly. I get...I get really excited when folks come from far away to come talk to us, so...and I know it was kind of last minute, so that's a very good point. Yeah, I...I agree with you. Okay, so thank you, Members. I...I'm last, so I have a few questions for you. Let's see here. Okay, we have...how many staff are involved in managing your list?

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MR. ROVERSI: We have two different staff members who assist with the list, but neither are full-time, so I would imagine that we maybe have a 50 percent position dedicated to the homebuyer list.

CHAIR JOHNSON: Hmm.

MR. ROVERSI: But again, it is relatively small, compared to Washington State [*sic*]. We've got 461 people, and they've got thousands and thousands.

CHAIR JOHNSON: Thirteen...yeah, 13,000, I could imagine. Who provides the home counseling in the mortgage-ready certifications that you're talking about?

MR. ROVERSI: We...we contract that out to, I believe presently to Hawai'i Community Assets, which is a HUD-certified housing counseling organization here on Kaua'i.

CHAIR JOHNSON: Nice. And then my last question is, is for independent developments, does the developer maintain its own list?

MR. ROVERSI: If they are...if we are imposing Inclusionary Zoning requirements on them, we enter into a contractual housing agreement with them that requires them to utilize our homebuyer list. They're only allowed to go outside of our list after they have made good faith efforts to first sell the homes through our list for a certain period of time. And only if that fails are they allowed to move outside of the list.

CHAIR JOHNSON: Okay. Well, Mr. Roversi, I...I really appreciate you coming out here and sharing with us, your...your program. Members, in the chat, you'll notice that Staff had posted the kauai.gov website for...for future...you know, for more information. But I want to respect your time, Mr. Roversi. And once again, I thank you so much for coming out. The whole Council is really appreciative of you taking your time and sharing your mana'o with us. So mahalo. Thank you again.

MR. ROVERSI: My pleasure. Thanks for the invitation.

CHAIR JOHNSON: Okay. All right. So Members, let's take our morning break. It's what...let's do a ten-minute break. You guys okay with ten? Okay, it is 10:43, at 10:53 we'll come back. So the Affordable Housing Committee for 9/2/2021 is in recess until 10:53. . . . (*gavel*). . .

RECESS: 10:43 a.m.

RECONVENE: 10:53 a.m.

CHAIR JOHNSON: . . .(*gavel*). . . Will the Affordable Housing Committee of 9/2/2021 come back from our morning recess. Members, we now have Jessica Crouse, and she's the Assistant Administrator for the Department of Housing and Human Concerns. Could...could you come on--and there she is--and offer any input from your perspective on how the proposed system might work. Good morning, Ms. Crouse.

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MS. CROUSE: Good morning, Chair Johnson and Councilmembers. Chair Johnson, I understand that you were also interested in a review of how we administer the First-time Homebuyer's Program, and that application; was that correct?

CHAIR JOHNSON: Yes, please. And we'd love to hear.

MS. CROUSE: Excellent. Thank you very much. So originally, the First-time Homebuyer Program was operated with physical application cards, which were all printed on cardstock. Those application cards either had to be picked up from the office, or if there was someone who wasn't able to come into the office, we would mail them the cards for them to fill out and return. Two years ago, we did switch to an online application form process. So the way that that works is we build a form that's uploaded to the County website. Potential applicants and all of their...their self-reported information, so their address, their contact information, some asset and income information, they record if they've owned a home within the last three years, and they're also asked to upload a credit preapproval letter, which is a requirement to be entered into the application lottery. After that process, we do review all of those applications to determine initial eligibility based on that self-reported data to determine who goes into the drawing. And then we use the lottery drawing as a way to establish a waitlist to work through and distribute funds. So for reference, we recently just held another open application period, which closed on Friday, August 27th. We received 672 applications, and so our Staff is now going through the process of reviewing all of those applications to verify that they were filled out completely, that all of the information we asked for was provided, so that we can verify their eligibility, and that they did provide a credit preapproval letter as well. There are a good number of applicants who maybe didn't have a letter at the time they submitted the initial form, and might have sent that letter to us separately. So there's also a certain degree of work that we do to cross-reference all of that information, and make sure that we're matching up any subsequent email updates or letters we received with those application forms. So we'll be working to review all of those to determine exactly how many of those 672 applicants meet the eligibility criteria for the program and also completed the application as required per the guidelines. So then the number that's determined, all of those eligible applications will go into the lottery drawing event that we hold, which is scheduled for the 17th. And we...again, we use that drawing to establish the waitlist. And from there, we will contact each applicant in the order of that waitlist, as long as funds are available, to provide them an opportunity to submit a more formalized application, which is the time when we collect documents, such as copies of their tax returns, bank account statements, pay stubs, any other employment documentation they may have that's relevant, to really do a thorough review of their eligibility and confirm they meet the program criteria. Once they're determined eligible to participate, they're given a window of time to look for a property, enter into a contract, and close, to be eligible to receive the funding. So certainly a worthwhile program, but it is pretty labor-intensive administratively, and we do a lot of manual tracking of all those application details, and also use a lot of Excel spreadsheets for this program as well. And I think that's...that's the snapshot, so I'm happy to answer any questions anyone might have. Thank you.

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CHAIR JOHNSON: Okay. Thank you, Mr. Crouse, for your information. Now, we're just going to go again, round robin with the Members, and we'll start with the opposite order as the last time. So we'll start with Council...Committee Vice-Chair Molina, and then Member King after him.

VICE-CHAIR MOLINA: Mr. Chair, no, I have no questions, I'm quite familiar with the program itself, and I appreciate the Department, you know, implementing it. And I know over the years they've used more technology, as you mentioned, the online system. So I think it's been very beneficial. Thank you. Thank you, Mr. Chair.

CHAIR JOHNSON: Okay. Thank you so much. Councilmember Kelly King, followed by Chair Lee.

COUNCILMEMBER KING: Thank you, Chair. Aloha, Jessica. Thanks for being here and for that explanation. Do you foresee being able to, like, expand that process...if we do this master list, expand that process to accommodate the master lottery? And would you be able to include rental...renter...rentals with the first-time homebuyers? And this is kind of a multiple question. And if you do have one list for everything, and somebody who wants to buy a home possibly gets on that renter's list, and gets a rental, would they still be allowed to stay on the list for eventually purchasing a home? That's my...those are my questions.

COUNCILMEMBER KING: Those are all great questions. Thank you. I'll do my best to answer all of them. Honestly, if I may speak frankly, I believe that there is a challenge that the County is faced with in terms of scale, and also capacity. So, for example, Mr. Roversi shared that they have 491 applicants that are active on their list. So we received just 672 most recently for the first-time homebuyers. So again, while not necessarily all 672 applicants might truly meet the eligibility criteria, I do think that there's some questions that need to be further researched about exactly how many people we might have who would participate in this kind of a system, to make sure that whatever is implemented can adequately serve that volume of people, and also something that can be effectively administered, so that there's updates. As I'm sure you can imagine, taking the time to prepare mailers to send out marketing brochures or other notices for several hundred people, that's...that's quite a time-consuming effort, which is certainly worthwhile. But I do think that there's a need for additional research to assess exactly how to structure something to be an available database, to disseminate all of that information, and to make sure that something that's being created can be really responsive to the needs that we have, and the goals of...of our Administration and Council.

COUNCILMEMBER KING: Okay. So given that, let me just, like, cut to the chase. So would your preference be to have, like, separate lists for the first-time homebuyers, that fund, and then a list for affordable housing home purchases, and then a separate list for affordable housing rentals? You know, are you...or is there...there...it...you're...you're...you're kind of making it sound like it's too...it would be too difficult to put all that together into one master list.

MS. CROUSE: You know, I'm not sure if too difficult is necessarily accurate. I do think that I

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don't know enough about the systems that are used by other districts or municipalities to administer lists and databases like that. And I think it really comes down to how...how user-friendly they are and how functional they are. So for example, we maintain everything that we have on an Excel spreadsheet. I don't know if it would be feasible to have one Master Excel spreadsheet that could cover all forms of potential housing products that people are looking for. There is a point where a spreadsheet is too large to be really functional or user-friendly, but that's not to say that there aren't systems that exist that could allow people to provide their information, and perhaps check boxes of what they might be interested in applying for or learning more about, that could track and retain all that information. So again, I think that's...that's where we need to do some additional research to make sure that we . . . *(timer sounds)* . . . have an understanding of what products would exist.

COUNCILMEMBER KING: Okay. Thank you for that answer. Appreciate it. Thank you, Chair.

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

COUNCILMEMBER LEE: Thank you, Mr. Chair. Jessica, how many people manage and maintain that First-time Homebuyer's list?

MS. CROUSE: Thank you. So we have one full-time employee, and then I've been assisting with some of the pieces as well. So a little more than one person.

COUNCILMEMBER LEE: Okay. And then for the Section 8 waitlist, how many are on that waitlist, and how many personnel...how many people are assigned to that list?

MS. CROUSE: A great question. So I don't have the specific figure off the top of my head, I'll be happy to follow up with that number, but I do believe that it's...it's somewhere in the mid-1,000 range. So maybe like 13 or 1,400, possibly a little lower or higher than that. So again, I'll follow up to confirm. The Section 8 program does have, let's see, I think about 20 people who are working on that program.

COUNCILMEMBER LEE: How many?

MS. CROUSE: About 20. I don't have that full staffing list in front of me, but we have, I believe, 7 administrative side positions out of 25. And then the --

COUNCILMEMBER LEE: Okay. So if we could develop a affordable housing interest list, yeah, waitlist, interest list, how many people would we need to manage and maintain that list?

MS. CROUSE: That's a great question. We would certainly need more people than we have now. How many specific Staff members we need would likely depend specifically on what resources or infrastructure we could create or tap into. So if there's one list that can be essentially mostly maintained digitally through some software platform, the amount of Staff time and volume that might be needed to track and maintain that information I would expect would be much smaller, versus if there's a system that we're

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using that's much more manually operated, such as what Mr. Roversi shared earlier.

COUNCILMEMBER LEE: . . .*(timer sounds)*. . . I'll save my other questions for the next round. Thank you.

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

COUNCILMEMBER PALTIN: Thank you, Chair, I forgot to put my earphones in, so please forgive me if you already gave the information that I'm asking. I just was wondering, in order to qualify for the First-time Homebuyer's, they need to go through that class...the...the class about being a homebuyer in order to qualify for the money?

MS. CROUSE: Yes, thank you for that question.

COUNCILMEMBER PALTIN: And...and what else qualifications?

MS. CROUSE: Sure. So those questions were not asked yet.

COUNCILMEMBER PALTIN: What else qualifications?

MS. CROUSE: So I'm glad that you did ask them. Thank you. We do require a homebuyer education class. That class is required to be completed before the clients close on their purchase. So some class providers do charge fees for their courses, which we think are...are reasonable fees, and they cover the course materials. But just to make sure that we're not adding too many burdens up front, we don't require that to apply initially, but it is a requirement to receive an award from the program. Other program eligibility criteria includes not having an asset...assets above \$75,000, not counting retirement or pension accounts, not earning income above the 140 percent AMI mark for the year preceding and duration of the application period, and also not having owned a home anywhere in the United States for at least three years preceding the application. Other requirements include being at least 18 years or older, a U.S. citizen or resident alien, and a resident of the County of Maui.

COUNCILMEMBER PALTIN: And I was wondering the reason why you went online with the program? I mean, I can imagine some reasons, but do you have specific ones?

MS. CROUSE: Thank you. Yes, there were some reasons. So one reason is that, you know, printing out the volume of application cards on a certain weight of cardstock was a little complicated. We used those physical application cards to go into the drawing box that we have, and if you have 300 cards in that box, it gets quite chaotic. Part of it was to make it a little more functional, but then there was also a part that we wanted to make it more accessible and easier for people to see exactly what kinds of questions we're asking of them for that application, to have more ease to find the application. So for example, there were several people who might have contacted us and said they wanted to get an application, but maybe their work hours were the same as the County's business hours, so they couldn't necessarily get into the County to pick up an

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application, but they could certainly find something . . . *(timer sounds)*. . . online after hours.

COUNCILMEMBER PALTIN: Thank you so much. My time's up.

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

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Aloha, Ms. Crouse. Mahalo for being with us today. For the management of these lists, I understand you already mentioned that you use Excel spreadsheet. Have you ever...or the Department ever looked into better software?

MS. CROUSE: Thank you for the question. There has been some research into it, but in terms of the First-time Homebuyer Program, which is what I can really speak to, I didn't identify software that would be more suitable for what we were doing, especially given the cost. So given that Excel is a spreadsheet that we do have software access to for free as part of the County, we really try to keep the administrative expenses of that program as low as possible. And so there wasn't necessarily an identified need for the First-time Homebuyer Program to use different systems. That said, if there's other lists or modifications, or an effort to create a database to increase access to housing project information, I do expect that there would have to be different software than Excel to manage that. And perhaps there could be an opportunity to build the First-time Homebuyer Program into that software, once it's determined.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo. So in a previous question, I think Chair Lee asked about the number of Staff, and you said one full-time, and then you also work on it. So when you're looking at software, I understand prioritizing, keeping costs low, but time is also money. And so if we have a...you know, a full-time staffer and yourself working on it, you know, we...the County pays your salary and benefits. So if we're dedicating that much Staff time toward this, and a better process investing in software, a one-time or an annual license, comparing the cost of your...your and the full-time Staff's salary to this software, have...have you considered that?

MS. CROUSE: Thank you. Yes. So in . . . *(timer sounds)*. . . right. So in terms of the First-time Homebuyer Program, I don't expect that the cost of the software would...would be equivalent, or...or a better value than the Staff time and the Staff salaries that are invested now. So the First-time Homebuyer Program really has some peak times that require greater staffing support and assistance. For example, in open application period, we field many more questions, there's a lot more tangible tasks that we do. Also, the lottery process is...is quite involved, and requires some time and staffing. I don't know that those processes could be further streamlined or simplified by the use of additional software. But once the...the waitlist is established through the lottery, and we're going through the process of actually reviewing and vetting individual eligibility, a lot of the time I dedicate to the program, for example, will decrease, and it's something that has a...a more manageable workflow. But it does require, I think, an individual physically reviewing clients' eligibility information in those documents, and I don't know

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that it's feasible for a software to replace the components that are really specific to that program in particular.

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

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

COUNCILMEMBER SINENCI: Mahalo, Chair. And my...my question was answered, thank you. Thank you, Jessica.

CHAIR JOHNSON: Thank you. Okay, Member Sugimura.

COUNCILMEMBER SUGIMURA: Thank you. So Jessica, nice to see you. I'm just wondering then, every time you do the First-time Homebuyer Program, you start then from zero. Everybody has to apply. It doesn't...it's not...there's not a...a list that's maintained?

MS. CROUSE: Thank you for the question. So we do...for example, the last time we did a new application period before this most recent round was two years ago. So we did have a list that we maintained over the course of the last two years to try to work our way through. We did close that list in order to do this new application period. So it is correct that anyone who maybe didn't receive assistance in a previous round or maybe missed that application period and wanted an opportunity, all of them were given an opportunity to apply again during this round for a new list.

COUNCILMEMBER SUGIMURA: Okay. And then...so just kind of in general then, COVID. How is that, or did you see that impact the applications?

MS. CROUSE: Thank you. Yes, we saw several impacts. So one, we've seen a decrease in the number of people who can successfully qualify for loans. So people who have been on unemployment, people who have had furloughs, who haven't known exactly when they'll return to work, that has made it more challenging for them to find lenders who are willing to enter into loan approvals with them. And then also, as...as I know you all are aware, the market has been pretty different during COVID as well. There's been a decrease in the inventory that's available, as well as rising market prices. And those two factors certainly impacted clients on the First-time Homebuyer list as well.

COUNCILMEMBER SUGIMURA: And you have the drawing on the 17th, did you say? For the...

MS. CROUSE: Yes, we do.

COUNCILMEMBER SUGIMURA: And it's probably not going to be like what you did at MEO. It's going to...oh, no, it was at Cameron Center. You're not probably doing that anymore because of COVID, right?

MS. CROUSE: That's correct, no. So to make sure that we're not gathering 100-plus people

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in one place, we'll convert it to a BlueJeans event and stream it. So hopefully it will still be an exciting opportunity, but I'm sure it won't have that same energy that the in-person events do. . . .*(timer sounds)*. . .

COUNCILMEMBER SUGIMURA: Thank you. Thank you very much.

MS. CROUSE: Thank you.

CHAIR JOHNSON: Okay, everyone had their chances, and I want to go back to Chair Lee, because she ran out of time for her questions. So Chair Lee, you want to have some final thoughts?

COUNCILMEMBER LEE: Thank you. Jessica, as we were talking about, you know, upgrading our systems and using more technology. The other issue though is ensuring that people from Maui come and apply. But because by going online, sometimes you attract attention all over the United States and...and beyond. So how do you balance that against wanting people to apply who are living here already?

MS. CROUSE: Thank you, that's an excellent question. I can say that in terms of the First-time Homebuyer program, I think in the three years that I've been with the County, there were two applicants who tried to apply for the program from the mainland, since we did the online application period. So the number of people who found it who lived on the mainland was very small, and it was also very easy to identify that they were not Hawai'i residents, because they listed their mainland addresses. So that was very easy for us to weed out. And I can say that when we do the more thorough reviews, once we reach someone on the waitlist, when we're collecting information about their taxes and their employment, that also clearly shows if they're someone who's living here in the County and working here in the County, or if they're someone who maybe isn't at the time. But honestly, I haven't seen that happen in this program. I do understand the concern with that, and that's certainly something to figure out, how other places handle that as well. My understanding is a lot of them do allow people who don't necessarily live in that jurisdiction to get into the database, to access all of the same information, and to submit online applications, but that they might have screening preferences to prioritize people who are active residents at the time the project is coming available. Additionally, something that you didn't quite touch on, but I also think is important, especially for our County, is that we do have some pretty rural areas, and their abilities to access online systems or databases, I think it's important to understand and make sure that anyone living in the County has access to the same resources and opportunities, whether or not they have the ability to get on a website at home and view that information or submit an application. So I think that's a unique challenge that we have that people like our partners in Washington, D.C., likely have much less of.

COUNCILMEMBER LEE: Thank you, Jessica. Thank you, Mr. Chair.

CHAIR JOHNSON: Okay. All right, Members, we're running a little bit low on time, but that's okay. I'd like to thank the Department for their commitment to working together and making it easier for residents to find affordable housing. Okay, so we've got a little bit

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of a half hour before I recess this meeting, so let's return to AH--thanks again, Ms. Crouse, I really appreciate it--returning to AH-13(4) [sic], if the Members have any interest in establishing a Countywide Affordable Housing Interest List, the Chair will entertain a main motion to recommend the passage of a proposed bill on first reading entitled, "A BILL FOR AN ORDINANCE AMENDING THE RESIDENCE WORKFORCE HOUSING POLICY RELATED TO SELECTION PRIORITY."

COUNCILMEMBER KING: So moved.

COUNCILMEMBER RAWLINS-FERNANDEZ: Second.

CHAIR JOHNSON: Moved by Councilmember Kelly King, seconded by Keani Rawlins-Fernandez. All right, we'll start the discussion by looking at...let's see, maybe we can get the...each section, we'll look at each section in the proposed bill, and we'll put it up on the screen. So let me note that the same proposed language and process in Section 2.96.090 for ownership units is also the same proposed in Section 2.96.1...or .100 for rentals. So rentals and for sale. So if we could start the discussion with Section 2.96.090(a)(1), Waitlist Procedure. We might want to change this to Registered List Procedure, because after hearing the concerns...Ms. Laks, can you share the screen?

COUNCILMEMBER KING: Chair, just a quick question?

CHAIR JOHNSON: Yes, sure.

COUNCILMEMBER KING: So the intent is to have two separate lists, one for ownership and one for rentals?

CHAIR JOHNSON: Yes, that is correct, Ms. King.

COUNCILMEMBER KING: Okay, thank you. There's nothing that would preclude people from being on both?

CHAIR JOHNSON: Right, there's...you can be... totally be on both.

COUNCILMEMBER KING: Okay.

CHAIR JOHNSON: Okay, so 2.9...or yeah, 2.96.100...or .090(a)(1), it would read as follows: The Department or its designee must establish a Countywide Affordable Housing Interest List of --

COUNCILMEMBER KING: Chair, I think she's on the wrong section. She's on the rental section.

CHAIR JOHNSON: Oh, I beg your pardon? Let's...let's see here.

COUNCILMEMBER KING: I think you need to scroll up.

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CHAIR JOHNSON: 090, Ms. Laks. There we go. Okay. Thank you for that. All right. So the Department, or its designee, must establish a Countywide Affordable Housing Interest List of interested applicants for ownership units. The Department, or designee, must work with a HUD-Certified housing counseling agency to educate people on the Countywide Affordable Housing Interest List, and assist them in getting prequalified to purchase an affordable housing unit. People on the Countywide Affordable Housing Interest List must select the residency areas in which they want to be considered for housing. The Department, or its designee, must educate the public and promote the Countywide Affordable Housing Interest List using media outlets, including newspaper, radio, and social media platforms. The public must also be informed in a similar manner of any decision that would substantially affect the maintenance and use of Countywide Affordable Housing Interest Lists. Members, now would be the time to ask any questions to the Department, to Corporation Counsel, or our OCS lawyers regarding this section. And we'll give everybody two minutes, and then we'll move from there. Members? Okay, we have a hand up from Councilmember Kelly King. Go ahead, King.

COUNCILMEMBER KING: I think your...your suggestion that we change it from an interest list, I think, you said to a registration list?

CHAIR JOHNSON: Yes, that's correct.

COUNCILMEMBER KING: I like that idea, because everybody is probably interested, but not...you know, not everybody is going to be asking to be registered for this. But maybe get the Department's opinion of that. And then also, I think maybe changing in the...in the...must educate the public and promote the Countywide Affordable Housing Interest List, maybe putting an and/or social media platform? So it doesn't...because if they miss any of these...right now it says they have to use all of these media platforms, and if they miss any of them, then they're going to be in violation of this policy. So if you put using media outlets, including newspaper, radio, and/or social media platforms, that might be a little more flexibility in there. Maybe the Department, can you comment on those two issues?

CHAIR JOHNSON: Councilmember King, my intent was to use all of them, because, you know, the big net catches all the fish, right? So that's...you know, some people do social media more, some people...you know, I...I haven't read a newspaper in a long time, but I just figure we give...give them more options on the table. That's...that was my intent.

COUNCILMEMBER KING: Well, it...it...it's just that my...my point was it's not options, it's a...it's a requirement to use every single one of these. And if they don't...for some reason or other, if they don't use one of these, then they would be in violation...the way I read it, they would be in violation of this policy. So I think it's good to have them in there, but I think there should be some flexibility.

CHAIR JOHNSON: Okay, I...I see where you're coming from. Yes, certainly. Okay, we got some hands up here, and I'm going to try to...let's...let's try to make this orderly. I'll just go down the list, because it seems like we had several hands up here. So --

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COUNCILMEMBER KING: Can we have the Department give you...make a comment on changing --

CHAIR JOHNSON: Oh, yes, you want to have the Department speak to that? Sure. That would be --

COUNCILMEMBER KING: -- registration list.

CHAIR JOHNSON: That would be Deputy Director Munsell. Are you on the call?

MS. MUNSELL: Yes. Thank...thank you for the question. Flexibility is very much appreciated. Whenever we get prescriptive, then it makes it very difficult for us to actually meet the requirements. One of the concerns that we would express in this section under number 1 is the use of prequalified. For instance, you had heard Mr. Roversi mention how difficult that is on Kaua'i to use that, to prequalify people, and keep them prequalified. My understanding is that under HUD, counselors...their counseling certificate is only valid for, like, a couple of years. And so...and the cost of that is \$75. So you might want to, if you want to use prequalified, that you would define that. But we would caution you about making it...how that's going to be used for us. Thank you.

COUNCILMEMBER KING: Okay, but you didn't answer my question, Linda, about changing the word Interest List to Registration List.

MS. MUNSELL: I'm not sure that, you know, it's --

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

MS. MUNSELL: -- semantics.

COUNCILMEMBER KING: Okay.

MS. MUNSELL: I'm not sure that it makes any difference to us, whether it's an interest list or something else.

COUNCILMEMBER KING: Okay. Fair enough. All right. Thank you, Chair.

CHAIR JOHNSON: Okay. Thank you so much. So I have...I have my list here, so we can just go down again. And if you have comments for Section 1, we'll start with Member Sugimura, followed by Member Sinenci.

COUNCILMEMBER SUGIMURA: Chair, maybe this is a question for you. I'm...I'm just wondering, I noticed that this was agendized, so that you're going to...it says it's to Corp. Counsel. I...I don't see correspondence from the Department for each section. So what is your plans for these...these three bills?

CHAIR JOHNSON: Okay, we're obviously going to run out of time here shortly, so I'm thinking we're going to recess, and then I...I wanted to just have everybody's eyes on it, and look

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at it, and say, okay, from now until recess, we'll...you know, we'll look at it. And if we have proposed amendments, you can come on up and propose them. But I...I also wanted to hear from the Department, I also wanted to hear your questions from...you know, to the Department and OCS, and to everybody. So this is...so...so just today, we're just looking at the bill, and then we'll move forward after...after we...you know, everybody takes a look at it. You...do you follow where I'm go --

COUNCILMEMBER SUGIMURA: So I...I see what you're --

CHAIR JOHNSON: Okay.

COUNCILMEMBER SUGIMURA: This is a draft, and I like to work on bills that Corp. Counsel has put their stamp on to form and legality. And I just wonder what your thoughts are on that.

CHAIR JOHNSON: Yeah, we...we gave it to them and they just didn't have enough time. But we can...if Mimi's on the call, we can have her come up and...and talk about it, if you like.

COUNCILMEMBER RAWLINS-FERNANDEZ: Chair, real quick...Chair?

CHAIR JOHNSON: Go ahead.

COUNCILMEMBER RAWLINS-FERNANDEZ: May we...may we ask Staff to stop screensharing while we deliberate?

CHAIR JOHNSON: Thank you so much.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair.

CHAIR JOHNSON: Yep.

MS. DESJARDINS: Chair, just a quick comment. We did receive the bill after it was posted, which is fine. The...the problem was is that on the request for legal services, it was checked off within 15 working days, which is beyond today. So I think what happened with my internal Staff is unless it says rush, they don't rush opening the assignment. I received the assignment Tuesday, I'm looking at it now. I had a great talk with your Staff yesterday about concerns we have with the bill. So if your intention today is to have this discussion, and then by next recessed, we can get down to brass tacks, that...that would be much appreciated. Thank you.

CHAIR JOHNSON: That's exactly where we heading (*audio interference*) --

MS. DESJARDINS: Okay, thanks.

COUNCILMEMBER SUGIMURA: Thank you, Chair.

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

COUNCILMEMBER SINENCI: Mahalo, Chair, for sharing your...your process. Just for Deputy Munsell, we don't have a...a current list right now, or...or anything that kind of mirrors something like this, do we?

MS. DESJARDINS: Thank you. Thank you for the question. Other than the First-time Homebuyer's list, the only other list that the County has had was a similar paper list of folks that were interested in housing. And this was a bazillion years ago. We found those in our move. They were all moldy, and they were all paper...a paper process. So what we would like is...yeah, to not have that happen again, obviously.

COUNCILMEMBER SINENCI: But...but you still retained the list? Is it still a working list? Or you still would have to go into the list and see, like some of the other Counties have...have moved forward who's received housing. Would the Department still have to do that with the list?

MS. DESJARDINS: That list would be unusable for us for two reasons. First, because they are moldy, it's a health...health issue for us. And then the age of those would require, I mean, significant resources, assuming we...they got...they were cleaned, and we were able to use them to try and update. I think that they're 30 years old.

COUNCILMEMBER SINENCI: Oh, okay.

MS. DESJARDINS: So yeah, it's...it would be a challenge to try and revive that.

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

CHAIR JOHNSON: Thank you, Councilmember Sinenci. Let's move on to Councilmember Rawlins-Fernandez, followed by Councilmember Paltin. Oh, wait, Mr. Molina has his hand up. Go ahead, Mr. Molina.

VICE-CHAIR MOLINA: Oh, no Chair, I'm going to yield to...I think Councilmember Rawlins-Fernandez had her hand up before I did.

CHAIR JOHNSON: Oh, okay.

VICE-CHAIR MOLINA: Yeah, I can wait.

CHAIR JOHNSON: Councilmember Keani Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Okay, so I wanted to first speak to the communications. And the way I read it is using media outlets, including newspaper, radio, and social media platforms. And so when you shared that, you know, that would be one way to reach as many people as possible, I...I agree with you in

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keeping the word and, and not making it and/or, because I think this would be the minimum requirement. If they want to do more than these three things, then that's definitely encouraged. But I think at minimum, these would, you know, be necessary to meet...meet the masses. I...I wanted to speak to the...moldy paper. And so I think that's what we've been talking about for this whole meeting, we don't want moldy paper either. We would prefer, you know, using technology. You know, it is 2021, we are having our virtual meeting on BlueJeans, and I think, you know, just really bringing the entire County into the 21st Century and embracing technology is...is a really good direction to go, in improving process efficiency, in preventing moldy paper, in just improving the...the...the work overall. And where it says prequalified, Countywide Affordable Housing Interest List is a system in getting prequalified to purchase. So I guess a quick question for Deputy Director Munsell. Where it says prequalified here, is there somewhere else where it says that you have to maintain being prequalified?

MS. MUNSELL: Thank...thank you for the question. I...I don't...I don't know that it's included elsewhere, but my recommendation would be to have you define what prequalified meant so that it was clear. Either that or for us, when we work on our Administrative rules, to include that definition and run that by you guys again. Because I think having them maintain a prequalification is going to be a...a challenge. But I --

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay, so . . . *(timer sounds)*. . .

MS. MUNSELL: Yeah, but I like the idea of having to have attended the class prior to getting on the list. I think that that really signals sincerity and interest for this.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay, yeah. So because where it says here, it just says assist in getting prequalified. I'm not opposed to defining it, but I don't see the requirement there. So the language as is doesn't say what Deputy Director Munsell *(audio interference)*. Mahalo, Chair.

CHAIR JOHNSON: Okay, you know, my...we're running short on time, and I know Councilmember Molina has to leave shortly. So if folks don't mind, can we let him speak on this next turn? All right, Mr. Molina.

VICE-CHAIR MOLINA: Yeah. Thank you very much, Chair, for that consideration. Just following up on Member Rawlins-Fernandez's question to you, Madam Director. So just to reaffirm that you...you don't believe that having randomly selected applicants be prequalified, or before being placed on the list, you don't see that as being burdensome on this proposed project waitlist then?

MS. MUNSELL: Thank...thank you for the question. So in this case, what you're trying to do is identify people that would be prepared to purchase homes as they...as they come available. I think that the idea of having them just sign up for any old waitlist, but not having gone through the process of understanding what they would need to do to qualify would mean you'd have...end up with a lot of people on the list that are never going to be able to...to buy a home, or aren't serious about it. So as having them go through the process of becoming qualified, I think is probably a good step. Now, where you...whether

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you require them to be qualified to get on an interest list initially, or whether you require them to have completed those homebuyer education classes in order to ever end up on a project list, you know, maybe is something that we can talk about. You know, when does that prequalification occur? But in the case of Kaua'i, when they describe their list, they're actually supposed to keep a list of people who are currently qualified. And he said...indicated that that was not workable. And so there would be a question of, yes, I think that getting...going through the homebuyer classes are important, I think that that's pretty...that's very important, but we --

VICE-CHAIR MOLINA: Okay. Sorry, I'm on a clock, but that...your response is fine for that. And last...quick last question, Ms. Crouse had mentioned that having this additional list may require additional resources. So do you concur with that? Possibly maybe hiring out, having a private contractor provide assistance. Can you comment on that?

MS. MUNSELL: Yeah. Thank you, yeah. There's two things. Obviously, the presentations that we've had today, they all indicate that they're doing some kind of manual process in order to maintain these lists. The idea obviously would be to try and make that more electronic and more automated. And I think that we...we've been . . . *(timer sounds)*. . . doing some exploration, to see if we could find those kinds of software. And we'd love to come back and talk to you further about, you know, what we've found in a...in a future meeting. As far as hiring a contractor to do that, that's certainly a possibility. We can RFP some things. There might be issues with having a contractor do things that the unions might believe might be a County process. I know that we've had lawsuits in the past for RFPing work out that they felt that the County should be doing. That would be a question. And I think Corporation Counsel would know more about what those issues are. But yeah, we would look at RFPing, but we might get into a bind with doing that.

VICE-CHAIR MOLINA: Okay. All right. Thank you very much, Madam Director. Thank you, Chair.

CHAIR JOHNSON: Okay, Councilmember Molina, I...I kind of want to call up OCS, Mr. Forrest, to speak to your first question, because...just to get his...his POV. Mr. Forrest?

MR. FORREST: Hi. Thank you for the opportunity, Chair. I just wanted to clear up a little bit of information about what's called the interest list or the registration list. I think Member Rawlins-Fernandez clarified a couple of the states that being prequalified is not required. This is just a registration list, I would almost equate it to an email list. You're going to get signed up saying that you would like to be educated, and there's going to be programs that help educate you to prepare you when a project is created. And then for the media outlets, as it is written, it does say that the Department must educate the public using media outlets. That's sort of where the sentence could stop. The word including newspaper, radio and social media, it's not requiring that they all be used. That's language we often use in legislative drafting. If we need to clear that up, that's not a problem. I'd...I'd want to add a little something about when Ms. Munsell and I spoke previously, she asked everyone if they had signed up on the Countywide Human Resources list on when you get a job. You have to through and create a profile, and

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then you select different preferences for your jobs. I went ahead and did that. It's a great system. You create a profile, you enter your name, the system asks you certain questions. You know, we could easily change those questions to which residency area are you interested in? But mainly, it's a way of collecting your data to create a profile. And I think that's a good way to summarize what that...that interest list or registration list is. It's a way for us to contact you, and we're going to email blast you when a project comes up in your area. You're going to be responsible for maintaining it. We have a lot of, I guess, email lists in the County. It's going to be similar to an email list that we already have. And I think once you establish it, the manpower would be very little, actually. It would be a great tool for our system. But that's just what I wanted to clarify, because I...I know that these new lists, what you call them is up to you.

CHAIR JOHNSON: Yeah.

MR. FORREST: Not a...not a problem for us moving forward.

CHAIR JOHNSON: Oh, good.

MR. FORREST: Thank you.

CHAIR JOHNSON: Thank you, Mr. Forrest. Okay, let me...let me just move on to Member Paltin, and then followed by Chair Lee.

COUNCILMEMBER PALTIN: Oh, Chair, I'm succumbing to some jet lag. Chair Lee can go.

CHAIR JOHNSON: Okay. All right. Chair Lee?

COUNCILMEMBER LEE: Okay, that...the language...I'm finding that the language in some places tends to be broad, vague, unwieldy at times. I don't think the Department, meaning the County, which is us, should be responsible for getting people qualified. You know, we can assist them in preparation of qualification but, you know, we don't want to be responsible for getting them qualified. There are many things that are at play with regard to qualifications, which are beyond our control, and are within the control of the applicant. So that...those words really need to be clarified. And we...because we're still on number 1, right? And then the last sentence in number 1 --

CHAIR JOHNSON: Yeah.

COUNCILMEMBER LEE: -- the part about any decision that would substantially affect the maintenance and use of the Countywide list. Now, what does that mean? Whose decision? You know, decision by whom? And which types of decisions have to be made public? So those kinds of...of language within the draft needs to really be more focused and clarified. And I think...I think by the time we look at it again, after Staff goes through it again, along with Corp. Counsel, I think we'll have a much tighter draft to look at, and something that...you know, that could easily...well, maybe not easily, but could be passed fairly soon...soon after. That's all I have. Thank you.

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CHAIR JOHNSON: Chair Lee, did you want some of the Departments or someone to respond, like OCS?

COUNCILMEMBER LEE: They could, but...but like I said, you know, getting someone qualified is not within our purview, you know?

CHAIR JOHNSON: Yeah, I understand that point. Okay, Mr. Forrest?

COUNCILMEMBER LEE: Yeah, so I don't...I don't need actual --

CHAIR JOHNSON: Oh, okay.

COUNCILMEMBER LEE: -- clarification from the -- --

CHAIR JOHNSON: I got you.

COUNCILMEMBER LEE: -- from the Staff. Thank you.

CHAIR JOHNSON: Okay.

COUNCILMEMBER LEE: I'm just pointing out my...my issues.

CHAIR JOHNSON: Um-hum. All right. So do we have anybody else? Okay, did everybody? So now we...we have also been advised that we might want to amend the section to say the Department, or its designee, must work with HUD-certified counseling agencies, plural. So it can't...it won't just be just one, so that they may work with more than one if necessary, so that the lead agency may work with other agencies. That's kind of...will help, because, like, I...I hear what you're saying, Chair Lee, but that adding a plurality to it makes it more...you know, so I...it's...it's 11:50, and we're going to just move on. So I...we're not going to do any amendments, and I know some of our Members are leaving shortly, so we...we're going to go to the last section. Moving on to Section 2.96.090(2), and then here's...I guess the Staff, if you could just share screen, we're just going to show you guys what's...what's up on this one. This is the 2.96.090(2) The Department, or its designee, must establish project waitlists of interested applicants by development. The Department, or its designee, must contact the people on the Countywide Affordable Housing Interest List that selected the residency area where the development is located. The person must inform the Department, or its designee, if they want to be placed on the project waitlist for the...for the development. So here's the definition. A Countywide Affordable Housing Interest List would be a list to register people interested in applying for available workforce housing units. A project waitlist would consist of people who were interested in specific projects. Okay, so now, that's...that's kind of...that...that...that's why, again, I wanted to put your eyes on it. You can take a look at it, and we can go another round robin, and we'll probably go to...and then recess after that first...that...that round robin. So Members, there it is on the screen, and I'll go down...I'll go in reverse order, and then I'll have the Staff remove the...take that...take off share screen, so we can have the discussion. So we'll start with Member King, followed by Chair Lee.

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COUNCILMEMBER KING: Thank you, Chair. Should I wait for them to pull it...pull the share screen down? Okay, great. Yeah, I...I think my...my main consider...you know, concern with this, is that we're...we're creating all these different lists. And if we have this...I thought the purpose of the master list was in asking people what areas they...they want...they're interested in, as far as communities, because we could pull those names off the master lists, and apply them to projects in that area. But it's just...it seems kind of cumbersome to have all these separate lists where people have to reapply for a certain project. And I thought the master list was trying to get away from that.

CHAIR JOHNSON: Okay, let me try to explain that. So we have...we have this...the big...we'll just make it real simple, the big list, and that shows that you're interested. But you know how...if you're going to get qualified, you're...it's a moving target, right? So maybe this month, I qualify for 80 percent AMI, but maybe in a year I get a divorce, all of a sudden, I'm 50 percent AMI. So in...we have the project list that would be specific for where I would be at at that time, right? And I'm interested in South Maui, or I'm...I'm interested in Central Maui. But if I was going to say, oh, I have to be prequalified, I mean, I'm prequalified for X today, but tomorrow, I...I won't be qualified for that, right? Because it's a moving target because, you know, people's lives change. So I...I wanted to kind of have the idea of like...like a registration list or interest list. I'm interested in affordable housing, I'm interested in these areas, and then when a project comes up that would apply for me like that, I could get in. Then I would say, oh, yeah, that...that...that's a project I'm interested in. And in the meantime, all of these...you know, the designees would be helping me get...get my financials in order, getting my credit score up, all that would be happening. You know, it doesn't inquire...require buy-in from me as a...as a person who's --

COUNCILMEMBER KING: But that kind of...that's kind of what we're doing right now. So this negates the need too . . . *(timer sounds)*. . . for a master list, because I thought was going to be when we applied to all projects as they come up, and then we take the people off the master list who expressed interest in...say, in Kihei to the...and...and, you know, let them know about the project in their area that's coming up. And then they...they would know at that time if they're qualified. But it...it to me, it just kind of defeated the purpose, because I see this as what we're doing right now. Right now we have a project list per project.

CHAIR JOHNSON: Right, we don't have a master list. And usually developers are running the master...the lists, right, from...per project.

COUNCILMEMBER KING: No, I *(audio interference)* idea if the Department's running the list, but what is the purpose of the interest list then, if we're going to make people reapply for each individual project?

CHAIR JOHNSON: Okay, I hear where you're coming from. I don't want to make it cumbersome, so if you want, we can have Forrest come up, and he can have his...his point of view on it.

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COUNCILMEMBER KING: I just wanted to share that, you know --

CHAIR JOHNSON: Okay.

COUNCILMEMBER KING: -- because it seems like it's way doubling up on, you know, . . .*(inaudible)*. . . efforts.

MR. FORREST: Thank you, Chair. I...I think the first list, the registration, you can also think about it as a affordable housing education program. Okay, that's going to get ready...people need to get ready for this process is what we were told in the Affordable Housing Plan. So that's what the first list is accomplishing. It is educating the public, giving them the tools that they need, so that whenever there is a project that they're interested in, they'll be ready, they'll be educated, stuff like that. The...the second list, it's a per project. That is very similar to the old...the system that we currently have. And so what the difference is, is that after there is a lottery process, the big difference is that those lottery winners will then be organized based on the duration of their residency. So that's the big policy decision, in my opinion, related to the second list is, do you want to rank the lottery winners based on how long they've been a County resident? That...that list per project is very similar, if not identical, to the current system in all other ways. And then the first list is more of an education program.

COUNCILMEMBER KING: Okay, I...I...I guess I was thinking that the recommendation of the Affordable Housing Plan was to have one master list, and start taking people off that list. They would be on there until...basically until they got a house somewhere. But, yeah, it's just...it's just different than what I was reading into the Affordable Housing...the Comprehensive Affordable Housing Plan. I'll...I'll wait and hear what other Councilmembers say as well. Thank you, Chair.

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

COUNCILMEMBER LEE: Thank you, Mr. Chair. I just have one question for the Department. In preparation for our next meeting, if they could give us some scenarios of what the cost might be to manage a master list or a...a multiple set of lists, like two or three lists. And...so that we have an idea of what kind of resources they need, and how much this is...what...what's the tab? What's the tab on this? Thank you.

CHAIR JOHNSON: Deputy Director Munsell?

MS. MUNSELL: Certainly. I appreciate that question. We can put together some kind of information if we can get there. If they wouldn't mind sending a request through the Mayor's office, we'll...we'll make sure that we're thorough about what it is that you're asking for. Thank you.

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

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COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Okay. So I think I understand it. There are two lists. One is the master list that we're calling the Countywide Affordable Housing Interest List, and that list is serving as a way to communicate to people because we're understanding that one of the problems is people aren't...don't always see the notifications, whether it's a public notice, or in the newspaper, or on the radio, or on social media. And so by having this Countywide Affordable Housing Interest List, it's one way to ensure that we're communicating to everyone who wants to be communicated to, in...regarding this...regarding affordable housing. And then the project list would be created from the Countywide Affordable Housing Interest List for specific projects, and those...that project list would then be used to...to have the lottery from. Okay. All right, I see you nodding, Chair. So I think...I think I got it?

CHAIR JOHNSON: You get 'em. Yep, you got it. Yep.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay, great. So if that's correct, then I would suggest that we not do...call anything a registration list, because that makes it sound like a separate list. And then perhaps, you know, for the title of A, it just say Countywide Affordable Housing Interest List, and project list procedure or something. And then that way it's very clear from the...from the beginning that there are two lists, and this is how you get onto that list. Mahalo, Chair.

CHAIR JOHNSON: Okay, Staff's taking notes. I...I...you know, that is...we've had internal dialogue with this for quite some time, trying to figure out how we're clear, how we're trying to get to people. I...I hear you 100 percent. Okay. Thank you, Councilmember Keani Rawlins-Fernandez. I see Councilmember Paltin's hanging in there. If you're here and you want to speak here, go for it, Ms. Paltin.

COUNCILMEMBER PALTIN: Thanks. I just had a question, you know, like so much folks talk about, like, our kids having to move away because they don't have opportunity to own their own house. So I see the interest list as a good opportunity for them to, like, you know, right out of high school, turn 18, sign up on that list. They can pursue their education, get more qualified to own a home, and whatnot. Is it that they can go to college on the continent or wherever, and come back? And then for others that say maybe weren't born and raised here, is that a same situation, where they move away, and then they're still eligible on that list?

CHAIR JOHNSON: Yeah, Councilmember Paltin. We...we had that discussion as well. We're trying to do in totality. So yeah, of course, if our young kids are going off to college, they born and raised here, but they only spent five years on...on...on the mainland, but they come back. No, we still going to count in totality. So that's...that's what...to address those concerns. It's exactly what you're saying. I hear you on that one, so does that clarify it for you?

COUNCILMEMBER PALTIN: Well, I mean, I guess there's no requirement...if someone comes here like, say, maybe on vacation or, you know, they're visiting, and they love it, and now they want to get on this list, and then they go back to where they live. What is the distinguishing feature there, I guess, was my question.

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CHAIR JOHNSON: That's...that's a great question. So let's say...let's use that example. Someone comes on vacation, they see...they...they say, oh, I want to get put on that interest list. But then when a project comes up and...they click South Maui, for example, the project comes up, they rank all the people who are on that list by years of residency. So that person who has only been here for two weeks will be at the very bottom of the list. It's not out of the realm of statistical possibilities that that person might get chosen, they're at the ...but they are at the very bottom of the list. So legally, that's sound, because it's a preference, it's not a requirement, right?

COUNCILMEMBER PALTIN: So would the high school student then qualify for 18 years of residency?

CHAIR JOHNSON: Exactly.

COUNCILMEMBER PALTIN: Oh, got it. Thanks. That clarifies it for me.

CHAIR JOHNSON: Okay. Thank you so much. Members, we have one more Councilmember left, Councilmember Shane Sinenci.

COUNCILMEMBER SINENCI: Thank you, Chair. I just had one question, and I don't know who it would be directed to, but, you know, we've heard that project developers would use some of their own mortgage companies for their projects to qualify people. So would this list be...would...would those, the developers as far as...I mean, have that control over our prequal list?

CHAIR JOHNSON: Thank you for that question, Councilmember Sinenci. Part of that, the second part of...you know, it says, you know, the County, or the designee, will help you get prequalified and help you get all of the paperwork in order. Well, part of that is educating on your lender, right, because we don't like mortgage steering. So we want to say, look, as an empowered home...you know, homebuyer, I get to shop around. You know, it used to be the developer told me what bank I had to go to. So this list will connect you with nonprofits who will help you shop around for a mortgage. So that way, those days are over. If that's the...that's the intent of it.

COUNCILMEMBER SINENCI: Okay, thank you, Chair.

CHAIR JOHNSON: All right?

COUNCILMEMBER SINENCI: Thank you for that explanation.

CHAIR JOHNSON: Thank you. Okay, Members, we went around and without objections, I will recess this meeting to our next scheduled meeting at 1:30 on Monday, September 13th, 2021, using the same BlueJeans link. I'd love for Members, Corporation Counsel, and the Department to come forward with amendments during this time, and have them ready to propose on September...on the September 30...13th meeting. It...would...everyone understand what I'm asking? So we have a little homework.

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MS. YAP: Chair Johnson?

CHAIR JOHNSON: Yes?

MS. YAP: Chair Johnson, please clarify that the meeting on September 13th will be at 1:30 p.m., please. Thank you.

CHAIR JOHNSON: Oh, I...I beg your pardon, I didn't say that. Okay. Yeah, it's at 1:30 p.m. So any...Staff, did I miss anything else? It's...we're about to recess this, so...oh, go ahead, Councilmember Keani Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Did I miss it? Did you defer the items...items?

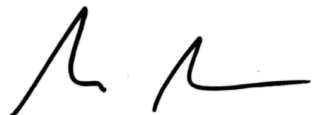
CHAIR JOHNSON: No, we're going to recess.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay, so we don't defer when we recess? Okay, got it. Mahalo.

CHAIR JOHNSON: Okay. And now, thank you, folks for sticking around an extra little bit longer. The time is now 12:04 p.m., and the Affordable Housing Committee of September 2nd, 2021 is now in recess. Mahalo, all. . . .*(gavel)*. . .

RECESS: 12:04 p.m.

APPROVED BY:



GABE JOHNSON, Chair
Affordable Housing Committee

ah:min:210902:kr

Transcribed by: Kaliko Reed

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CERTIFICATION

I, Kaliko Reed, hereby certify that pages 1 through 57 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 6th day of October 2021, in Wailuku, Hawai'i



Kaliko Reed