

# **AFFORDABLE HOUSING COMMITTEE**

**Council of the County of Maui**

## **M I N U T E S**

**November 1, 2021**

**Online via BlueJeans Link**

**CONVENE:** 1:37 p.m.

**PRESENT:** VOTING MEMBERS:

Councilmember Gabe Johnson, Chair  
Councilmember Michael J. Molina, Vice-Chair  
Councilmember Tasha Kama  
Councilmember Alice L. Lee (in 1:52 p.m.)  
Councilmember Tamara Paltin  
Councilmember Keani Rawlins-Fernandez  
Councilmember Shane M. Sinenci  
Councilmember Yuki Lei K. Sugimura

**EXCUSED:** Councilmember Kelly Takaya King

**STAFF:**

James Forrest, Legislative Attorney  
Shelly Espeleta, Supervising Legislative Analyst  
Alison Stewart, Legislative Analyst  
Laksmi Abraham, Legislative Analyst  
Wilton Leauanae, Legislative Analyst  
Rayna Yap, Committee Secretary  
Kristeena Locke, OCS Assistant Clerk

Mahina Poepoe, Executive Assistant for Councilmember Keani Rawlins-Fernandez

Autumn Ness, Executive Assistant for Councilmember Gabe Johnson

Evan Dust, Executive Assistant for Councilmember Tasha Kama

Davideane Sickels, Executive Assistant for Councilmember Tasha Kama

Kate Griffiths, Executive Assistant for Councilmember Gabe Johnson

Jordan Helle, Executive Assistant for Councilmember Yuki Lei Sugimura

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

Stacey Moniz, Executive Assistant for Councilmember Gabe Johnson

Lois Whitney, Executive Assistant for Councilmember Tasha Kama

Ana Lillis, Executive Assistant for Councilmember Michael J. Molina

Roxanne Morita, Lanai District Office

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**ADMIN.:** Linda Munsell, Deputy Director, Department of Housing and Human Concerns  
Clyde “Buddy” Almeida, Housing Administrator, Department of Housing and Human Concerns  
Johann Lall, GIS Analyst V, Department of Planning  
Daniel Kunkel, Deputy Corporation Counsel, Department of the Corporation Counsel

**OTHERS:** Mike Moran, Kihei Community Association (AH-2(2))  
Lisa Darcy, Share Your Mana (AH-14(2))  
Lawrence Carnicelli, VP of Development, Alaula Builders (AH-2(2))  
Doyle Betsill, President, Alaula Builders (AH-2(2))  
Others (2)

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

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CHAIR JOHNSON: . . .*(gavel)*. . . Will the Affordable Housing Committee of November 1st, 2021 please come to order. I’m Gabe Johnson. I’m your Chair for the Affordable Housing, and present with me is my Legislative Analyst *[sic]* Kate Griffiths. And as required by the Governor’s most recent emergency proclamation, Members at non-public locations should state who, if anyone, is present with them. Members, joining us today are Committee Vice-Chair Mike Molina...and we do have the greeting, it’s da’anzho. So da’anzho to you, Mike...Councilmember Molina.

VICE-CHAIR MOLINA: Aloha and da’anzho to you, Mr. Chair, and my colleagues, and to everyone joining us for this Affordable Housing meeting today on Monday, November 1st. For the record, I’m at home, and in the next room is my wife doing her work as well. Aloha, Mr. Chair.

CHAIR JOHNSON: Aloha and da’anzho to you. Next, we have Councilmember Tasha Kama. Da’anzho to you, Councilmember Kama.

COUNCILMEMBER KAMA: Aloha ‘auinalā, Chair, and da’anzho to you and to all of my colleagues. I’m here in my room, and I am by myself.

CHAIR JOHNSON: Wonderful. Next, Council Chair Alice Lee is excused. Next, we have Councilmember Tamara Paltin. Da’anzho to you, Councilmember Paltin.

COUNCILMEMBER PALTIN: Aloha ‘auinalā and da’anzho kākou mai Malu Ulu O Lele. I think the high tide killed the surf. And I’m over here in the West Maui District Office with my aide, Angela, who’s more than six feet away.

CHAIR JOHNSON: Gotcha. Okay. Next, we have Council Vice-Chair Keani Rawlins-Fernandez. Da’anzho to you, Councilmember.

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COUNCILMEMBER RAWLINS-FERNANDEZ: Aloha ‘auinalā, Chair, mai Molokai nui a Hina. I am here at the Molokai District Office, trying to get my computer restarted. I’m by myself on this side of the office. And da’anzho to you, and da’anzho kākou.

CHAIR JOHNSON: Wonderful. Next, we have Councilmember Shane Sinenci. Da’anzho to you, Councilmember Shane Sinenci.

COUNCILMEMBER SINENCI: Hey, da’anzho, Chair. And aloha ‘auinalā kākou mai Maui Hikina. I am home at the hale, by myself.

CHAIR JOHNSON: Wonderful. Okay. Finally, we have Councilmember Yuki Lei Sugimura. Da’anzho to you, Councilmember.

COUNCILMEMBER SUGIMURA: Da’anzho to everyone. And I’m here in Kula, and my husband is on the first floor, probably in his office.

CHAIR JOHNSON: Okay. Now, as we all know, Councilmember Kelly Takaya King is excused today because she’s away on business. So joining us from the Administration today is Housing and Human Concerns Deputy Director Linda Munsell, Deputy Corporation Counsel Dan Kunkel. Our Committee Staff is Legislative Analyst Alison Stewart and Laks Abraham; Committee Secretary Rayna Yap; Legislative Attorney James Forrest; Assistant Clerk Kristeen [sic] Locke. So let’s move on to our testimony today. Our agenda items are AH-2(2) Hale Kaiola Residential Workforce Housing Agreement, and AH-14(2) Comprehensive Affordable Housing Plan: The Right to Housing. Testifiers can join the BlueJeans meeting using the information on the agenda. Written testimony can be sent at any time using the eComment link at [mauicounty.us/agendas](http://mauicounty.us/agendas). Oral testimony is limited to three minutes per item. While waiting for your turn to testify, please turn off your microphone and video. When you’re called upon, please unmute yourself, state your full name, and if you’re testifying on behalf of an organization, or if you’re a paid lobbyist. If you joined this meeting on BlueJeans, Staff will add your name to the testifiers list. The link on the list will be posted in chat, and you may chat if you wish to be added or taken off of the list. Chat should not be used to provide testimony or comments during the meeting. If you do not wish to testify, or once testimony is closed, you will be disconnected from BlueJeans. Please continue to view the meeting on *Akakū* Channel 53, Facebook Live, or on the [mauicounty.us](http://mauicounty.us) website. Mahalo for your cooperation. Members, I would like to proceed with oral testimony, without any objections.

COUNCILMEMBERS: No objections.

**COUNCILMEMBERS VOICED NO OBJECTIONS** (Excused: AL, KK)

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

**. . .(BEGIN PUBLIC TESTIMONY). . .**

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MS. STEWART: Yes, Chair. There are two people signed up to testify. The first is Mike Moran, to be followed by Lisa Darcy.

MR. MORAN: Da'an-zho, Chair Johnson and Committee Members. If my faulty memory is correct, I believe November is...been dedicated as Native American month, so perhaps that's where Chair Lee got the Apache greeting for today. Mike Moran for the Kihei Community Association, and we're testifying on AH-2, on the Hale Kaiola project. At KCA, we always ask developers to please come to us early in the process. It's kind of pointless to have a fully developed project, and then say okay, KCA, what do you think? And then we make a suggestion, and they go, too late, we've already decided everything. So we really have to commend the developer on this project, who came to us certainly before they had purchased the land, and it seemed like it was just a consideration of a small group of people. And we had several meetings with them before it...it started going through the actual process. So we commend them for that, and we did make a point to the developer on the location of this project. It just so happens that they are surrounded...I live...personally, I live about a block away from the land. Your traveling ambassador over in Scotland, she lives about two blocks away, and Vernon Kalanikau is also about two blocks away. So we told them that the community has really got a close eye on this. People are going to watch you guys closely. And we think they did all the right things. Granted, it's only 40 units, and we know how many we need, but 40 units is certainly a step in the right direction. It's in a reasonable location, where they have two very close accesses to the Pi'ilani Highway. So that makes...you know, reduces the traffic issue considerably, and it's...it's near all the things we want a family project to be near; near recreation, near schools, near shopping...so it's certainly in a good location. And then also our...coordinated with...with...with you folks, with the Council, we convinced them to keep the . . . *(inaudible)*. . . basic starting price for the least unit under 300,000, and we feel that's reasonable. Is it affordable? Well, we can always go back and forth on what's affordable. But we feel like that...compared to others, that's very reasonable. And we also did, in joint with the Council, get them to commit to 20 years. They were originally talking about 10, then maybe 15. So everything...it seems to be a compromise, but we feel that this is a very reasonable project, and hopefully this is the last piece of action that can take place before they can start building it and...and get . . . *(timer sounds)*. . . Mahalo for the opportunity to testify.

CHAIR JOHNSON: Thank you, Mr. Moran, for your testimony. Members, do we have any questions for our testifier? Seeing none, thank you once again, Mike. Aloha.

MR. MORAN: A hui hou.

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

MS. STEWART: Yes, Chair. The last testifier on the list today is Lisa Darcy.

MS. DARCY: Good evening, Council, Lisa Darcy from Share Your Mana. I am not a paid lobbyist, and I am a member of the Commission on Healing Solutions for Homelessness. Nice to see everyone. And I'm really happy to be able to testify on AH-14(2), which speaks to the right to housing. I know many of you for quite a long time, and

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Councilmember Molina, I've known you for almost two decades, advocating for mental health and housing, and I think the context is really important for this particular item today. It's...it's even more important, because when I came to Maui to assist, it was in a crisis, and I have only seen it continue to worsen. And I think there's a couple of things that are really important. One of them is the right to housing. I have a couple of recommendations on language and/or some small pieces. I also want to say with the awareness that there is lack of inventory in the traditional sense of housing, and witnessing how devastated this community has been during the pandemic, that if we have to create laws in order to provide safety for residents, then...then let's...let's do it. I would, of course, like to see an Administration and a Director of Housing and Human Concerns that champions this without laws. In that absence, I'm fully supportive of this to move forward. I have a couple of recommendations. One is just the concept of safety, and I know that you're using the term housing, but really, it's just about having a place where people are safe. And whether that's their belongings or with their...they're sleeping with their pet, it's really about safety. It's not necessarily traditional apartments or housing, it's really about safe shelter. I have, number one, on paragraph Number 2, under whereas UDHR, just the language. It says everyone has the right to a standard of living. I would say every resident. And you also go on to say wellbeing of himself and of his family, and just of them or their family. Just, you know, make it a little more neutral. In the fourth paragraph, whereas adequate affordable housing and shelter must be accessible to all, with special considerations given to vulnerable groups, I would also add it says seniors, children, the physically--and I put psychiatrically and developmentally disabled. They're...they're...they're different, and it's really important that those get noted. Developmentally disabled is very different than anyone who has a psychiatric disability, and that's important to note. I also have one that I would maybe add under the ninth paragraph . . . *(timer sounds)* . . . and just to state that adequate inventory be provided for all residents to reside in safely. I...this is a...this is really also, more importantly, an issue of the amount of inventory that we lack, so...and that can come in many different shapes and sizes, so...anyway, there are some other smaller things, but thank you for this opportunity, and thank you for doing this work.

CHAIR JOHNSON: Thank you so much.

MS. DARCY: Thank you for doing this work, all of you. I really appreciate you.

CHAIR JOHNSON: Okay, we have a question for you, Ms. Darcy, from Councilmember Shane Sinenci.

COUNCILMEMBER SINENCI: Thank you, Chair, and aloha, Ms. Darcy. I didn't catch the last one that you mentioned, sorry.

MS. DARCY: So the last piece that I mentioned is really the umbrella. It...the umbrella is to adequate...I guess you would...be it resolved, that adequate inventory be provided for all residents to reside in safely. And I say inventory, you know, shelter. It's...we really have to approach the way people are living differently in the...in the depth of crisis that we're in, and I...and we don't have enough...we don't...even nearly enough shelter beds for people. So the concept of housing is very traditional. I think it's just that there's got

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to be adequate inventory for safety, and whether that would be safe parking lots, or a...you know, other creative things. There just needs to be a place where people are always going to be safe, and not in harm's way, or in threat of being cited or arrested. That...that's really what I'm trying to cover there.

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

CHAIR JOHNSON: Thank you. We have a question from Councilmember Sugimura for you, Ms. Darcy.

COUNCILMEMBER SUGIMURA: So just a clarification. Could you then submit what you just said to us in writing? . . .*(Inaudible)*. . . amendments.

MS. DARCY: Yeah. . . .*(Inaudible)*. . .

COUNCILMEMBER SUGIMURA: Did you?

MS. DARCY: Yeah.

COUNCILMEMBER SUGIMURA: I didn't see it.

MS. DARCY: No, I'm...I'm...I can take a picture or two, and I've got some other ideas. See, the problem is that I...I haven't been able to get all of this stuff in writing, and I always assume when I come here and I give testimony, it's supposed to go, but then write it all up, because I'm...I'm often doing 20,000 things, as you know. I will do my best. Yes.

COUNCILMEMBER SUGIMURA: Thank you.

CHAIR JOHNSON: Okay. Any other questions for our testifier? Seeing none, thank you, Ms. Darcy. Oh, we do have one from Councilmember Keani Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Sorry, . . .*(laughing)*. . . that's what it looks like in my brain. Aloha, Ms. Darcy. Mahalo for your testimony. . . .*(laughing)*. . .

MS. DARCY: . . .*(Inaudible)*. . .

COUNCILMEMBER RAWLINS-FERNANDEZ: I just...it's...it's not a question. I just...it's just a follow up on Member Sugimura's request. And if your testimony isn't written, if you go into the top right, Apps, and it goes meeting highlights, and you click on transcription, if your end is able to see that side, you can copy and paste everything that you said into a document, or if we as Councilmembers want to do that, we can.

MS. DARCY: Yeah. Yeah, you know, I have no support staff and no one to bring me coffee. And I'm caring for my mom right now, in addition to trying to keep up with what's happening in Maui County. So it's...I'm a little...I'm...I'm...I'm not equipped. So...you know. Yeah, but thank you. That's pretty cool, I didn't know that. Thank you.

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COUNCILMEMBER RAWLINS-FERNANDEZ: You're welcome. So yeah, it...everything that you just said is all written here for our reference if we wanted to...if we wanted to see it.

MS. DARCY: Thank you.

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

CHAIR JOHNSON: Okay. Thank you for that. Members, any other questions for Ms. Darcy? Seeing none, thank you so much for your testimony.

MS. DARCY: Bye.

CHAIR JOHNSON: Hold on. I'd...I'd like to recognize Chair Lee, who just came on the call. And I saved a greeting for you, it's da'anzho to you, Chair Lee.

COUNCILMEMBER LEE: Well, thank you, Mr. Chair. Da'anzho to you, and I'm here alone in my office. And good to see you. I apologize for turning in late, but I am up to my head with meetings today. Thank you.

CHAIR JOHNSON: Preaching to the choir on that one. I...I understand that. Okay. Ms. Stewart, are there any...any other testifiers?

MS. STEWART: No, Chair.

CHAIR JOHNSON: Okay. This is the last call for testifiers. If you wish to testify, please unmute your audio and/or video, and identify yourself. Seeing that there is no more individuals wishing to testify, without objection, I will now close oral and...oral testimony.

COUNCILMEMBERS: No objections.

**COUNCILMEMBERS VOICED NO OBJECTIONS** (Excused: KK)

CHAIR JOHNSON: Okay. So ordered.

**... (END PUBLIC TESTIMONY) ...**

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### **AH-2(2) HALE KAIOLA RESIDENTIAL WORKFORCE HOUSING AGREEMENT (CC 21-18)**

CHAIR JOHNSON: Moving along. Okay, Members, we're at AH-2(2) Hale Kaiola Residential Workforce Housing Agreement. So our first item on the agenda is AH-2(2), and we have correspondence before us, with a revised proposed resolution to authorize the Director of Housing and Human Concerns to enter into a marketing plan as part of the Residential Workforce Housing Agreement for Hale Kaiola. As you...as you recall, the Hale Kaiola Residential Workforce Housing project was approved with modifications under Chapter 2.97, Maui County Code, on September 11th, 2020, by Council Resolution 20-122. The project consists of 40 duplex units for sale in Kihei to qualified buyers earning between 80 and 140 percent AMI. A copy of the Resolution 20-122, with the approved exemptions and modifications, are attached as Exhibit 1 in the revised proposed resolution. So Deputy Director Linda Munsell is with us today, and can provide a summary of this item, and why Council action is required. I would like to propose legislation to amend Chapter 2.97 at a later date so that a provision is in place to address this matter for any future 2.97 projects. So let's...let's call upon Deputy Director Linda Munsell. Good afternoon, and da'anzho to you. Let's see --

MS. MUNSELL: Good afternoon, Chair, Committee Members. Da'anzho. My name is Linda Munsell, I'm the Deputy Director for the Department of Housing and Human Concerns. We really appreciate your time this afternoon in consideration of this resolution approving a marketing plan for Hale Kaiola. You've...you've talked about what the project is, it's that 40-unit duplex project. It's a 100 percent workforce project, and as mentioned, it was approved under Chapter 2.97 last...about a year ago. Under Chapter 2.97, there is no marketing plan which outlines what happens to a workforce unit if it's not sold with deed restrictions at the designated affordable prices. Further, the ordinance also does not give the authority to the Director to independently enter into a marketing plan with the developers outside of the process...Council process. As a result, we're here today to request your approval for the Director to enter into a marketing plan with the developer. A copy of that proposed plan is attached to the resolution you have before you. It's modeled very...very much after the marketing plan which is found in 2.96.90 D.4. You're all familiar with that...with that marketing plan. There are two changes to the usual marketing plan that are included in this proposal for Hale Kaiola. First, the developer has agreed that the units would be offered for sale to each income preference group for 180 days, instead of the usual 90 days, before those units move up to the next income level. In addition, they also agreed that if the units are not sold during the restricted marketing period...during the restricted marketing period, rather than being sold at market prices, those units would be allowed to be sold without the deed restriction, but at a sales price that would not exceed a price that would be affordable to families earning *(audio interference)* percent of the median income. If approved, the plan would be incorporated into the workforce housing agreement with the...with this developer. I know that there are developer representatives here, and...and I'll remain here as well, if you have questions. I really appreciate your time and consideration of this item today.



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CHAIR JOHNSON: Okay. Members, do we have any questions for Linda Munsell in regards to what...what she...she was just speaking on? We do have one from Councilmember Molina. Go ahead.

VICE-CHAIR MOLINA: Thank you, Mr. Chair. Good afternoon, Madam Director. Very quickly, what was the reason again, a marketing plan was not included in Hale Kaiola's original application? Was this an oversight, or if you would refresh my memory on that, please.

MS. MUNSELL: Yeah, thank...thank you for the question. Hale Kaiola was our very first 2.97 project. We hadn't had a project like this before Council or Committee prior to this. And when we were going through the...through the ordinance and through the approval process, one of the things that came up for discussion, I think Ms. Lee actually wrote it...brought it up, was about the...a marketing plan. And when we went back to look at the ordinance during that...that meeting, it was found that there was not a marketing plan allowed through the ordinance. So it never...it was never incorporated. So Miss...Ms. Lee actually made a valiant attempt to have it included, and then it was not. We should have given an opportunity for the developer to actually comment when it was...when I actually brought up the fact that the marketing plan was not allowed under the ordinance. So yeah, that's something that was discovered in the process of our first...our first project coming to Council.

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

CHAIR JOHNSON: Okay, thank you, Councilmember Mike Molina. We do have a question from Councilmember Paltin.

COUNCILMEMBER PALTIN: Thank you, Chair. Thank you, Deputy Director Munsell. I just was wondering if we're going straight from a 20-year deed restriction to zero deed restriction? Was there no drop it down to ten years, or anything of that nature? Because I mean if you're going to still sell it for the affordable housing price, like...and correct me if I...I'm understanding it incorrectly, but you're going to sell it for the affordable housing price to anybody? Not anyone that meets the workforce qualifications; is that correct?

CHAIR JOHNSON: Deputy Director Munsell?

MS. MUNSELL: Thank you for the question. The way that this was written, it would be sold to anyone, but the...the sales price would be restricted to 140 percent of area median income.

COUNCILMEMBER PALTIN: So it...it would sound to me like a speculator's dream, to buy a home at an affordable house price, without meeting any income criteria, and then being able to flip it at any time that they would like to. And that's kind of not what I feel like I signed up for when passing this project. Because I mean, it's like so not what we want to see. We...we want to put affordable...we want to put our workforce into these affordable housing, and it looks like it turned into anyone can buy a cheap place, and then speculate it, and turn it over at any time. I mean, am I missing something?

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MS. MUNSELL: Thank you for the --

CHAIR JOHNSON: *(Audio interference)*

MS. MUNSELL: Thank you for the question. That's actually what happens now to these workforce projects. The difference is, the price is not restricted. So you know, under 2.96, if they've gone through the marketing period and have made a valiant attempt to sell these, then they are allowed to sell it to whomever. Perhaps we could ask the developer if they would like to comment on that. I know that they've been looking at selling these projects...or these units. So maybe we could ask the developer, if you wouldn't mind, if we could ask your permission.

COUNCILMEMBER PALTIN: Cool with me.

CHAIR JOHNSON: Okay. Let's ask Alison Stewart. Can we bring on Lawrence Carnicelli to speak to this?

MS. STEWART: Absolutely, Chair, if you'd like to designate him...have him designated as a resource person.

CHAIR JOHNSON: Okay. Without objection, I'd like to designate Lawrence Carnicelli as a resource person.

COUNCILMEMBERS: No objections.

**COUNCILMEMBERS VOICED NO OBJECTIONS** (Excused: KK)

CHAIR JOHNSON: And what's the...isn't there...isn't there a point of order to this? Oh, go ahead, Councilmember Keani Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. I...I don't have any objection, I just wanted, for the record, his title and connection to this project.

CHAIR JOHNSON: Well said. I think he's community relations. Can we ask him to tell him...tell us what that is? Because I...I think he's community relations, but it would probably be better if he explained. Oh, VP of Development for...what's your title there, Lawrence?

MR. CARNICELLI: Da'anzho, Chair and Councilmembers. Thank you for allowing me to...to chime in, and good to see you all. Lawrence Carnicelli, I'm the Vice President of Development for Alaula Builders, who is the developer on this particular project. So to...if you go to the revised resolution, and you go to the very last page of that revised resolution, that's the "change," quote, unquote. That's what's being introduced here. So Member Paltin is...I think that what you did is you skipped ahead. Because what normally happens in these projects is what...actually what you guys have just decided to change is you market to a particular income group; if you can't sell it to that income

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group, you know, then you can go up to the next income group as well, price stays the same, but it goes up to the next income group. So if you look at the way that this goes, is it does that, but instead of going to market, it never goes above 140, because it's 100 percent affordable. So it has to stay in the affordable range. So it only goes to somebody without a deed restriction after it's gone through the entire process, which it normally does, which is what you guys already have talked about. The reason why this one was 180 days instead of 120, which is...or 90, what...what you guys have already talked about is because a year ago, when Councilmember Lee brought this up, that's what was agreed to at that time, even though it didn't get inserted. So instead of trying to revisit that, and saying hey, listen, it was already agreed to a year ago, you know, nine out of nine of you voted in favor of it at that particular time. And so we said hey, listen, we're not going to try and do something new. This is basically just a formalization of what was agreed to last year. If that makes sense.

COUNCILMEMBER PALTIN: So if I could follow up, Chair...or would you like me to wait until next round?

CHAIR JOHNSON: Go ahead, Ms. Paltin, I don't see any other hands up.

COUNCILMEMBER PALTIN: Okay. So I guess when we agreed to it being 100 percent affordable, and it would never not be affordable, I didn't think that it was going to be affordable to folks making billions of dollars or...or like that. I thought it would remain affordable for our income-qualified families or our residents. But it looks as though like...you know, if there's no non-residents, then it'll go to...I mean, if there's no residents, it'll go to non-residents, and then it'll not be deed restricted. And so each step of this is getting us further and further of where we thought we were going, it seems like. And I guess, you know, to me, like we kind of brought this up when we were passing the project, that . . . *(timer sounds)* . . . a lot of these types of townhouse developments end up flipping out of affordability, and then what was told to us is like, well, this will never flip out of affordability. And I guess we didn't...we just...that sounded good to us. I didn't realize that it was going to not flip out of affordability, by then being open to non-income-qualified folks or non-residents, or then not be deed restricted. So I guess it's on us for not asking those questions, maybe?

CHAIR JOHNSON: Mr. Carnicelli?

MR. CARNICELLI: Well, I mean, I understand the concern. I mean, yeah, as you know, this is a conversation we've been having for a long time, not just for this project, but just in general. You know, you guys have just...I believe you're in the process of passing the changes to this particular ordinance as it is. We don't want to wait a year and a half, two years. I mean you're talking about 180-day increments. We don't want to wait that long. And just so you know, I'm not really worried about this personally. We haven't even started marketing yet, we've kind of just put it out there, we have a little website up. We have over 1,000 names right now. We have over 1,000 names, and we haven't even been allowed to do marketing yet. So as far as it, like, flipping out into whatever it's going to do, personally, you know, that's not what we're trying to do. You know, this is a 100 percent affordable project. This isn't a partial project or anything like that.

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And we don't want to sell to non-residents. You know, we're the only...the only guys using 2.97 for for-sale. You know, we're...this is what we want to do, is build homes for local folks. And so it's just like...it would be a loss for us if it got to that point, in our minds.

COUNCILMEMBER PALTIN: And...and you're...like, I mean...like they said, this is the first of its kind, and so I guess the data from this will determine, like, you know, decisions moving forward, because we haven't seen too good situations with multi-family, affordable, for-sales. And when there's full sellout, will we get a reporting of, you know, how many were sold in the correct income bracket, the prices, resident/non-resident, deed restricted/not deed restricted? Will that information be coming to us? I guess question for Deputy Director Munsell, if...if we'll get a full reporting of how it ends up?

MS. MUNSELL: Chair?

CHAIR JOHNSON: Go ahead, Deputy Director Munsell.

MS. MUNSELL: Yeah, thank you for the question, Ms. Paltin. Yes, at the end of every project, they...the developers are required to submit documentation to the Department so that we can evaluate and...and ensure that the units are sold as they're intended. So we do get all that documentation. We don't typically send that further into Council for your review, but we will...we do collect that information.

COUNCILMEMBER PALTIN: Okay, thank you. Just saying, because Kahoma Villages was a disaster over here in West Maui, and we don't want to see that happen again. Thank you, Chair.

CHAIR JOHNSON: Okay. We have a question from Councilmember Shane Sinenci next.

COUNCILMEMBER SINENCI: Thank you, Chair, for my opportunity. I'm just trying to wrap my head around this. So it looks like the terms for Kaiola is that we don't...there is no restriction, as far as a 10-, 15-, 20-year restriction? You can still sell it before that time, it'll just stay at that affordable rate, Ms. Munsell?

MS. MUNSELL: Chair?

CHAIR JOHNSON: Go ahead, Deputy Director.

MS. MUNSELL: Thank you...thank you for that question. So it's deed restricted for a certain period of time. And if someone has a need to sell during that deed-restricted period, there is a shared equity process that goes through...that we have to go through. So they can't simply just sell it on the market. They have to, you know, sell it to an appropriate...either the County buys it, or they have to sell it to an appropriately income level at...at a price that's set, so it won't go on the market.

COUNCILMEMBER SINENCI: And the deed restriction was for 20 years, I believe?

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MS. MUNSELL: Yes, this deed restriction on this project was for 20 years.

COUNCILMEMBER SINENCI: Okay, was there a chance for the County to have first right of refusal?

MS. MUNSELL: Yes. Thank you for the question. Yes, usually when the owners of these homes decide that they might want to sell, they send a notice to the Housing Division, or to the Department. And then we send...we do an evaluation on the...the buyback price. And then their decision is made on whether the Department wants to purchase that unit, or whether we can...we want them to sell it to a affordable buyer. So they would have to do their own marketing, but it would be sold to an affordable buyer at an affordable price.

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

CHAIR JOHNSON: Okay. Members, do we have any more questions? I...I guess I'll speak on what Mr. Carnicelli was mentioning about how we do have legislation down the pipeline. In fact, we're going to see it second final reading on Friday of this week in the Bill 111 that's going to reform a lot of this. And so they...but that doesn't apply to this. So I don't know if anyone has amendments, or food for thought, or any kind of more discussion on this, but this was done before I was...was...was here, so I kind of...I'm...I'm torn. I want to respect what you folks did before, you know, and there is stuff coming down the pipe that...that will address this, but I'm...I'm willing to listen to the body and hear what you guys have to say, and listen to the Department, as well as the developer. So I'm just here to host discussion and...and...and hear if anybody wants to add to it, or maybe we can just entertain a motion. Whatever you guys feel like you're up for. But that's really where I was just listening and, you know, I'm...I'm balancing; I respect what the previous Council did, and we also have stuff coming down. So I'll call on Councilmember Keani Rawlins-Fernandez, she had her hand up. Go ahead, Councilmember...followed by Councilmember Molina.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. I guess this question would be for Mr. Carnicelli. I...I...I still don't understand why there would be no deed restriction.

MR. CARNICELLI: Thank you, Councilmember Rawlins-Fernandez. Is...I...I guess as it works its way through, right? So it goes is...and this is...it's taken from the ordinance, right? It's 2.96, actually, this is a 2.97, is you...we start off at, say, the 80 to 120 number. The number stays there. It then ratchets up. You can also market then to 100 to 120 people as well --

COUNCILMEMBER RAWLINS-FERNANDEZ: Right. Right. I get all that part.

MR. CARNICELLI: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: So --

MR. CARNICELLI: So instead of going to market --

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COUNCILMEMBER RAWLINS-FERNANDEZ: -- when *(audio interference)* --

MR. CARNICELLI: Instead of going to market, it's...if...I guess if you look at the end, as...as...as I understand it to read...and again this is--you know, maybe you can go to Corporation Counsel, is--is instead of it going to market at the end like it normally would, it doesn't go to market, it caps at...at the 140. So instead of going to market, it just caps it at that. So it's the same thing it would normally do, but instead of saying going to market, it stays below 140.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay, so the...the reason that I'm hearing that you're asking for there to be no deed restriction on those houses that hypothetically wouldn't be sold to the AMIs as they make their way through the different levels, is because you want to try to make it more attractive to potential buyers. *(Audio interference)*

MR. CARNICELLI: Well, I guess is...is it's trying to remove layers, right? As you go, it's like okay, we're trying to...right now, we can market to these...these people, then you can market to this, and you go and you just try to...that's what...I just...I didn't write this, right? This is just coming from the...coming from the Code.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. So...all right, Deputy Director.

MS. MUNSELL: Yeah.

CHAIR JOHNSON: Deputy Director Munsell?

MS. MUNSELL: Yeah, thank you. Thank...just...just so that I could comment on this. I'm...so the Kahoma project just comes up as an example of a project that didn't go very well, that didn't sell with deed restrictions. And what we've done when we looked at the sales prices and the sales of that project, what we're finding is that the units aren't...not necessarily selling for more than the affordable sales price, but nobody's interested in purchasing them with the deed restriction. That's the case in several instances in the Kahoma project. That's also the case in the Kamalani project. So it's not the price that has been...appears to be a problem necessarily, it's the deed restriction itself.

COUNCILMEMBER RAWLINS-FERNANDEZ: Right. But it is partly the price. Because the houses that end up going to market are the ones that are at 140 AMI. It's not the 80 percent AMI.

MS. MUNSELL: I don't...I'm...I'm sorry. I...I don't have the data right in front of you...front of me --

COUNCILMEMBER RAWLINS-FERNANDEZ: Oh, I remember --

MS. MUNSELL: -- but we did --

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COUNCILMEMBER RAWLINS-FERNANDEZ: -- that being the case.

MS. MUNSELL: Thank you.

COUNCILMEMBER RAWLINS-FERNANDEZ: And so I...I'm...it's because it's so close to market, why would anyone want to purchase a house? They would rather purchase a house for a little bit more, and not have the deed restriction, and not have to go through all the paperwork, and...and having to be qualified and provide their financial statements. Like, I mean, I...I get all that. Which is why we've been saying stop with the 140 AMI, it's too close to market. People don't want to, you know, buy it with the deed restriction, it's...it's not a good deal. And it's...it's...it's a façade.

CHAIR JOHNSON: Okay. I will...I will add to what you're...you're saying, Councilmember Keani Rawlins-Fernandez. Because I...Will Spence had did a presentation on this. I looked it up back in...you know, two years ago when this went through the Council. And Will Spence posted the amount of savings per home that some of these homes are going to get, they're going to only get \$55,000 off of market rate. So are you going to buy a house that's got deed restrictions, and you're only going to save 55 grand? That's why these houses at the 140 percent AMI are so darned hard to...to sell. If I'm a buyer, and I...I'm making 140 percent AMI, I'm kind of...I'm doing pretty well for myself. But if I'm going to buy a house that has deed restriction, and I'm only saving 55 grand, that's...I don't know, maybe I choose to wait, or --

COUNCILMEMBER RAWLINS-FERNANDEZ: Chair, 55,000 or 5,500?

CHAIR JOHNSON: The...they have...every...every ranking, you save a certain amount, right? So for...for that --

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. I...I --

CHAIR JOHNSON: -- so 55,000.

COUNCILMEMBER RAWLINS-FERNANDEZ: 55,000?

CHAIR JOHNSON: Yeah. From the market, per home. Yeah. And that's from Will Spence's presentation that he gave to you guys back in...back when I wasn't in the Council. I looked it up, so...I mean now, if you're talking about the low end, they're...they're savings per home is 120,000. And that makes sense, people will buy that, right? So the high end ones, they're hard to sell. I think...I've heard that from many different developers. When it's at 140 percent AMI, they're harder to sell, because why would you, if you're only saving 55 grand, and you've got a deed restriction on it. So I'm just adding to what you...you...you were just speaking on, Councilmember Keani Rawlins-Fernandez. So I do have a question from Councilmember Paltin. So Ms. Paltin, would you like to speak on that, or do you have...whatever you have?

COUNCILMEMBER PALTIN: Thank you, Chair. My question was for you. So this...I don't...I don't see the difference between Exhibit B and Exhibit 2. But my question was, you're

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saying we can make a motion to accept this proposed marketing plan, and we can make amendments to it? Because I would imagine at the point where we open it up to...I think there's missing one step, if I'm...if I'm understanding this correctly. At the point where it's opened up to the general public, and not to income-qualified folks, we should keep the deed restriction on for...for a little bit more. You know, because now it's just anybody can buy this affordable home that's affordable to people who are in the 140 percent. So say you have somebody making like 200 percent area of median income, and they can buy this deal, I think it should remain deed restricted for 20 years, so it's not just a speculate, turn-and-burn type of thing. I mean, that's...that's the best I can figure --

CHAIR JOHNSON: Yeah, I guess --

COUNCILMEMBER PALTIN: -- to --

CHAIR JOHNSON: -- my...my understanding is that we can make motions to pass it or amend it, but I...we...we should call up Corporation Counsel Dan Kunkel. We can bring him on to speak to that. And I want to apologize to Councilmember Molina, I guess I skipped you. I'll get...I'll get back to you after we settle this real quick. I beg...I beg your pardon. Mr. Kunkel?

MR. KUNKEL: Yes, Dan Kunkel here, and no one else is in the room with me.

CHAIR JOHNSON: Okay. Did you hear Councilmember Paltin's question, or shall she repeat it for you?

MR. KUNKEL: Yeah, I guess is there's a suggestion about amending the resolution?

COUNCILMEMBER PALTIN: Correct.

MR. KUNKEL: To yeah...to...just so that it remain restricted in this...in this particular marketing plan, the restrictions would remain in place perhaps 20 years.

COUNCILMEMBER PALTIN: At the point where we open it up to non-income-qualified people, whether they're residents or non-residents. I think that's a pretty good deal, where someone doesn't have to show their qualifications, they're getting an affordable house, and they may not be affordable folks. I think that they should kind of pay it forward for the next 20 years; if they are to sell it, not be able to turn around and sell it for \$1 million, but sell it to the next person for an affordable rate, based on the formula for the deed restriction. I mean, I...I certainly don't want to be developing houses for millionaires to turn and burn and speculate, you know, when there's such a great need for affordable. And if it's local folks that are able to buy an affordable home, and they don't meet the income qualifications, I'm...I'm okay with that, but I...I don't want it to be like, you know, you won the lottery and now you bought a house for 350,000 or 500,000, and in a year we see you selling it for a million. You know, that's the kind of stuff that folks really can't stomach, I think. I can't.



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MR. KUNKEL: Yes. And so what is the...the question then, to me; whether this would be legal?

COUNCILMEMBER PALTIN: If we can add a intermediary step, where instead of just going to...opening it up to anybody, regardless of their income qualification, but keep it deed restricted --

MR. KUNKEL: Yeah.

COUNCILMEMBER PALTIN: -- at least for another 180-day period, at the least?

MR. KUNKEL: Yeah, I...I would need to look that up further to give you a definitive answer on that. I'm sorry, but yeah, I...I...I can't answer that off the top of my head. But it's...it's something that the Department of Corp. Counsel could look into, if you desire.

CHAIR JOHNSON: Okay --

COUNCILMEMBER PALTIN: Sure, I desire. Thank you.

CHAIR JOHNSON: Yeah, okay, thank you for that, Mr. Kunkel, if you could. Let's ask Mr. Forrest, and see if he...he can add on to this, and then we'll get to...we'll clear this up and we'll get on to Councilmember Molina's point.

MR. FORREST: Hi. Thank you, Chair. This is James Forrest. I...I would...I would say that you do have the right to amend this. This is a contract between the two parties. I think in the past, we have really tried to make it to where the developer agrees to the...the changes, which we might want to ask if...if they're amenable to that. But I would like to also respect Corp. Counsel, and give them enough time to look this up and get back to us.

CHAIR JOHNSON: Okay. All right. So let's move on to Councilmember Molina, he's...he's been waiting. And then we'll...when...when Corporate [sic] Counsel's ready, they'll come...they'll...they'll let us know. Councilmember Molina.

VICE-CHAIR MOLINA: Thank you very much, Mr. Chair. Just a question for Mr. Carnicelli. Mr. Carnicelli, good afternoon. By needing the, I guess, separate marketing plan which has to be approved by Council, what delays or impacts has this had on your project?

MR. CARNICELLI: That's a great question. Thank you for that, Councilmember Molina. The...the biggest part of it up until now has been, you know, really trying to market the property to the public, and to...and to our...you know, our local families and trying to get them to understand what's coming. And...and to get them excited about the project, and to get people who actually could qualify, so none of this even matters, right? Like, that's really the biggest part for us, is...is, you know, if we could have, if we would have, we could have just...we would have liked to have just started marketing this thing months ago, and not have to worry about this. But you know, the brakes kind of get put on it because 2.97 just is...is...is...you know, it is what it is. And so for us, the delays are just that, is...is the fact that there might be a family that could qualify for

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this that wants to live there, but doesn't know about it yet. That's...that's really the biggest piece of it for us.

VICE-CHAIR MOLINA: Okay. Thank you for your response, Mr. Carnicelli. Thank you, Chair.

CHAIR JOHNSON: Okay. Thank you for your patience, Councilmember Molina. All right, go ahead, Deputy Director Linda Munsell.

MS. MUNSELL: Thank...thank you, Chair. I just wanted to point out in the resolution that's before you for consideration, on the first page about two-thirds of the way down. One of the whereases is that the Council must approve the proposed plan for this project, disapprove the plan, or approve the plan with modifications. So you do have the right to make modifications to this. I just wanted to point that out. Thank you.

CHAIR JOHNSON: Okay, thank you. And one of the modifications could be what Councilmember Paltin was talking about. I think...let's ask Mr. Carnicelli in regards to that, how...what his take on that is. Mr. Carnicelli, how do you feel about that?

MR. CARNICELLI: Thank you, Chair. I'm not exactly sure what the...the amendment is specifically, but I...I guess we're...we would be really okay with...if you guys just wanted to take what you're going to pass, I guess allegedly, or potentially pass on Friday, if you just want to take that language with which you guys agreed to, and make that this language, we would be amenable to that. That...that would be fine with us.

CHAIR JOHNSON: Okay. Members, do we have any other questions? Let's go with...let's go with Councilmember Sugimura, because she hasn't asked a question, and then we'll follow up with you, Ms. Paltin.

COUNCILMEMBER SUGIMURA: Thank you. So based upon what Mr. Carnicelli just said, and if we were to substitute it--this is a question for Corp. Counsel--then if we would have to repost this, or if it's going to change.

MR. KUNKEL: My understanding is that it would need to be reposted, I think, so that...yeah, so that the public can comment on it.

CHAIR JOHNSON: I thought we...one of the options on the table was we could pass with amendments, right? That's on the agenda.

COUNCILMEMBER SUGIMURA: But if it's different.

MR. KUNKEL: Yeah, I just --

COUNCILMEMBER SUGIMURA: Wait, significantly different.

MR. KUNKEL: Yeah, if it's significantly different. I don't know, to me that seems like it would be a significant difference.

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CHAIR JOHNSON: Oh, boy, we got some lawyers on the call. Go ahead, Mr. Forrest, what do you have to say to this?

MR. FORREST: I would just like to request a brief recess, so I can speak with my colleague at Corporation Counsel.

CHAIR JOHNSON: You know, I think you're reading my mind, because it seems like we...that would be the smartest way to go. Let's...let's take a recess, so lawyers can speak on that, and we can get it all sorted out. And then maybe we can do...you know, we can come together with something. We want...so let's take a recess. It's 2:29, we'll take a 15-minute...we'll take a 15-minute recess, we'll come back at 2:45. Okay. So the Affordable Housing Committee, 11/1/2021, is in recess for...until 2:45 p.m. . . .(gavel).  
..

**RECESS: 2:29 p.m.**

**RECONVENE: 2:45 p.m.**

CHAIR JOHNSON: . . .(gavel). . . Will the Affordable Housing Committee of 11/1/2021 come to order. The time is now 2:45. Thank you, Members, for joining us back after the quick recess to sort out some legal issues. I want to call on Mr. Kunkel to speak to what we were speaking of before. So Mr. Kunkel.

MR. KUNKEL: Yes. Forgive me. I'm...I am going to change my answer. I was initially trying to be on the prudent side. But I ran this by some of my colleagues, and the consensus seems to be that...that this is not substantial enough of a change to warrant the...the reposting, and also since this isn't before a full Council, it's before a Committee, that...that it would not require reposting at this time.

CHAIR JOHNSON: Okay. So we could make amendments and pass it with amendments, if we so choose. All right. So that's being --

MR. KUNKEL: Yes.

CHAIR JOHNSON: Thank you, Mr. Kunkel for that opinion, it's duly noted for the record. Let's move on to Chair Lee, she had a question. So we'll call on Chair Lee, and if anybody else wants to add, just let us know.

COUNCILMEMBER LEE: Yeah, I have a question for Lawrence Carnicelli.

MR. CARNICELLI: Da'anzho, Chair Lee.

COUNCILMEMBER LEE: Lawrence. Hi. Okay. What will the 140 percent of median income sales price be?

MR. CARNICELLI: Oh, let me see if I can pull that up.

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COUNCILMEMBER LEE: And...and the 120, while you're at it.

MR. CARNICELLI: Okay.

CHAIR JOHNSON: I have those numbers, Chair Lee --

COUNCILMEMBER LEE: Okay.

CHAIR JOHNSON: -- if you want them. Lawrence, do you mind?

MR. CARNICELLI: Go ahead. Yes, thank you, Chair.

CHAIR JOHNSON: So four of the units who are at 120 will be 575K to 600K. And the last four units at 140 would be 600K to 625K.

COUNCILMEMBER LEE: Okay, thank you. Now, Lawrence...Lawrence, I'm not done with you. Lawrence.

MR. CARNICELLI: Yes, Chair.

COUNCILMEMBER LEE: Hey, Lawrence. Knowing how difficult it is to sell units in the 140 percent of median income category because it's so close to market, would you consider, instead of going up, going down? The four units or whatever's left to 120 percent of median income?

MR. CARNICELLI: You mean the...to market to them, or to lower the prices?

COUNCILMEMBER LEE: Lower the prices to 120 percent of median income. Because if you're having difficulty after half a year selling the 140 percent of median income priced unit, you're...you're already losing money. So would you consider selling those, or whatever is left, four or so units, at 120 percent of median income? Because that way, you're sure to sell it; it's not that close to market. The price is not that close to market, so you'll...you'll have people...I'm sure you'll have people available to qualify for the 120, available and interested. Whereas if you try and keep your price at the 140 percent level for 180 days, you know, by the time you sell it, you're losing money, plus you won't be getting a credit, yeah...because if you...if you take off the deed restriction, you won't receive a credit. So if you sell at the 120, you'll have a bigger pool of buyers, you will be able to get a credit, and you would control your losses. I was just wondering if you thought about that way...that route.

CHAIR JOHNSON: Mr. Carnicelli?

COUNCILMEMBER LEE: You're muted.

CHAIR JOHNSON: You're muted.

MR. CARNICELLI: Oh, sorry. Chair, sitting beside me here is Doyle Betsill. He's the President

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of Alaula Builders, and I'm going to go ahead and...and consult with him, if you would just...can I have one minute and...to...to talk to him about that, the proposal? Is that okay?

CHAIR JOHNSON: Of course.

COUNCILMEMBER LEE: The Chair. It's up to the Chair.

CHAIR JOHNSON: I do want to clarify, since we're sitting here, what...what Councilmember Keani Rawlins-Fernandez was asking. My understanding is there's four units that are 120 to 140 AMI, and then there's four units that are 140 AMI.

COUNCILMEMBER LEE: Right.

CHAIR JOHNSON: That's the way I was reading it. So when you posted that, it's...the...the 120 to 140 is a...is a two-story, and then there's a 120 to 140, and there's...there's four units of each. I'm...I'm trying to make it...make it clear, but I think I'm making a mess here.

COUNCILMEMBER LEE: Well --

COUNCILMEMBER RAWLINS-FERNANDEZ: Clear, Chair. Mahalo.

COUNCILMEMBER LEE: -- because, really, anything that anybody tries to sell at 140 percent median income for...with a 20-year deed restriction, I mean, that buyer is rare. Who in the world would take that price? For, you know, another \$40, \$50,000, there would be no restrictions. So it might be easier if they just dropped it; instead of going up, going down. You see, at 80 percent, they lose money, because the higher you go, the higher units pay for the subsidized housing. So...so when they...when you're at 120, you're not making a lot of money, but you're either breaking even or slightly ahead. But that helps you take care of the losses with the 80 percent of median income. So it's a big challenge to me for any developer [sic] to agree to 140 percent of median income.

CHAIR JOHNSON: We could subsidize it to bring it down, so that it pencils out for them, is that...if that's where your concern is.

COUNCILMEMBER LEE: That's the way I'm looking at it. But they may not...I don't know. It's up to them. They're the ones investing the millions of dollars in...in this project. And it wasn't really a proposal, it was a question.

MR. CARNICELLI: *(Audio interference)*

COUNCILMEMBER LEE: They're back.

CHAIR JOHNSON: Okay, Mr. Carnicelli, thank you. Can you speak to what Chair Lee was asking?

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MR. BETSILL: I'll...I'll go ahead and take this one, even though...just because we've got the money to invest in. I'll...I totally agree with what Alice was saying. The...the homes that we're selling at below 80, we're going to lose money on. We're not getting any subsidies on this...on this program. What we wanted to do was come up with a way to provide the affordable housing to the people of Maui without having to ask anybody else to help us. And the 2.97 program, we felt, would enable us to do that. The...the problem is, our...our pro forma is really tight. And the pricing that we're proposing works, but if we take even one category down, we're probably in the red at that point. So when we're talking about...there's only eight homes in the 120 to 140 range, but --

MR. CARNICELLI: Five homes.

MR. BETSILL: Five homes?

MR. CARNICELLI: Five homes.

MR. BETSILL: Okay, five homes. But we...we need to be able to sell those at that...at that price point to make things work. If the County wants to step in and assist us with that, and say hey, we'd like to bring those five homes down and offer some sort of stipend to the homeowners, of course we have no problem whatsoever with that. But we're just not able to do that ourselves at this *(audio interference)*

COUNCILMEMBER LEE: All right. Thank you.

CHAIR JOHNSON: Okay. We have a question for [sic] Councilmember Paltin.

COUNCILMEMBER PALTIN: First, I just wanted to clarify. I'm looking at Exhibit 2, the new proposed marketing plan. So I'm just wondering, between item...the III, and then the IV, the four. III says unit shall then be offered to non-residents on the wait list in the order in which their names were drawn in the lottery for the next 180-day period, provided that the applicant's income is within the residential workforce housing income groups. And then on IV, it says, any units that remain unsold may be offered at a sales price not to exceed a price affordable to families earning 140 percent of the area median income, without deed restrictions. Upon the sale of the unit, the County shall receive 50 percent of the difference between the original sales price of the unit, and the actual sales price for deposit into the Affordable Housing Fund. In this event, the developer still...shall still be deemed to have satisfied the requirement for producing a residential workforce housing unit. And then V says, the developer acknowledges that it's not entitled to receive a workforce housing credit for any unit sold without deed restrictions. So I'm not clear what IV does. It...it keeps it to people meeting the income qualifications? Or does it open it up to folks that don't meet the income qualifications?

MR. CARNICELLI: That might be a Linda question.

MR. BETSILL: That's a little confusing.

CHAIR JOHNSON: Okay. Deputy Director Munsell?

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MS. MUNSELL: Yeah. Thank...thank you. Actually, what that does is it restricts the sales price. It doesn't restrict the income of the families purchasing, just the sales price.

COUNCILMEMBER PALTIN: Okay. So from III to IV...III, they have to be income qualified; IV, they do not have to be income qualified.

MS. MUNSELL: That's correct.

COUNCILMEMBER PALTIN: And there...and there is also no deed restriction at that point?

MS. MUNSELL: That's correct.

COUNCILMEMBER PALTIN: So I guess my question for the developer is, if we go to not income qualified, can we keep the deed restriction on?

MR. BETSILL: So if...if I could just...if I'm understanding your question, is the concern is...is that we can't sell those units with the deed restriction at that price, but you want to keep the deed restriction. Is that what the question is? No.

COUNCILMEMBER PALTIN: You can't sell those units at that price to income-qualified folks.

MR. BETSILL: Okay.

COUNCILMEMBER PALTIN: So before you take the deed restrictions off, you're offering it to sale to Joe Blow off the street, maybe earning \$1 million a year, instead of what 120 or 140 percent AMI is. My concern is, somebody making \$1 million, \$1 billion, whatever, Jeff Bezos, is going to come in and buy this, within a year, sell it for \$1 million, and...and it's going to, you know, sour people to us approving any kind of affordable housing development because this is what happens. So if you...I think we're missing a step, where you take off the income requirement and you take off the deed restriction at the same time, I think either/or, not both.

MR. CARNICELLI: Go ahead.

MR. BETSILL: I totally agree with that assessment. I...I'm not really sure where...why it talks about 50 percent of the difference, because the idea is that we're going to keep all the pricing within the parameters that we originally talked about.

COUNCILMEMBER PALTIN: Yeah, I didn't get that part either.

MR. BETSILL: So in my mind, we could strike that language. I think that's a holdover, actually, from an earlier...from an earlier ordinance. And so no, we don't need to do that. We...we want to...the...the goal of...our goal is to build homes for...for the people that live on the island, and...and that are having trouble with this...with this price group. So let's keep it at 140 as the maximum...let's keep both. Let's keep 140 percent as the maximum income, but we...if we...the...the houses at the prices we have are going to

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sell. We feel they're going to sell 100 percent, but we're just looking at, you know, worst case scenarios. The worst case scenarios would be to remove the deed restriction, so the family could...that was in that price range would still be purchasing the home. They would...just would not have any deed restrictions because no one wanted to sign off on the deed restrictions. We can remove the language about the 50 percent difference. I don't think that's necessary at this point.

CHAIR JOHNSON: Okay. Hold...hold on before we get farther. I see Deputy Director Linda Munsell wants to speak to this. Go ahead, Deputy Director.

MS. MUNSELL: Thank you, Chair. Actually, they've got a number of units, so 12 units that are supposed to be sold between 80 and 100 percent AMI. The units that are supposed to be sold between 100 and 120 percent AMI, as well as those units at 140. So there is...the reason that we're talking about that 50 percent paid to the workforce...Affordable Housing Fund is because if a unit that's supposed to be sold at the 80 to 100 percent AMI doesn't sell at that price, then doesn't sell at 120 percent price, and then doesn't sell at 140 price, but is sold without a deed restriction at the end, then they...the developer owes us the price difference between the original sales price and the price that they sold it...at...at. So there is a potential that the developer would owe us money if those lower AMI units are not sold with deed restrictions at those prices.

CHAIR JOHNSON: Okay. Thank you for that. We do have Chair Lee, and then Councilmember Paltin. So we'll go in that --

COUNCILMEMBER PALTIN: Oh.

CHAIR JOHNSON: -- that order. Oh, you want to speak to that, Ms. Paltin?

COUNCILMEMBER PALTIN: Well, I mean, that's not what my understanding of it was. I thought that people...there's a 80 to 100 percent, and if nobody that's income-qualified at 80 to 100 percent buys it, the price remains the same as it moves up through the AMIs. So there wouldn't be a price difference, it would be an AMI category buyer difference. So then I'm not clear...that doesn't clarify where the 50 percent came from in the price difference.

MS. MUNSELL: What...thank you. So what this is, when it moves up, the price stays the same, but if it isn't sold, then at the end, it would be allowed to be sold at 140 percent, and so they would still owe us the difference between those two prices.

COUNCILMEMBER PALTIN: Thank you, I didn't catch that part. Thank you.

MS. MUNSELL: And...and I might have misspoke there, or said it incorrectly.

CHAIR JOHNSON: Well, thank you for clarifying that. Chair Lee.

COUNCILMEMBER LEE: Yeah. That example though, Ms. Munsell, is highly, highly unlikely to happen...the 80 percent unit going all the way up to the top, I don't think so. So...



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MS. MUNSELL: Chair. Yeah. I...I apologize for interrupting, but we have seen that happen.

COUNCILMEMBER LEE: Yeah?

MS. MUNSELL: Kamalani project. That has happened, and we've seen it. Yeah.

COUNCILMEMBER LEE: Okay. Now, for 2.97, do you still have the restriction on the buyers themselves, and not just the income? Like, for instance, first-time homebuyers? Ms. Munsell, first-time homebuyers? You're muted.

MS. MUNSELL: Yeah, so those...those are...they do need to be a first-time homebuyer. There are income qualifications, there's asset qualifications, so they can't have owned a home within the last three years.

COUNCILMEMBER LEE: Okay, just wanted to verify. Thank you.

CHAIR JOHNSON: Okay.

COUNCILMEMBER LEE: Thank you, Chair.

CHAIR JOHNSON: Thank you, Chair Lee. Councilmember Keani Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Yeah, so if...if...if that...Deputy Director Munsell, so if we did see that in...at the Kamalani project, it's likely because they didn't let people use a lender of their choice as required by law...if that 80 percent went all the way to market, without people buying it. So my question is about the...to follow up on Member Paltin's question. That wasn't clear to me. So if an 80 percent sells for market rate, and then, you know, the 50 percent of the sale of the house would go back to the Affordable Housing Fund, what happens if it's 140 and it...140 AMI and it goes to market? Does...does 50 percent still go to Affordable Housing Fund?

MS. MUNSELL: So if the price that it was supposed to have been sold at was 140 percent, and they sell it at 140 percent, then there's no 50 percent for us to receive for the Affordable Housing Fund. What we've...what we've seen happen, a pattern that has developed, is that they...the developer will eventually sell it at the original price, and therefore, they don't owe us any money. So we've seen that in a couple of projects now, and that's been the trend.

COUNCILMEMBER RAWLINS-FERNANDEZ: So isn't that just more evidence and more reason for us to not even have 140 percent as workforce?

MS. MUNSELL: Chair, I'm not...I'm not sure that it's 140 percent that's the problem. The deed restriction seems to be a barrier. So even some of those lower AMI units that are not being sold with deed restrictions have shown that it's either not attractive enough, the price difference, or there's another barrier. Our studies, our housing studies, have shown that the deed restriction isn't necessarily a barrier. So the question would be,

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what would be that barrier? Is it because the price is too high, and not worth...worth doing the deed restriction?

COUNCILMEMBER RAWLINS-FERNANDEZ: Or are they allowing people to use a lender of their choice?

MS. MUNSELL: Yeah, thanks. I know you keep bringing that up, but this is across the board on our multi-family projects. So you keep bringing up that one situation; however, we see this trend in all of our multi-family projects.

COUNCILMEMBER RAWLINS-FERNANDEZ: So if you see the trend, are...are you able to, like, provide a recommendation? You...you...you say, Deputy Director, that you see this happening across the board, so I...I would hope as a Department, you...you know, like, you're gathering that information to be able to synthesize what the problem is.

MS. MUNSELL: Actually, thank you very much for that question.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay.

MS. MUNSELL: So one of the things that we're asking for projects that are multi-family for-sale projects is they...they need to show us that they can actually sell these units at those prices, with the deed restriction, before they're approved, or before they come to Council. So we've got a couple of projects that are, you know, kind of in the pipeline, and one of the questions that we're going to be asking is, can you show that you will sell it with a deed restriction? That's...that's the first thing. The other thing is, we have been in conversations with some bankers about whether the multi-family homes, because of the HOA fees, for instance, are they priced correctly? Is that why they're also not being able to be sold with deed restrictions? And so we looked at that, you know, a little bit, and we've gotten some feedback in some charts. So we're still looking at whether our multi-family prices are too high by themselves. So yeah, those...those discussions and that conversation is ongoing. Thank you for the question.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Deputy Director. And I think, like, having our, like, one affordable housing list may even help more with, like, communication with those (*audio interference*). Mahalo. Mahalo, Chair.

CHAIR JOHNSON: Okay. So I...okay, I have a question for...so basically, after hearing Deputy Director Linda Munsell, I have a question for Mr. Carnicelli. Can you show, or did you show in the past, you can sell those 140 multi-modal...or multi-unit families [*sic*] with deed restrictions?

MR. CARNICELLI: Thank you for the question, Chair. We really feel that we can. You know, as Member...Councilmember...or I guess Council Chair...or Vice-Chair Rawlins-Fernandez had stated, some of these other projects have had, I guess, multiple flaws in the way with which...at least in our opinion. You know, we're really trying to come from the ground up, and really try to understand what people want. For one, these are duplexes, you know, they're not multiplexes, they're duplexes, they're all going

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to have yards. You know, it's a smaller neighborhood, it's in a residential-type area, you know, the setting's a little bit different, so we really feel as though, you know, the neighborhood itself lends to that. We've removed any of the lending issues that may or may not have existed in the past. And so we really feel as though, for one, it's just the neighborhood itself and the homes themselves are going to lend, you know, themselves to this. It is five units, you know, it's five homes for five families. So yeah, I can't remember who it was who brought it up earlier, but this will definitely be a test case to see if, you know, we can do this differently. One of the other parts too, is we really feel as though we want to market this thing, right? I mean, it's not just okay, you build it, and they will come. You know, I got, I think it was about eight emails over the weekend from people that somehow found our website and inquired into this. People are excited. Some...you know, so...so we really feel as though we will be able to sell these. Although I also understand...I think we also understand the concerns, right? Do you want Jeff Bezos to be able to buy one of these? No. I don't think any of us want that, right? We don't want that, you don't want that, you know, your constituents don't want that. One of the things that we had talked about during the break, was in Item IV, where you go any units that remain unsold may be offered at a sales rate not to exceed the price of affordable (*audio interference*). What...you know, what if we put the language of the residence requirement back into that? I think we would be okay with that. It takes Jeff Bezos out of it, it's suddenly like, no, now we really are selling. Okay, but if it's going to go to market rate...or not market rate, but if it's going to go to 140 and we're going to move [*sic*] the deed restriction, it's going to go to a local family, right? It's not going to go to a mainland person or whatever. It's just to put the residency requirement back on it at that point. I'm all for that.

CHAIR JOHNSON: Okay, well. Oh, Councilmember Paltin?

COUNCILMEMBER PALTIN: Just to clarify what you just said. So on Number III of the proposed marketing plan, you have to offer it to nonresidents on the wait list. Are you saying you don't want...is that one still in? I'm...I'm not clear what you just said.

MR. CARNICELLI: No, what...as...is...as I understand it...okay, I, II, III are the same as 2.97 exists now. IV is what changed, right? So it's...you try to sell to your income group, you then ratchet up to the next income group, price stays the same, but you can now offer it to more people, then you can offer it to people with the deed restriction that aren't residents, and then it goes to without deed restriction, right? So that...that's --

MR. BETSILL: To residents.

MR. CARNICELLI: -- sort of the step. So you say like, okay, if we're going to go without deed restriction, it goes back to residents.

MR. BETSILL: Excellent.

COUNCILMEMBER PALTIN: And --

MR. CARNICELLI: Rather than...rather than --

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COUNCILMEMBER PALTIN: -- then would it still be --

MR. CARNICELLI: -- anyone in the pool.

COUNCILMEMBER PALTIN: Would it still be income-qualified, or would it be any resident?

MR. CARNICELLI: Up to you. I...I...I don't think we'll...you know, as...again, if the deed restriction's the problem, then just say okay, we're going to take the deed restriction out, but it's still we go back to, you know, the list, and the people that are income qualified. Again, if that's the...if that's the issue, then let's keep it to residents, let's keep them income qualified, just the...the deed restriction goes away, that's fine. And we're coming with...we...we do have another project that you'll see, hopefully before Budget, where we're going to do the deed restrictions a little bit differently, but I don't want to go down that bunny trail right now. But anyways, we're...we're really trying to think of creative solutions. We had a, you know, meeting with Councilmember Johnson this morning, we're really trying to come up with a bunch of creative things. Because our goal is the same as yours, right? We don't want this to go to whoever it is, you know, Jeff Bezos guys.

COUNCILMEMBER RAWLINS-FERNANDEZ: Can...can we...can the intermediary step be income-qualified, ten-year deed restriction?

MR. CARNICELLI: How long? See, the other part is, is you're talking about like if we get to that point, we might be a year and a half, two years in. Like, we might have to sit on something for six months to get to that point, right? If you're saying that the deed restriction is...is the issue, you know, to make it another six months is --

COUNCILMEMBER PALTIN: 90 days.

MR. CARNICELLI: -- *(audio interference)*, especially when... especially when you have the...you know, the supply chain issues that we have, and the inflation that's going on, everything like that. So it's...it's one of those things that we're trying to, you know, get these...get people in there as quickly as we can.

COUNCILMEMBER PALTIN: 90 days would be my answer to that question.

MR. CARNICELLI: For each step? For each step?

COUNCILMEMBER PALTIN: For the last one --

MR. CARNICELLI: *(audio interference)* 90 *(audio interference)*?

MR. BETSILL: For the last step.

COUNCILMEMBER PALTIN: For the last one.

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MR. CARNICELLI: You mean Number IV?

COUNCILMEMBER PALTIN: Yes.

MR. CARNICELLI: Okay.

MR. BETSILL: Sure, why not?

COUNCILMEMBER PALTIN: So moved.

CHAIR JOHNSON: Okay, it sounds like we've got an amendment coming up here. All right. Anyone else want to add anything?

COUNCILMEMBER PALTIN: I'm not sure if we had the main motion on the floor, sorry.

CHAIR JOHNSON: Okay. Let...let me start with this. So at this time, the Chair will entertain a motion to recommend adoption of the revised proposed resolution entitled "AUTHORIZING THE DIRECTOR OF THE DEPARTMENT OF HOUSING AND HUMAN CONCERNS TO ENTER INTO A MARKETING PLAN AS PART OF THE RESIDENTIAL WORKFORCE HOUSING AGREEMENT BETWEEN THE COUNTY OF MAUI AND HALE KAIOLA JOINT ADVENTURE [*sic*]."

VICE-CHAIR MOLINA: So moved.

COUNCILMEMBER SUGIMURA: So moved, Chair.

CHAIR JOHNSON: Moved by Councilmember Molina, seconded by Sugimura. Okay. Let's see here. Discussion. Or...I'm sorry. Now, if you want to make the amendment, Councilmember Paltin?

COUNCILMEMBER PALTIN: I move to amend part IV of the proposed marketing plan to say "Any units that remain unsold may be offered at a sales price not to exceed a price affordable to" families..."not to exceed a price affordable to resident families earning 140 percent of the area median income, with a ten-year deed restriction, for 90 days."

CHAIR JOHNSON: Okay. Motion to amend by Councilmember Paltin. Do we have a second?

COUNCILMEMBER PALTIN: Sorry, I didn't read the whole rest of it.

CHAIR JOHNSON: Okay.

COUNCILMEMBER PALTIN: But the "upon" all the way to the end would remain the same.

CHAIR JOHNSON: Okay. Do we have a second?

COUNCILMEMBER SINENCI: Second.

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CHAIR JOHNSON: Seconded by Councilmember Shane Sinenci. Discussion.

COUNCILMEMBER PALTIN: Just, you know, trying to work out a compromise.

CHAIR JOHNSON: Chair Lee? You're muted, Chair Lee.

COUNCILMEMBER LEE: Doyle Betsill, do you have a comment on that?

MR. CARNICELLI: After the 90-day set point?

MR. BETSILL: That I...I...I'm fine with that recommendation --

COUNCILMEMBER LEE: Okay.

MR. BETSILL: -- for the change. The only question I had was, then what happens after the 90 days? Don't we need it to continue and say "Any units that remain unsold after that 90 days may be offered," and then with the...with the same language that's there?

COUNCILMEMBER PALTIN: Yeah, did you want me to make that amendment at the same time, or let this one pass first?

MR. BETSILL: Up to you guys. I'm...you...you're...you know a lot more about passing resolutions than I do, so...

MR. CARNICELLI: We'll trust you.

COUNCILMEMBER PALTIN: You want --

COUNCILMEMBER LEE: You can...you can make it now, Tamara --

COUNCILMEMBER PALTIN: Okay.

COUNCILMEMBER LEE: -- so we can just vote once.

COUNCILMEMBER PALTIN: Okay. And then the second part of the amendment would be to modify part V...oh, I got some better wording for...for number IV. Can I withdraw the previous one?

CHAIR JOHNSON: Okay, withdrawn --

COUNCILMEMBER PALTIN: Okay.

CHAIR JOHNSON: -- by Councilmember Paltin. Second withdrawn by Councilmember Shane Sinenci. Yes?

COUNCILMEMBER PALTIN: So for part IV, it would say "For the next 90-day period, any units that remain unsold may be offered to residents at a sales price not to exceed a price

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affordable to families earning 140 percent of the area median income, with ten-year deed restrictions. Upon the sale of the unit, the County shall receive 50 percent of the difference between the original sales price of the unit and the actual sales price, for deposit into the Affordable Housing Fund. This event, the developer shall still be deemed to have satisfied the requirement for producing a residential workforce housing unit.” And then part V, “Any unit that remains unsold after that would no longer have a deed restriction, and the developer acknowledges that it is not entitled to receive a workforce housing credit, but it would still be sold for the 140 percent amount to a resident in the 140 percent category.”

CHAIR JOHNSON: Okay, motion --

MR. CARNICELLI: *(Inaudible)*

CHAIR JOHNSON: -- hold on, Lawrence. File motion to amend by Councilmember Paltin, seconded by Councilmember Shane...Shane Sinenci. Discussion. Let's call upon Carnicelli, he can speak to that. Go ahead.

MR. CARNICELLI: Thank you, Chair. Thank you, Councilmember Paltin. I...I think that you still...or we would still like it to read that...that ultimately, the price has to stay in the affordability range though, right? We don't want to go over 140, so when you...I see how you amended IV, you...maybe what we do is just make current IV, V. You know, amend IV, take the current IV, make it V. So then it...at least that language that Corporation Counsel has already approved of, and Council Services already approved of, is what caps us, to keep us in the affordability.

COUNCILMEMBER PALTIN: Friendly amendment. And then current V would be VI. Did you want to...me to further friendly amend that current IV to say “residents”?

UNIDENTIFIED SPEAKER: Sure.

COUNCILMEMBER PALTIN: Okay, so that's...sorry, legislative intent, without the pretty words.

CHAIR JOHNSON: Residents. All right, duly noted. Okay, any other discussion, Members? Let's go to Councilmember Keani Rawlins-Fernandez, followed by Councilmember Sugimura.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. On...I need to draw it out, and...and right now, I wasn't really following all the amendments. So starts at 180-day process, where all the houses are set at the AMI levels...the prices at the AMI levels that is in the chat; the 12 units at 80 to 100; 20, 100 to 120; 4 at 120; and then 4 at 140. During this 180-day process, it...houses at 80 AMI, if they're not sold after 90 days, would continue to go up the AMI levels...income levels, until it's sold. And then after 180 days, if it's not sold through this process, another 180-day process starts for nonresidents on the list with a deed restriction, at 140 AMI. Okay. What is it?

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CHAIR JOHNSON: Mr. Carnicelli?

MR. CARNICELLI: And maybe you want to... oh, I'm sorry.

CHAIR JOHNSON: Go ahead.

MR. CARNICELLI: *(audio interference)*

COUNCILMEMBER RAWLINS-FERNANDEZ: Mr. Carnicelli?

MR. CARNICELLI: Sorry. No, as I understand it is, the price doesn't go up until...until at the end, right? Is...is...did you --

COUNCILMEMBER RAWLINS-FERNANDEZ: No, no, I said...I said that 140. It's at 140 AMI.

MR. CARNICELLI: Right.

COUNCILMEMBER RAWLINS-FERNANDEZ: Yeah, that's what I said.

MR. CARNICELLI: Oh, I'm sorry. I thought that you meant that it...once it got to the 140, then it goes up. But no, even if it's in the 140 range, the price is still at the original price, until after --

COUNCILMEMBER RAWLINS-FERNANDEZ: Right.

MR. CARNICELLI: -- III has been satisfied. Okay, now I'm just going to --

COUNCILMEMBER RAWLINS-FERNANDEZ: Right.

MR. CARNICELLI: -- sit. Sorry. Okay, then we're saying the same thing.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. So nonresident on the list up to 140 income at whatever AMI sales price it originally started at. Okay. And then if it still doesn't sell, then it's going to be capped at the 140 AMI sales...income AMI for residents, without the deed restriction? Okay. Ten years. So it...so we're going to take ten years off of the original deed restriction. So it used to be 20, now it's going to be 10, for...and then the final step is, it's going to go to --

COUNCILMEMBER PALTIN: The final step is step IV of the proposal. I mean, after...it's going to be step IV, and then step V; but the old step IV would be the new step V; the old step V would be the new step VI. I'm just adding in an intermediary step before there's no deed restriction. Slight amendment to the new part V would be for residents, not nonresidents.

COUNCILMEMBER RAWLINS-FERNANDEZ: So it's nonresidents with deed restriction, nonresidents at 140 percent AMI income level sold at the original AMI housing sales price.



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COUNCILMEMBER PALTIN: Yeah, I'm not touching number III.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay, and then it goes to 140 AMI income level for residents, with a ten-year deed restriction --

COUNCILMEMBER PALTIN: For 90 days.

COUNCILMEMBER RAWLINS-FERNANDEZ: And then your proposal for I, II, III, IV, V, and then, is what?

COUNCILMEMBER PALTIN: The old number IV becomes the new number V, but it's limited to residents only.

COUNCILMEMBER RAWLINS-FERNANDEZ: Oh, isn't that what I just said? With the ten-year --

COUNCILMEMBER PALTIN: No.

COUNCILMEMBER RAWLINS-FERNANDEZ: Oh no, it's no deed restriction. So instead of...can you say what it is, instead of saying the old number V, because I don't know what the old number V. Because what I'm reading is, the developer acknowledges that it is not entitled to receive workforce housing credit. Is that the old number V that you're talking about?

COUNCILMEMBER PALTIN: No.

COUNCILMEMBER RAWLINS-FERNANDEZ: So --

COUNCILMEMBER PALTIN: The one I added was the one I read, that after I withdrew it, I added that one with the nice words. Then the new number V would say "Any units that remain unsold may be offered to residents at a sales price not to exceed a price affordable to families earning 140 percent of the area median income, without deed restrictions. Upon the sale of the unit, the County shall receive 50 percent of the difference between the original sales price of the unit and the actual sales price, for deposit into the Affordable Housing Fund. In this event, the developer shall still deemed to have satisfied the requirements for producing a residential workforce housing unit." And then new number VI would say, "The developer acknowledges that it is not entitled to receive a workforce housing credit for any unit sold without deed restrictions."

COUNCILMEMBER RAWLINS-FERNANDEZ: I guess this is a question for Deputy Director Munsell. Isn't it supposed to be 100 percent affordable...workforce housing? So if...if number V exists, then it would...it wouldn't be 100 percent workforce housing.

COUNCILMEMBER PALTIN: It's still being sold at 140. Oh, sorry.

MS. MUNSELL: Thank...thank you for the question. That was the conversation that we had

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with Corporation Counsel. It has to be sold at workforce housing prices, so it's...there's no requirement that it be a deed restriction in order to be a workforce housing unit. So in this case, it's still a 100 percent affordable workforce housing project.

CHAIR JOHNSON: Oh, okay. Okay then, good. Oh, Councilmember Keani Rawlins-Fernandez, are you...are you finished with that line of questioning?

COUNCILMEMBER RAWLINS-FERNANDEZ: Yes. Mahalo, Chair. I do have a question for Deputy Director Munsell. At what point does the...the County get first right of refusal?

MS. MUNSELL: Thank...thank you for the question. So during the deed-restricted period, if an owner decides that they would like to sell the...a unit that has a deed restriction, they need to notify the County. And then the County will --

COUNCILMEMBER RAWLINS-FERNANDEZ: No, the developer. So at no point --

MS. MUNSELL: Oh, I'm sorry.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- will the developer offer it to the County?

MS. MUNSELL: Currently, there is no requirement for the developer to...to offer it to the County.

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

CHAIR JOHNSON: Okay. Now I know they were talking about they would be interested in waiting until Bill 111 goes, where that would...they would offer it to the County, but that's...that would require amendment. So let's go on to Councilmember Sugimura.

COUNCILMEMBER SUGIMURA: So great discussions. And could you ask OCS or somebody to, you know, put it in writing with these amendments? In...in chat, or to send us an amendment summary form or something, so we have it in writing, and it's clear to us and the developer? Thank you.

CHAIR JOHNSON: I think Mr. Forrest posted something just a moment ago. Mr. Forrest, is that exactly...is that the...is that what you posted there? I'm going through it, but that's what it is, yeah? That's Councilmember Paltin's?

MR. FORREST: Yes. Thank you, Chair. I did leave out the first three, because they're unchanged. And then the amendments aren't...you know, it's a lot to talk about, but they're pretty small whenever you're saying that number V and number VI are relatively staying the same, except for that they're going to be sold to residents. So yeah, it's in there in the chat as I heard it. So take a look at that, and make sure that's what your intent was, Councilmember Paltin. I think I got it though.

CHAIR JOHNSON: Okay. Okay, Members, any further discussion on this amendment? I

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think we had everybody went around pretty much. We had some good discussions here.  
Chair Lee.

COUNCILMEMBER LEE: Could you give us a minute to read...to read what's in the chat and absorb what's...what it is?

CHAIR JOHNSON: Certainly. And we'll move on --

COUNCILMEMBER SUGIMURA: So Chair, can the developer see what's here?

CHAIR JOHNSON: Yes --

COUNCILMEMBER SUGIMURA: Mr. Carnicelli, can you see the...what...what Mr. Forrest wrote in the chat?

MR. CARNICELLI: Yes. Thank you for the question, Councilmember Sugimura. We have read what's in the chat, and we're okay with it.

CHAIR JOHNSON: Okay. Councilmember --

UNIDENTIFIED SPEAKER: *(audio interference)*

CHAIR JOHNSON: Oh, I'm sorry. Chair Lee, were you not finished? Go ahead.

COUNCILMEMBER LEE: Yeah. So it says under IV, upon the sale of the unit, the County shall receive 50 percent of the difference between the original sales price of the unit, and the actual sales price. And this is in reference to a unit that would have been sold at 140 percent of median income. Because it says for the next 90-day period, any units that remain unsold may be offered to residents at a sales price not to exceed a price affordable to families earning 140 percent of the area median income, right? Upon the sale of the unit...so does that mean after the ten-year restriction, or what does that mean, exactly?

CHAIR JOHNSON: You want to ask Councilmember Paltin that?

COUNCILMEMBER PALTIN: I think it's in the case that Deputy Director Munsell had said, like, you know, if it wasn't a 295,000 priced unit that was then being sold for 625,000, because that would be the max amount, then the County shall receive 50 percent of the difference between the original sales price of the unit and the actual sales price. So it's in those special situations, which we hope to never encounter.

COUNCILMEMBER LEE: Any units that remain unsold. So you're not talking about units that are 140 percent...for those earning 140 percent of median income. You're talking about --

COUNCILMEMBER PALTIN: Because --

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COUNCILMEMBER LEE: -- the lower-priced units. See, it's not --

COUNCILMEMBER PALTIN: Correct.

COUNCILMEMBER LEE: -- clear. It doesn't say that at all. It says --

COUNCILMEMBER PALTIN: I'm not a lawyer. I just was using --

COUNCILMEMBER LEE: -- it says...no, but it says --

COUNCILMEMBER PALTIN: -- the lawyer language.

COUNCILMEMBER LEE: -- for any units that remain. Any units. What about the 140 percent of median income units?

COUNCILMEMBER PALTIN: Then they would be zero. Zero percent of zero...50 percent of zero is zero. I know that.

COUNCILMEMBER LEE: Yeah, well, it doesn't apply to that, that's what I'm saying.

CHAIR JOHNSON: Let's have Deputy Director (*audio interference*) speak --

COUNCILMEMBER LEE: I mean, the wording is not clear.

MS. MUNSELL: Thank...thank...thank you for the question. Part of...part of the reason the wording isn't clear, is because you're not seeing the initial steps. So under I of the proposed marketing plan, it talks about those lower AMI units, and the progression that those lower AMI units would go through before they would reach the point where they might be offered without a deed restriction, or with a...a lesser deed restriction. So yeah, Ms. Paltin is only amending the end of that process. So yeah, I understand why it's not clear, but it's in there.

CHAIR JOHNSON: Okay.

COUNCILMEMBER LEE: Well, it doesn't...it doesn't make sense. Because you take a unit that sells for 80 percent of median income, yeah? So let...let's say for the sake of discussion, that's \$100,000. Okay, what excess income is there? Because it's...you're selling at the same price right through; the same price, to those who make more than 100 percent of median income, could be 120, 130, whatever. But the price is not changing. So...so what...so what profit is there? What profit is there?

CHAIR JOHNSON: Deputy Director Munsell?

MS. MUNSELL: Yeah, thank...thank you. The price changes. So if it starts out as an 80 percent AMI unit, the price does not change when it goes to 120 percent. It does not change when it goes to 140 percent. But if, at that point, it doesn't sell with a deed restriction, then they're able to sell it at a price not to exceed 140 percent of the AMI.

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And then we would receive the difference between the 80 percent price and the 140 percent price, which is where they sold it.

COUNCILMEMBER LEE: Okay. To me, that doesn't make sense, but whatever.

CHAIR JOHNSON: Okay. Councilmember Keani Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. I hear what Chair Lee is saying. So at...at step I is the 80 percent AMI sales price, so let's say 295. So 295,000, it doesn't sell. And then we go to the next AMI, all the way to 140. So the next 180 days, when it's being sold with a 20-year deed restriction to nonresidents on the list, it's still at 295,000? Oh, someone's sharing their screen. Okay. Deputy Director? Oh, okay. So they're --

COUNCILMEMBER LEE: Price doesn't change.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- to the nonresidents that have the 20-year deed restriction, at that point it's still 295,000. Okay. So then when it goes to the next step with a ten-year deed restriction, it's still 295,000?

MS. MUNSELL: So that's when the amendment came in place, and I --

COUNCILMEMBER RAWLINS-FERNANDEZ: *(audio interference)*

COUNCILMEMBER LEE: Price stays the same.

MS. MUNSELL: Price stays the same. That's what she's written in her amendment.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. So 295,000 with the ten-year-less deed restriction. And then it goes to the next step, which would sell to residents, with no deed restriction. And at that point, the 295 would then become 625,000, and the 50 percent difference of that would go to the Affordable Housing Fund.

MS. MUNSELL: That is correct. Now, they're not required to sell it at 140 percent AMI, they could sell it for less, in which case we would get the difference between the two. But the maximum price would be 140 percent sales price.

COUNCILMEMBER RAWLINS-FERNANDEZ: So if they sell it at 295, then we would get zero. The County --

MS. MUNSELL: That's correct.

COUNCILMEMBER RAWLINS-FERNANDEZ: -- would get nothing.

MS. MUNSELL: That's correct.

COUNCILMEMBER RAWLINS-FERNANDEZ: *(audio interference)*

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MS. MUNSELL: That has...that has occurred. Not in this project, but it has occurred.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay, so that's the point when it would go from 295 to 625, potentially.

COUNCILMEMBER LEE: Maybe.

COUNCILMEMBER RAWLINS-FERNANDEZ: Up...up...up to --

COUNCILMEMBER LEE: Maybe.

COUNCILMEMBER RAWLINS-FERNANDEZ: Up to 625,000. Okay.

CHAIR JOHNSON: Okay. Anyone else? I think we've had a pretty deep discussion; deep dive on this one. We...we poked and prodded it as much as we could. I...I think if anybody...any other...anybody else, I...I think we're ready for some action here, okay? Oh, go ahead, Councilmember Keani Rawlins-Fernandez, followed by Councilmember Paltin.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. So at that point, before it goes to no deed restriction, I guess that's the new number VI, would the...would the developers--I guess, Mr. Carnicelli, this question is for you--offer it to the County? It doesn't matter who...who's buying it, right? As --

UNIDENTIFIED SPEAKER: *(Audio interference)*

COUNCILMEMBER RAWLINS-FERNANDEZ: -- long as it gets off your inventory, right?

MR. CARNICELLI: Yeah, we're okay...thank you for the...thank you for the question. And yeah, we...we would be okay with that. I mean, that's why we said that we would be okay with, you know, what is in Bill 111. You know, if instead of it going, say, to no deed restriction to the 140 folks, if the County wants to exercise an option on it, we...we would be okay with that.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. So I guess this question is for Member Paltin then, since it's her amendment. At the new IV, when there's, like, a ten-year deed restriction, before it goes to V, would you consider allowing the County to have an option to...to purchase it?

COUNCILMEMBER LEE: You're muted.

COUNCILMEMBER PALTIN: Thanks. Sure. And after hearing the discussion, I was going to suggest maybe if our OCS attorney, in concert with Deputy Director Munsell, could work out, as far as legislative intent, to clarify for us at which point it would move up in price...AMI price. Because it's not...like Chair Lee said, it's not clearly written at what point that occurs. I think it's clear in Deputy Director Munsell's head, but it's not

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written out, and I think that's when problems happen; when one person understands it, but it's not written down, like, at what point? Because I think we...we talked about it, as it moves up the AMI, the price stays the same, and then you said at some point, the price can go up, but it's not written down in here. So maybe that needs to be spelled out so that...like, what if you don't come to...and then nobody knows.

MS. MUNSELL: Thank...thank you for that. We...we can work on that.

CHAIR JOHNSON: Okay. So let's go back --

COUNCILMEMBER PALTIN: And...and I'm okay with County first right of refusal, but I'm not sure how and where that would be added.

CHAIR JOHNSON: Okay, Councilmember Keani Rawlins-Fernandez, in regards to that.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo.

COUNCILMEMBER LEE: Before the price goes up.

COUNCILMEMBER RAWLINS-FERNANDEZ: Either...either...oh, I'm sorry?

COUNCILMEMBER LEE: I said, before the price goes up.

UNIDENTIFIED SPEAKER: Sounds good.

COUNCILMEMBER RAWLINS-FERNANDEZ: Yes. Yeah, that...that...that's at III or IV. So after III, at IV, IV is when the...the deed restriction drops from 20 to 10. So I mean, I...I...I would prefer before IV and IV. But yeah, that's where...so no...at step III, after III. If III doesn't happen, and that's when it's...it goes to nonresidents on the list with a deed restriction of 20 years at the 295, you know, price, potentially.

CHAIR JOHNSON: So are we going to make that a friendly amendment, or we...we should have wording for this?

COUNCILMEMBER PALTIN: I'm friendly. . . .*(laughing)*. . .

UNIDENTIFIED SPEAKER: Yeah.

COUNCILMEMBER PALTIN: Whatever the legislative intent folks writing stuff out prefer.

CHAIR JOHNSON: So if I hear you correctly, we're going to put in that the County has first right of refusal when it's in that 295 bracket, when it's at the low end, right? Is that what I...was I hearing you correctly on?

COUNCILMEMBER RAWLINS-FERNANDEZ: It would be right before the deed restriction drops from 20 years to 10 years.

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CHAIR JOHNSON: Okay, I see Linda Munsell put her camera on. Maybe she wants to speak to this.

MS. MUNSELL: If I...if I could just interject. I mean, the normal 2.96 deed restriction is for ten years. So it would seem that if we were able to get it, a property deed restricted for ten years, that that would fulfill the intent of at least the original legislation for this ordinance. But we would like to get first right of refusal to purchase it at the original price before it was sold without deed restriction. That would be my only...my only suggestion. But of course, it's up to this body. Thank you.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay.

UNIDENTIFIED SPEAKER: *(Audio interference)*

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. So after III, first right of refusal, before the price goes up. I think we all agree. It'll...it...I...I mean, it'll likely not be the 80 percent AMI, it'll likely be the 625,000 one...the 140 AMI houses that will be the ones not to sell, and then the County would purchase it without a deed restriction. But we would likely donate that house to a...a trust of...a community...an Affordable Housing Trust, to keep it affordable in perpetuity.

CHAIR JOHNSON: Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: Because it...it was 20...20 years deed restriction, not...not ten, and I think ten doesn't do enough. Mahalo, Chair.

CHAIR JOHNSON: Okay. Members, I think we're ready to make a move on this...make a vote on this amendment. So we had a pretty long discussion. I think everybody's questions were answered or asked, and we can...on this motion to amend by Councilmember Paltin, all those in favor raise your hand and say "aye."

COUNCILMEMBERS: Aye.

CHAIR JOHNSON: Okay, let the record show that's one, two, three, four, five, six, seven, eight "ayes," one Member excused. Motion to amend passes.



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

**NOES:**    **None.**

**ABSTAIN:**    **None.**

**ABSENT:**    **None.**

**EXC.:**    **Councilmember King.**

**MOTION CARRIED.**

**ACTION:**    **AMENDMENT APPROVED.**

CHAIR JOHNSON: Now, are there any...any other points of discussion? Seeing none, we'll move to the main motion, okay, as amended. The Chair will now call for a vote to recommend adoption of the revised proposed resolution entitled "AUTHORIZING THE DIRECTOR OF THE DEPARTMENT OF HOUSING AND HUMAN CONCERNS TO ENTER INTO A MARKETING PLAN AS PART OF THE RESIDENTIAL WORKFORCE HOUSING AGREEMENT BETWEEN THE COUNTY OF MAUI AND HALE KAIOLA JOINT VENTURE," incorporating revisions made by the Committee to me, and any nonsubstantive revisions. All those in favor, raise your hand and say "aye."

COUNCILMEMBERS: Aye.

CHAIR JOHNSON: Okay, we got eight "ayes." All those opposed, say no...raise your hand and say "no." We have zero "noes." Motion passes with eight "ayes," one Member excused, Councilmember King. Okay.

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

**NOES:**    **None.**

**ABSTAIN:**    **None.**

**ABSENT:**    **None.**

**EXC.:**    **Councilmember King.**

**MOTION CARRIED.**

**ACTION:**    **Recommending ADOPTION of revised resolution.**

CHAIR JOHNSON: Yes?

COUNCILMEMBER RAWLINS-FERNANDEZ: I have a quick question for Deputy Director Munsell.

CHAIR JOHNSON: Certainly. Deputy Director?

COUNCILMEMBER RAWLINS-FERNANDEZ: Deputy Director, if at step III, before it goes to IV, if the Department receives a notice to...offering to sell houses that weren't being sold in the Hale Kaiola project, is part of the protocol to inform the Council?

MS. MUNSELL: So thank you for that question, that's interesting. When we're offered a workforce housing...so we've never done it from a developer yet. So just walking through the process from a normal person, we would not notify the Council that we've been offered a home, we would simply follow the law. So in this case, there's not a law in place, but we would have to come to you to ask for funding for it, if we were to purchase. Is there a mechanism that would require us to notify you that we've been offered, and we intend to decline? There's not, right now. Only if we want to purchase and have to access a budget amendment for the affordable housing funds.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. So to follow up then, Council would not know if the houses were offered to the Department...to the County, and then the Department declined. Do we have to put that into the resolution, that the Department must inform the Council of the offer to buy, and its intent to decline before it declines?

MS. MUNSELL: In this situation, probably you would need to do that. And our reason for declining would be important in that case. So the lower AMIs...units, we might purchase. The...the problem then is also the fact that we don't have a land trust who would be willing to take a multi-family project unit from us. So Nā Hale O Maui, typically, we would grant a unit that we purchased to Nā Hale O Maui for them to keep

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in perpetuity as a workforce housing unit. We haven't talked to them about duplex units, but they have said no pretty emphatically to any multi-family project unit that's been offered to us for purchase, that they would not accept that. So you would have to...I think that you would have to put in here *(audio interference)*

COUNCILMEMBER RAWLINS-FERNANDEZ: *(Audio interference)*

MS. MUNSELL: Yeah.

COUNCILMEMBER RAWLINS-FERNANDEZ: *(Audio interference)* is a housing trust. DHHL. Department of Hawaiian Home Lands.

MS. MUNSELL: Yes, I know...I know who they are, I was...what's the...what is the question? I'm sorry.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. If they...if they would take it?

MS. MUNSELL: We haven't reached out to DHHL. I'm not sure what that mechanism would be --

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay.

MS. MUNSELL: -- in these kinds of situations. That would be interesting.

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

CHAIR JOHNSON: Thank you. Thank you. Interesting line of questioning there. Councilmember Sugimura, you had your hand up?

COUNCILMEMBER SUGIMURA: I was just going to ask the Department why...why not? But I guess you're going to talk to them later. So that was my question.

CHAIR JOHNSON: Okay.

COUNCILMEMBER SUGIMURA: III is what the...the --

CHAIR JOHNSON: Oh, I'm sorry --

COUNCILMEMBER SUGIMURA: -- developer popped up, so...developer popped up. I just wonder if Mr. Carnicelli wants to say something.

CHAIR JOHNSON: Sure, sure.

MR. CARNICELLI: Yeah, I just...I just...thank you for that. I...I just wanted to say thank you, Chair and Councilmembers, for working with us on this. And we, like you, hope that this is a moot point, that...that, you know, none of this kicks in, and none of it really

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matters. Not to say that your work doesn't matter, but I'm just saying for the sake of this, we're...we're hoping that. So again, thank you.

CHAIR JOHNSON: Thank you. Thank you, Mr. Carnicelli. I also wanted to thank you guys for being so malleable. Okay. Members, we're going to move on to the next thing, and thank you, everybody, for all that. I'm curious of what you want to do. Do you want to take a break now, or you want to just bull right through until we get it all done? What do you...what's your pleasure? So we did take a break earlier, but I'd like to just hear. Go ahead, Councilmember Molina.

VICE-CHAIR MOLINA: Yeah, Chair, I'm fine with going to the next subject, but I...I do have to leave at 4:30. Just FYI for you and the Committee Members. Thank you.

COUNCILMEMBER SUGIMURA: Yeah, me too --

CHAIR JOHNSON: Any other Members --

COUNCILMEMBER SUGIMURA: -- 4:30.

### **AH-14(2) COMPREHENSIVE AFFORDABLE HOUSING PLAN: RIGHT TO HOUSING**

**(MISC)**

CHAIR JOHNSON: Okay. All right. So let's move on to the next item here. It is...moving on to AH-14(2), and the proposed resolution in paragraph two on the agenda, entitled "Establishing a Right to Housing for Maui County Residents." Members, this proposal follows our October 18th discussion on the right to housing. I'll be proposing legislation on the right to shelter at a later date. The resolution before us simply states the precedent under international law, for the right to adequate housing, which includes not just a physical dwelling, but housing that is affordable, accessible, habitable, culturally appropriate, and secure. The resolution also reaffirms the obligations under the Countywide Policy Plan ordinance to recognize housing as a human need, and to work to fulfill that need. It falls upon us to give special consideration to our most vulnerable and disadvantaged community members, our kūpuna and keiki, and people suffering from disabilities, illness, domestic violence, and housing loss to reasons beyond their control. We recognize that it creates a safer, more stable neighborhoods, and a better society overall, when people are...in the community are adequately housed, and work towards this goal should be legislative and executive priority, as stated in the proposed resolution. Members, would you like me to read the resolution aloud to you? Okay. All right, let me just pull this up over here.

COUNCILMEMBER PALTIN: Chair?

CHAIR JOHNSON: Oh, go ahead, Councilmember Keani Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Can...can the...can it also be shared on the screen?

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CHAIR JOHNSON: Excellent idea. Staff, will you share screen with us as we read...as I read this out loud to the Members?

*(Sharing screen)*

CHAIR JOHNSON: There we go. Thank you so much. Establishing a right to housing for Maui County residents. Whereas the United States signed the Universal Declaration Of Human Rights, the UDHR, in 1948, recognizing adequate housing as a component of the human right to an adequate standard of living. And whereas the UDHR proclaims in Articles 25(1), everyone has a right to a standard of living adequately...adequate for the health and wellbeing of himself and of his family, including food, clothing, housing and medical care, and necessary social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age, or other lack of livelihood in circumstances beyond his control. And whereas adequate housing meaning not only a physical dwelling, but includes affordability, habitability, accessibility, cultural appropriateness, and security of tenure, such as protection from housing discrimination, harassment, and forced removal of housing. And whereas adequate and affordable housing and shelter must be accessible to all, with special considerations given to vulnerable groups in the community, including seniors, children, the physical and developmental disabled, persons with terminal illnesses or chronic medical conditions, domestic violence survivors, victims of natural and manmade disasters, and other economically or socially disadvantaged groups. And whereas the right to adequate housing is not realized for many individuals and families throughout Maui County, with residents living in substandard housing, or lack secure, long-term housing, while hundreds more are experiencing, or at immediate risk of homelessness. And whereas the 2020 point in time count for Maui County reports 789 homeless men, women and children, over half of which were unsheltered, including 33 unsheltered children. And whereas the point in time count is the result of a single night of outreach reporting, and the actual number of Maui County residents in need of housing or shelter is much...is much...is likely much higher. And whereas adequately housed individuals and families are safer, more stable, and better able to participate in the socio-economic and civic life of the community. And whereas the community...the Countywide Policy Plan adopted by ordinance 3732 (2010) states the following policy: Recognize housing as a basic human need, and work to fulfill that need. Now therefore, be it resolved by the Council of the County of Maui, that it reaffirms the obligations under the Countywide Policy Plan, and recognizes the right to adequate and affordable housing for all Maui County residents. Number two, that it prioritizes access to housing and shelter, in all aspects of its policymaking and governance. Number three, that it house...that it uses all available resources to progressively improve the housing situation in the County, through specific and measurable actions to address community issues and needs. Number four, that it urges the Administration to recognize, respect, and protect the right of all residents to live in security, peace, and dignity. And Number five, that it certify...that certified copies of this resolution be transmitted to the Honorable David Y. Ige, Governor, State of Hawai'i; the Honorable Ronald D. Kouchi, President, Hawai'i State Senate; County of Maui delegation to the Hawai'i State Legislator; the State of Hawai'i delegation to the United States Congress; the Honorable Michael P. Victorino,

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Mayor, County of Maui; and the Director of Housing and Human Concerns. Okay. Thank you, Staff. Okay. I'll go...go ahead, Chair Lee.

COUNCILMEMBER LEE: Mr. Chair, is Corp. Counsel on the call? I was wondering what exactly is our obligation to provide housing to everyone? Council's --

MR. KUNKEL: You mean --

COUNCILMEMBER LEE: -- obligation to provide housing to everyone.

CHAIR JOHNSON: Mister --

MR. KUNKEL: -- under this resolution?

COUNCILMEMBER LEE: Yes.

MR. KUNKEL: Yes? Yes? I would...I would say it's aspirational, I don't...I don't think it's absolute...you know, absolutely and clear. But it's...it's expressing the aspiration to house everyone.

COUNCILMEMBER LEE: Okay. Thank you, Mr. Chair. When it's time, I'd like to make a couple of small amendments, nonsubstantive.

CHAIR JOHNSON: *(Audio interference)* Okay. Chair will now entertain a motion to recommend adoption of the proposed resolution entitled "ESTABLISH THE RIGHT TO HOUSING FOR MAUI COUNTY RESIDENTS."

COUNCILMEMBER PALTIN: So moved.

COUNCILMEMBER RAWLINS-FERNANDEZ: Second.

CHAIR JOHNSON: I see Miss...okay, being moved by Councilmember Paltin. Seconded by Councilmember Keani Rawlins-Fernandez. Discussion. I see Mr. Kunkel's hand raised, so let's...let's just...go ahead, Mr. Kunkel.

MR. KUNKEL: I'm sorry, Chair. Yeah, I would...I needed to get in that Mimi DesJardin told me to mention that she had a small clerical error at the top of page 2, the very first whereas needs an additional E in it.

CHAIR JOHNSON: Oops.

MR. KUNKEL: I'm sorry, and I'm...I'm not sure when is the appropriate time to say that.

CHAIR JOHNSON: Okay.

MR. KUNKEL: But the very first whereas on page 2.

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CHAIR JOHNSON: Thank you for that.

COUNCILMEMBER LEE: Could you share screen again, please?

CHAIR JOHNSON: Sure. Staff, can you do that for us?

*(sharing screen)*

CHAIR JOHNSON: Thank you. So let's find that little...oh...wait, wait, let me see. I'm looking for it.

MR. KUNKEL: Page 2 --

CHAIR JOHNSON: Oh, page 2?

MR. KUNKEL: -- whereas the point in...yeah.

MS. STEWART: Chair?

MR. KUNKEL: Yeah, Page 2 --

MS. STEWART: Chair, we... Chair, this is Alison. We have it, thank you.

CHAIR JOHNSON: Okay.

MR. KUNKEL: Right...right there.

CHAIR JOHNSON: Okay. All right. Friendly amendment, I guess.

COUNCILMEMBER LEE: Okay. Well, we need to share screen again, please, Staff?

CHAIR JOHNSON: Okay. Yeah, let's go to --

COUNCILMEMBER LEE: First page.

CHAIR JOHNSON: -- Chair Lee. Chair Lee.

COUNCILMEMBER LEE: The top of the page. I believe it's the second paragraph, where it says, "everyone has the right to a standard of living adequate for the health and wellbeing of himself and his family." So I would change it to everybody, and that way, you can make it plural, "everybody has the right to a standard of living adequate for the health and wellbeing of their family, including food..." Okay.

CHAIR JOHNSON: I...I appreciate --

COUNCILMEMBER LEE: Chair, some...this is --

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CHAIR JOHNSON: -- that, Chair Lee.

COUNCILMEMBER LEE: -- a little sexist here, you know.

MS. STEWART: Chair?

CHAIR JOHNSON: I --

COUNCILMEMBER LEE: Change it to "their (*audio interference*)"

CHAIR JOHNSON: I -- I know --

MS. STEWART: Chair, sorry.

CHAIR JOHNSON: Go ahead.

MS. STEWART: Sorry to interrupt, but that...that's a direct quote.

CHAIR JOHNSON: Right.

MS. STEWART: So we wouldn't change the quote, but if you'd like to have us reword the entire paragraph to paraphrase, that's...that's an option.

CHAIR JOHNSON: See, the issue is...and I appreciate Chair Lee's, because when I read that, I said...I said the same thing. But it was written in 1948, and that's when they did the gender-specific pronouns. And I...I appreciate your concern, and I, too, agree that we want to have inclusive language. So if...I...I mean, we were quoting somebody from 1948, who used those types of...of languages, so to be...you know, to be true to the quote, we had to do it that way. But if --

COUNCILMEMBER RAWLINS-FERNANDEZ: Chair?

CHAIR JOHNSON: -- if the body wants to edit that and make it more inclusive, hey, I'm all...I'm all open ears for that.

COUNCILMEMBER RAWLINS-FERNANDEZ: Chair?

CHAIR JOHNSON: Is that...I'm sorry, who's saying "Chair"? Is it --

COUNCILMEMBER RAWLINS-FERNANDEZ: It's me.

CHAIR JOHNSON: -- Alison? Oh. Okay --

COUNCILMEMBER RAWLINS-FERNANDEZ: It's --

CHAIR JOHNSON: -- sorry.



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COUNCILMEMBER RAWLINS-FERNANDEZ: It's Member Rawlins-Fernandez.

CHAIR JOHNSON: Keani Rawlins-Fernandez, go ahead. I'm sorry. Okay, I got you.

COUNCILMEMBER RAWLINS-FERNANDEZ: I think we can make amendments to the quotes. We just have to put it in brackets to acknowledge that it's not part of the original quote. I support Chair Lee's amendments.

CHAIR JOHNSON: Okay. So amended by Chair Lee, seconded by Councilmember --

COUNCILMEMBER RAWLINS-FERNANDEZ: Councilmember Rawlins-Fernandez.

CHAIR JOHNSON: -- Rawlins-Fernandez. Yep, Councilmember Keani Rawlins-Fernandez. So discussion? And then we'll just make that amendment. So I think I see Shane Sinenci's hand up. Go ahead, Councilmember.

COUNCILMEMBER SINENCI: Thank you, Chair. And I guess one of the testifiers had mentioned possibly "every resident," so I don't know if Members would be...or...or Chair Lee would be open to resident. That would kind of keep our focus to the residents in the County versus everybody as a...as a priority. Although it does say in the title, Maui County residents, so...

CHAIR JOHNSON: So Councilmember Shane Sinenci, you're speaking on that quote that says "everyone has the right to," is that the specific section?

COUNCILMEMBER SINENCI: Yeah, that was just referring to the comments made by one of the testifiers.

CHAIR JOHNSON: Uh-huh.

COUNCILMEMBER LEE: Oh, you mean --

CHAIR JOHNSON: *(Audio interference)*

COUNCILMEMBER LEE: -- say...you mean say "residents have the right" --

COUNCILMEMBER SINENCI: "Every resident has the right" --

COUNCILMEMBER LEE: "...and well-being of their family"? Change "everyone" to "residents"? Oh, okay.

CHAIR JOHNSON: Okay.

COUNCILMEMBER LEE: I wasn't...I wasn't so concerned about everyone. It...it was the "himself" and "his family" --

CHAIR JOHNSON: Yeah.

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COUNCILMEMBER LEE: -- sounds so out of --

CHAIR JOHNSON: It's truly dated. Yeah, it's totally...yeah, I agree with you. But we were quoting it, so it's just like...but if we can make it like what...the way Councilmember Keani Rawlins-Fernandez says, we bracket it, that makes sense to me.

COUNCILMEMBER LEE: Yeah.

CHAIR JOHNSON: And I just saw her hand up there. Go ahead, Councilmember Keani Rawlins-Fernandez.

COUNCILMEMBER LEE: I like that idea.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. I...I support "residents," but I think if...in that sense of the Universal Declaration of Human Rights, I don't...I don't think that they distinguish between residents and nonresidents, so for this whereas clause, I...I...I wouldn't be able to support that amendment, just because it's taking the quote...I support making the quote gender neutral, that's nonsubstantive, and you know, is more all-inclusive. And again, it's, like, nonsubstantive. But I think changing "everyone" to "every resident" is...is more of a substantive amendment to the quote, so I...I wouldn't be able to support that. I...you know, I mean if others want to, I'm...no judgment, I'm just saying that. And...but as a County . . . *(timer sounds)*. . . we support residents, and so if we said...if there's...if there's a whereas clause that has for the County, that we support residents', you know, right to housing, and I think it says that on the second page, I would support it there. Mahalo, Chair.

CHAIR JOHNSON: Okay.

COUNCILMEMBER SINENCI: Yeah. Chair, I...I'm open. I mean, it does...it does say Maui County residents in the title.

CHAIR JOHNSON: Yes, it does. Yeah.

COUNCILMEMBER SINENCI: So yeah.

CHAIR JOHNSON: Okay. Anyone else? I...I apologize if your hand's up, I can't see everyone.

COUNCILMEMBER RAWLINS-FERNANDEZ: Oh, Chair?

CHAIR JOHNSON: Yes, Councilmember Keani Rawlins-Fernandez?

COUNCILMEMBER RAWLINS-FERNANDEZ: This is just to clarify what the amendment is, and I...I...at...at the moment, because if it...if it is residents, then I...I'm going to have to vote against it.

CHAIR JOHNSON: And I...I'm not sure if Councilmember Shane Sinenci was going to move

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forward with that amendment. Is that true...is that true, Councilmember Shane Sinenci?

COUNCILMEMBER RAWLINS-FERNANDEZ: Well, the motion...the motion to amend on the floor right now is Chair Lee's motion.

CHAIR JOHNSON: Okay. But that...wasn't it nonsubstantive? Changing the --

COUNCILMEMBER RAWLINS-FERNANDEZ: No, I...I second...I seconded her motion.

CHAIR JOHNSON: Okay. Okay.

COUNCILMEMBER RAWLINS-FERNANDEZ: But I wasn't sure if Chair Lee was accepting Member Sinenci's amendment as a friendly amendment.

CHAIR JOHNSON: Oh, I see, I see, I see.

COUNCILMEMBER LEE: You know what, Member Sinenci, since it's already addressed in the title, Maui County residents, I think if we went back to "everybody has the right," et cetera, okay? Thank you.

COUNCILMEMBER SINENCI: I'm fine with that.

COUNCILMEMBER LEE: Thank you.

CHAIR JOHNSON: Okay. All right, then. I saw Councilmember Molina's hand up.

VICE-CHAIR MOLINA: Yeah, Chair. No, no, I think my question's been answered, because that was my question with regards to Mr. Sinenci's amendment. Changing that word "everyone," I guess is somewhat of a fundamental change to what...to an existing proclamation, and to change it to a resident, yeah, it just...that wouldn't fit, in my opinion. Although we all understand the intent of this, we do want to give priority to Maui County residents, but again, you're taking a...an existing proclamation and making a very substantive change like that. Yeah, I would have a difficult time supporting that as well. But (*audio interference*)...but being that now Mr. Sinenci's going to withdraw that request, I guess everything is moot. Because I was just going to suggest why don't we vote on Chair Lee's amendment, then we can go to vote separately on Mr. Sinenci's proposal. But now that it's been withdrawn, no problem.

CHAIR JOHNSON: Okay.

VICE-CHAIR MOLINA: I'll...I'll support Chair...Chair Lee's proposal as well.

CHAIR JOHNSON: Okay. All right. And I know...if you noticed in the chat, we have OCS James Forrest, he wrote what he had heard us speak to. I'll...I'll just read it out loud for the record. "Whereas the UDHR proclaims in Article 25(1), everyone has the right to a standard of living adequate for the health and wellbeing of [himself and of his] their

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family, including food, clothing, housing, and medical care necessary, social services, and the right to security in the event of unemployment, sickness, disability, widowhood, old age, or other lack of livelihood...in circumstances beyond his...his control.” Let’s change that “beyond his control,” that was part of what...I mean there was not just one section where it was gender-specific, right? So is...isn’t that right, Chair Lee? You wanted to have it just...not in just one --

COUNCILMEMBER LEE: Right.

CHAIR JOHNSON: -- section.

COUNCILMEMBER LEE: Yes, please.

CHAIR JOHNSON: Okay. Mr. Forrest, if you could be so kind.

COUNCILMEMBER LEE: But why do we have to keep “himself and his family”? What...that’s what he’s trying to do, right?

CHAIR JOHNSON: Forrest, you want to speak on what your in...what you --

COUNCILMEMBER RAWLINS-FERNANDEZ: Chair?

CHAIR JOHNSON: Go ahead.

COUNCILMEMBER RAWLINS-FERNANDEZ: We have to keep...

CHAIR JOHNSON: *(Audio interference)*

COUNCILMEMBER RAWLINS-FERNANDEZ: May --

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

COUNCILMEMBER RAWLINS-FERNANDEZ: It is...I...I fixed it, and I put it in the chat.

CHAIR JOHNSON: Okay. Look, see, she’s one step ahead of everything. Whereas the UDHR proclaims in Article 25(1), everyone has a right to a standard of living adequate for the health and wellbeing of their...there it is, brackets [of their family], including food, clothing, housing, duh-duh-duh, and at the very end, it says “old age, or other lack of livelihood in circumstances beyond [their] control...brackets on “their.” Is that...does that sound good to you, Chair Lee? Is that...

COUNCILMEMBER LEE: It sounds good, but I think it’s grammatically incorrect, because everybody refers to...is a plural word, and everyone is singular. But you know what, who cares? I’ll go either way. . . .*(laughing)*. . .

CHAIR JOHNSON: Okay. We have another...another option from Councilmember Keani Rawlins-Fernandez. Wow, she’s fast. Brackets...so she bracketed “everybody,” okay?

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So that kind of sounds...that...that's the only word. I don't want to read it a third time, please don't make me. The...but basically, it's the same thing, with just "everybody" in brackets.

COUNCILMEMBER LEE: Very good. Excellent.

CHAIR JOHNSON: All right. Wordsmithing at its finest. Okay. That looks pretty good. Everybody...so I'm...that was an amendment, wouldn't you say? Or was that a nonsubstantive? Because we had a first and a second on it, right?

COUNCILMEMBER RAWLINS-FERNANDEZ: Yeah, we can call for the question.

CHAIR JOHNSON: Okay, let's just call --

COUNCILMEMBER RAWLINS-FERNANDEZ: Call for the question.

CHAIR JOHNSON: -- for the question. Wait, before we go, we got Councilmember Molina.

VICE-CHAIR MOLINA: Sorry Chair, to disrupt the party a little bit, but just...I wanted to ask the Director, Housing Director, just a couple of questions regarding this proposal.

CHAIR JOHNSON: Sure. Can we stop sharing screen, so we can get the Deputy Director on here?

COUNCILMEMBER RAWLINS-FERNANDEZ: Oh, Chair, point of order.

CHAIR JOHNSON: Go ahead.

COUNCILMEMBER RAWLINS-FERNANDEZ: Real quick. We're...we're going to vote on the amendment to remove the...the gender binary...or to make it more gender-inclusive. So that would be the vote, and then we can discuss the whole reso.

CHAIR JOHNSON: Ah, gotcha. Yeah. Okay. Let's vote on the amendment then. And then discussion. So Members, on the motion to amend by Chair Lee, all those in favor, raise your hand and say "Aye."

COUNCILMEMBERS: Aye.

CHAIR JOHNSON: I don't see Councilmember Kama. I beg your pardon.

COUNCILMEMBER RAWLINS-FERNANDEZ: I...I see her raising her hand.

CHAIR JOHNSON: Okay. Thank you.

COUNCILMEMBER KAMA: Thank you.

CHAIR JOHNSON: So that's eight "ayes," one excused. Amendment passes. I beg your pardon.

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

**NOES:    None.**

**ABSTAIN:    None.**

**ABSENT:    None.**

**EXC.:    Councilmember King.**

**MOTION CARRIED.**

**ACTION:    AMENDMENT APPROVED.**

CHAIR JOHNSON: So now we're on to the main motion. Molina's question.

VICE-CHAIR MOLINA: Yeah, thank you, Mr. Chairman. And for Director Munsell, first, are there any housing facts or significant data that the Department could possibly add or change in this resolution? And if this resolution is passed, does the Department have any legislative proposals in mind that could support the Countywide policy to recognize the right to adequate and affordable housing? Madam Director?

MS. MUNSELL: Thank...thank you for that question. The Department does support and recognize that housing is a basic human need that's...as stated in the Countywide Policy Plan, and we work every day towards trying to fulfill that need, based on what we understand to be the housing needs of the County. So you know, you've...the Hawai'i Housing Planning Study outlines what our goals should be, and we work towards that all the time. Our...our concern about this legislation, obviously, is to ensure that it is an aspirational document, which is what Corporation Counsel has indicated, and it isn't putting the County at a...in a position where we're having to provide housing at any cost to...to everyone who happens to show up on our shores. So you know, we do like...I...we do understand what you're trying to achieve here aspirationally [*sic*], and we will continue to work towards providing housing as needed for our residents.

VICE-CHAIR MOLINA: Okay, thank you. And yeah, I...I understand your concern with it, you know, on its face value so to speak, but it could be used, assuming it passes, to actually benefit your Department's efforts for any requests down the line for Budget. I mean, you could refer to this resolution, say, if you needed something for any proposal that you may have in mind down the road. So we can...I can see some benefits to it as well, for...from the Department's perspective, but that's just me, so...but thank you for your responses, Madam Director. Thank you, Chair.

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MS. MUNSELL: Yeah, thank you for that thought.

CHAIR JOHNSON: Thank you so much, Councilmember Molina. Let's move on to Councilmember Shane Sinenci.

COUNCILMEMBER SINENCI: Yeah. Thank you, Chair. Move to amend the document to include, in the fourth whereas statement, after...including seniors, children, and physically and psychiatrically, developmentally disabled, to add the word psychiatric in the middle of the page.

CHAIR JOHNSON: Okay. We have an amendment by Councilmember Shane Sinenci. Do we have a seconder?

COUNCILMEMBER LEE: Second for discussion.

CHAIR JOHNSON: Okay. Seconded by Chair Lee. Discussion, Members.

COUNCILMEMBER SINENCI: Thank you, Chair. And yeah, and from testifiers saying that physically and psychiatrically developmental disabled is very different. A lot of our houseless comes with a lot of different issues that require help from different agencies. So I think if we did have somebody that was physically, as one of the vulnerable groups, certain types of agencies would not be able to...to help those that are psychiatrically disabled.

CHAIR JOHNSON: Okay. We have Councilmember Paltin, followed by Councilmember Kama.

COUNCILMEMBER PALTIN: So I don't...I don't want to try and offend anyone, but I just...I just want to make sure we're using the correct terminology. Because my understanding is, like folks that see a psychiatrist can be prescribed drugs, but that's not...I think we want to include everyone with any type of mental health challenge, and not only the folks that need to see a psychiatrist, or need to get prescribed drugs. Like, I mean...I'm not sure what the correct terminology is, but I support the intent, and maybe somebody smarter would know what the correct terminology is?

CHAIR JOHNSON: I notice that Councilmember Keani Rawlins-Fernandez wrote in the chat, "Is it physically and psychologically developmentally disabled?" Is that your...oh, Councilmember Shane Sinenci's raising his thumb. Thumbs up.

COUNCILMEMBER PALTIN: Okay. I'm done. *(Audio interference)*.

CHAIR JOHNSON: Okay. All right. So I...I called on Councilmember Kama, and then we'll follow with Councilmember Keani Rawlins-Fernandez.

COUNCILMEMBER KAMA: Thank you, Chair. And thank you, Member Sinenci, for your contribution to this. But I want to be clear too, as Member Paltin is, that when we look at what we're...what we intend to say and what we're actually saying, and who else are we including in this, is that there is already an identified group called developmentally

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disabled. That's a whole different target. If you add the word psychiatric to that, then you're putting them all into this one big group. So I'd like to ensure that we keep that population different, and if you wanted to include the other psychiatric [sic] word there, then you'd attach it to something else, and not attach it to the developmentally disabled. And that's my comment, Chair. Thank you.

CHAIR JOHNSON: Okay. Okay, I think it was Councilmember Keani Rawlins-Fernandez was next, right? Yeah. Go ahead.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. Okay. All right. I've been trying to work on this too, like Member Paltin. What if we say "differently abled," Member Kama?

COUNCILMEMBER KAMA: I...I think the word that --

COUNCILMEMBER RAWLINS-FERNANDEZ: *(Audio interference)*

COUNCILMEMBER KAMA: -- Miss --

COUNCILMEMBER RAWLINS-FERNANDEZ: People of all abilities. Of all abilities. People of all abilities?

COUNCILMEMBER KAMA: I'm not sure if that response to Member Sinenci's question about wanting to include those that are...who need psychiatric...psychiatric [sic] help.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. What about --

COUNCILMEMBER KAMA: But if *(audio interference)* I'm okay. I am okay with that. I just want to make sure it meets with him.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay, what about "People"..."People with physical, developmental, and mental disabilities"?

COUNCILMEMBER KAMA: I think we need to keep the two words, "Developmentally disabled," as one target group.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay.

COUNCILMEMBER KAMA: And then probably want to add on something else to the physically and psychiatrically something, something.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. Mahalo, Chair. I'll keep working at it.

CHAIR JOHNSON: Okay. All right. Councilmember Molina.

VICE-CHAIR MOLINA: Yeah, thank you, Chair. Maybe to add to the conversation, maybe considering the word...the term "special needs"? I guess it's some...something much more broad. I don't know if that...that would apply, but just throwing that out there.



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CHAIR JOHNSON: Special needs? Okay. I think right now, we're just all kind of just talking this out, so what would be the way that we have inclusive folk, you know, we want to have, so that's...that's really where we're at, trying to wordsmith where we want to include...you know, the intent here...I'll read the sentence over again. Whereas adequate and affordable housing and shelter must be accessible to all, with special consideration given to vulnerable groups in the community, including seniors, children, the physical...physically and developmentally disabled persons with terminal illnesses or chronic medical conditions, domestic violence survivors, victims of natural and manmade disasters, and other economically or socially disadvantage groups. Those...I think that we're...we're honing in how to do we talk about people with behavioral health issues, right? Mental...and so behavioral health issue is kind of a catch-all phrase by the...it's...I...that's the debate. Like, I...I don't...you know, where we want to include...use inclusive language, and I...I really appreciate Councilmember Kama speaking on that issue, is how do we have this inclusive language for the...these folks, and what's...what's the best way to say it. And we have Councilmember Paltin.

COUNCILMEMBER PALTIN: I just was wondering, maybe we could reach out to the Maui Disability Alliance, and see...because I mean, I think we all have good intentions, and we would hate to inadvertently insult anyone because we're not ma'a to the terminology of today that is used in the County. So could the legislative intent be to check in with the Disability Alliance on the best wording that they're using in this day and age?

CHAIR JOHNSON: Hmm. Okay. We have Chair Lee. Go ahead, Chair Lee.

COUNCILMEMBER LEE: Well, in order to move this forward, we could vote on this today, and then someone go and...could check with the Disability Alliance, and then we could make an amendment on the floor at the Council meeting.

CHAIR JOHNSON: I see a lot of people nodding their heads, and I, too, agree with you, Chair Lee. As...as the Chair, I can go and reach out to them and come back with what specific wording would be appropriate for the folks that we're trying to cover here. I'm...I'm okay with that, for sure. But you know, it's...we could do that, if you guys don't mind doing that.

VICE-CHAIR MOLINA: No objections.

CHAIR JOHNSON: That sounds like a plan? So then we would have to ask Councilmember Shane Sinenci and Chair Lee to remove their amendments and --

COUNCILMEMBER LEE: Oh, no, I think --

CHAIR JOHNSON: Or just leave --

COUNCILMEMBER LEE: Remove what?

CHAIR JOHNSON: *(Audio interference)* need to do it. How would you want to do this? Do you

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want to...because we have a motion to amend by Councilmember Shane Sinenci.

COUNCILMEMBER LEE: Okay, if he could withdraw that --

CHAIR JOHNSON: Um-hum.

COUNCILMEMBER LEE: -- and then we proceed to vote on the resolution, and in the interim, you check with the agency to find the correct, appropriate verbiage, and you can make that amendment on the floor when it's time.

CHAIR JOHNSON: I gotcha. So Councilmember Shane Sinenci is raising his hand to remove his amendment. Chair Lee's going to remove her second, and then we're just...and I'll come back before the next time, to do exactly what we just discussed. I don't want to say it again, because it was so beautifully said by you, Chair Lee. Okay, Councilmember Sugimura.

COUNCILMEMBER SUGIMURA: Is...in listening in on this, and...I wonder if they may have any comments they want to make because of Countywide Policy Plan and how this would impact that.

CHAIR JOHNSON: I'm sorry, who would you want to have speak on that?

COUNCILMEMBER SUGIMURA: Planning. There's somebody from Planning here.

CHAIR JOHNSON: Planning. Oh, sure.

COUNCILMEMBER SUGIMURA: I...I'm wondering why they're listening in, and maybe that's why. I think this belongs there.

COUNCILMEMBER PALTIN: I think he's GIS, so...

COUNCILMEMBER SUGIMURA: Oh, he's GIS. So Countywide Policy Plans are aspirational, so I wonder how this would impact that? Does that...is this...is this where this belongs?

CHAIR JOHNSON: I do believe it's an ordinance, right?

COUNCILMEMBER SUGIMURA: This is a reso, right?

CHAIR JOHNSON: No, I...I agree, yeah, this is a reso, but the Countywide Plan is --

COUNCILMEMBER SUGIMURA: Oh, oh, I see --

CHAIR JOHNSON: -- *(audio interference)*

COUNCILMEMBER SUGIMURA: -- I see what you're saying. Yeah, so would this, then, belong in the Countywide Policy Plan?

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CHAIR JOHNSON: No, I think in...the reso is referring to the Countywide Plan, saying...this is already in the Plan that we're supposed to be doing this, and this reso references it.

COUNCILMEMBER SUGIMURA: Is there Corp. Counsel, somebody could comment on that, and am I far off?

CHAIR JOHNSON: Sure.

MR. KUNKEL: I agree with...I agree with Chair Johnson. It...it references it. It won't become part of the already-existing ordinance, but it'll be its own independent resolution referring to it.

COUNCILMEMBER SUGIMURA: Okay. Thank you.

CHAIR JOHNSON: Okay, Members. Any...anybody else? We've got Councilmember Shane Sinenci.

COUNCILMEMBER SINENCI: Thank you, Chair. Yeah, just one more move to amend the...to add...after the fourth albeit resolved statement, to say "The County will provide adequate inventory for all residents to reside in safety."

CHAIR JOHNSON: Okay. Motion to amend by Councilmember Shane Sinenci. Do we have a second?

COUNCILMEMBER RAWLINS-FERNANDEZ: Second for discussion.

CHAIR JOHNSON: Second for discussion by Councilmember Keani Rawlins-Fernandez. Councilmember Shane Sinenci?

COUNCILMEMBER SINENCI: Thank you, Chair. And as Mr. Kunkel had previously stated, these are, at this point, the ordinance is aspirational, and so just adding that safety...that all of our residents be...that we work diligently as a County to...to provide...I think the...the word inventory is important. Like, I believe other states might have different housing options to address our homeless and houseless situation, and...and for us, I...I don't think we have those adequate options at this time as a County. And I think by putting this into the reso, that way we can work diligently to...you know, to look at some of the other counties that have more options for...for their houseless population. Thank you, Chair.

CHAIR JOHNSON: Well said. Okay, any other discussion? Go ahead, Councilmember Keani Rawlins-Fernandez.

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. Okay, I just wanted to repeat it. Maybe it can be put in the chat. Like, so it would be a new Number IV or a new Number V? So it would be IV and then V, and then...okay, okay. And then it would be adequate inventory be provided for all residents to reside in safety?

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COUNCILMEMBER SINENCI: Correct. Yeah.

COUNCILMEMBER RAWLINS-FERNANDEZ: Chair, you're muted, just FYI. So I...reside or to...okay. Okay, I was thinking of a different word, like "to have shelter in safety," but this is for housing, so "to reside," as in, like, long-term.

CHAIR JOHNSON: "To exist in safety"?

COUNCILMEMBER RAWLINS-FERNANDEZ: "Live"?

CHAIR JOHNSON: *(Audio interference)* safely?

COUNCILMEMBER RAWLINS-FERNANDEZ: I...I guess my question about reside is, like, the duration, sorry.

CHAIR JOHNSON: Right, like a residence, right? Is that what you're --

COUNCILMEMBER RAWLINS-FERNANDEZ: Right, yeah.

CHAIR JOHNSON: -- referring to? Right.

COUNCILMEMBER RAWLINS-FERNANDEZ: Yeah, yeah.

CHAIR JOHNSON: Hmm. "Reside in." Did you feel that it has, like, a time length thing inherently in that? I can --

COUNCILMEMBER RAWLINS-FERNANDEZ: Yeah, like a longer...it...it...but I guess if this is a right to housing, housing is more long-term. I guess it...it matches.

CHAIR JOHNSON: Well, yeah, it could be a shelter, and you know, hopefully...so reside, huh? Hmm.

COUNCILMEMBER SINENCI: *(Audio interference)*

CHAIR JOHNSON: Go ahead, Shane Sinenci.

COUNCILMEMBER SINENCI: Yeah, so I mean if "reside" or "habitate"... "habitat" has...also has a...a time...time issue, or can address temporary as well?

CHAIR JOHNSON: Staff, can you write in the chat, what is...I keep...I keep --

COUNCILMEMBER KAMA: Yeah, maybe...yes, thank you.

CHAIR JOHNSON: -- just write in there so we can...thank you.

COUNCILMEMBER KAMA: Yes. Thank you, Chair.

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

COUNCILMEMBER RAWLINS-FERNANDEZ: Mahalo, Chair. I think...I think it might be missing a verb. That it reaffirms --

COUNCILMEMBER KAMA: Well, can you recite it?

COUNCILMEMBER RAWLINS-FERNANDEZ: Be it resolved by the County of Maui, and then it's...adequate inventory be provided...oh, for all residents to reside in safety. So maybe it's supposed to be that "it" and then a verb? Like reaffirms, prioritizes, uses, urges. Urges? That it urges the Administration to provide adequate inventory?

COUNCILMEMBER SINENCI: Friendly amendment.

COUNCILMEMBER KAMA: What is the inventory of?

COUNCILMEMBER PALTIN: Housing.

COUNCILMEMBER KAMA: We should put that in.

COUNCILMEMBER RAWLINS-FERNANDEZ: Okay. Mahalo, Chair.

CHAIR JOHNSON: Okay. I was trying to write down what...what we're doing. So we're going to have to look at the whole thing, because I want to be really clear what we're adding to it. Staff, have you been following on it, where you could write it in chat for us?

MS. STEWART: No, Chair. And I would...the chat is not to be used for that purpose, because people viewing don't have access to the chat. So if we could just repeat verbally --

CHAIR JOHNSON: Okay.

MS. STEWART: -- what it is that the Members would like for that new "therefore" clause. And then --

CHAIR JOHNSON: We could share screen?

MS. STEWART: Yes, we can share screen.

CHAIR JOHNSON: And then could we just write it on there, because I...I'm trying to, you know, spinning plates. I want everybody to know exactly what we're talking about, and I don't want us to go longer, so I'm trying to get this, you know, on the record, as they say.

MS. STEWART: Okay, Chair. Give us one second.

CHAIR JOHNSON: Thank you.

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*(sharing screen)*

CHAIR JOHNSON: "That it urges the Administration to provide adequate inventory for all residents to reside in safety." I don't feel that that has that long-term kind of thing we were discussing. I think that kind of gets to where we're at. "That it urges the Administration to recognize, respect, and protect the right of all residents to live in security, peace and dignity." So we...this would be a new one, yes?

MS. STEWART: Is this correct? That there would be a new Number V?

UNIDENTIFIED SPEAKER: Yes.

CHAIR JOHNSON: Yes.

UNIDENTIFIED SPEAKER: Yes.

CHAIR JOHNSON: Yes.

MS. STEWART: Then can you...can you repeat it, please?

CHAIR JOHNSON: "That it urges the Administration to provide adequate...adequate inventory for all residents to reside in safety." I'll read it again slower. "That it urges the Administration to provide adequate inventory for all residents to reside in safety." Cool.

MS. STEWART: And would...would that be inventory of housing? Or inventory...I...I believe as Member Kama said, inventory of...what exactly?

CHAIR JOHNSON: Inventory of shelter, or...inventory of --

COUNCILMEMBER KAMA: Of what? What?

CHAIR JOHNSON: Housing or shelter, which one? Housing and shelter? Housing and/or? Well, this is the right to housing bill, or right to housing reso, so I would say inventory of housing for all residents to reside in. Or shelter and housing options. Yeah, housing and shelter, or shelter and housing options. Yeah.

*(sharing screen)*

CHAIR JOHNSON: Okay, that looks like it. I don't see any... Councilmember Shane Sinenci?

COUNCILMEMBER SINENCI: Thank you, Chair. I believe Member Kama, Pro Tem Kama had her --

CHAIR JOHNSON: Oh, I beg your pardon. Sorry. Councilmember Kama?

COUNCILMEMBER KAMA: Thank you, Chair. I kind of like it now, because I know what it is that we have to provide to our people, that we'll be able to keep them safe, and they have

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options that they can. I'm just not sure how we're going to provide that to them, but I guess that is something that we're going to continue to urge the Administration to do. So thank you, Member Sinenci. Thank you, Chair.

CHAIR JOHNSON: Okay. Any further discussion on this amendment? Okay. All those in favor of this amendment, raise your hand and say "aye."

COUNCILMEMBERS: Aye.

CHAIR JOHNSON: We have eight "ayes," one excused. Motion passes. The one excused is Councilmember Kelly King.

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

**NOES:   None.**

**ABSTAIN:   None.**

**ABSENT:   None.**

**EXC.:   Councilmember King.**

**MOTION CARRIED.**

**ACTION:   AMENDMENT APPROVED.**

CHAIR JOHNSON: All right. We're going to go back to the main motion. I don't see any other amendments. All right. The Chair will now call for a vote to recommend the adoption of the proposed resolution establishing...entitled "ESTABLISHING A RIGHT TO HOUSING FOR MAUI COUNTY RESIDENTS," incorporating revisions made by the Committee today, and nonsubstantive revisions. All those in favor, raise your hand and say "aye."

COUNCILMEMBERS: Aye.

CHAIR JOHNSON: Okay, that's eight "ayes." Any opposed? Zero opposed; one excused. Okay, motion passes. All right...yeah, main motion passes.

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

**NOES:**    **None.**

**ABSTAIN:**    **None.**

**ABSENT:**    **None.**

**EXC.:**    **Councilmember King.**

**MOTION CARRIED.**

**ACTION:**    **Recommending ADOPTION of revised resolution.**

CHAIR JOHNSON: All right. Okay, Members, I...you know, I just want...we...that brings us to the end of the...end of the meeting, and I know we're running a little bit late. I want to thank you guys all for your hard work. You know, I...if...if you don't mind, I just want to read something out that I just...I just wanted to speak to you right before we go. All right? It's only going to take a moment. So I stand in strong support of this resolution for many reasons. First, we have a housing crisis that is propped up by systemic failure since the early 1980s. We all can see it. We force people to navigate through a draconian system that leaves a narrow pathway to services. The driving force behind our homeless division are complaints. I'll say this again, all people deserve dignity. If we allow members of our community to be treated by...as anything else than human, then we...we ourselves, suffer. My dignity is degraded when another member of my community is. We are all one 'ohana. The right to housing should be...not be determined by how much money someone has in their pocket, as local governments do best when we help all corners of our society. Housing is a fundamental human right, it's key to how we exit this homeless and escalating housing crisis. Oh, five points now, supposedly we're going to have six points in the resolution. That plants a flag on the field, and tells us all who will hear it, this Council is willing to fight for justice, and for our people who need it the most. We cannot continue to penalize the poor for being poor. We cannot continue the cycle of government-sponsored trauma, especially for the Kanaka, who are the largest minority of those living unsheltered, and are the ones with the highest debt owed. So Members, I wanted to just say thank you for your gumption, thank you for that fire to lead the State, to lead...hopefully we lead the nation. We're trying to fix the things that have been systemic failures for our people. So thank you all, and I appreciate you staying a little bit late to...with us today. So the time is now 4:39, and the Affordable Housing Committee is adjourned. . . .(gavel). . .

**ADJOURN: 4:39 p.m.**

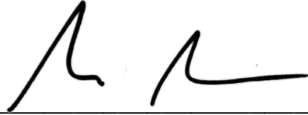


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APPROVED BY:

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

GABE JOHNSON, Chair  
Affordable Housing Committee

ah:min:211101:kr

Transcribed by: Kaliko Reed

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CERTIFICATION

I, Kaliko Reed, hereby certify that pages 1 through 65 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 24th day of November 2021, in Wailuku, Hawai'i

A handwritten signature in dark ink, appearing to read "K. Reed", is written above a horizontal line.

Kaliko Reed